REPORT TO COUNCIL 24
City of Sacramento

915 I Street, Sacramento, CA 95814-2671
www. CityofSacramento.org

CONSENT
January 17, 2006

Honorable Mayor and
Members of the City Council

Subject: Annexation No. 1 to North Natomas Drainage Community Facilities District No. 97-01 - Ordinance to Levy a Special Tax

Location/Council District:

The North Natomas Drainage Community Facilities District (CFD) 97-01 is located in Council District 1. Annexation No. 1 includes one property that is in Council District 1 (Attachment "A", Page 4).

Recommendation:

Adopt an Ordinance: 1) Levying a Special Tax for property annexed into the North Natomas Drainage Community Facilities District No. 97-01.

Contact: Robert A. Cooper, Senior Engineer, (916)808-5778; Ron Wicky, Program Specialist, (916) 808-5628
Presenter: Not Applicable
Department: Development Services
Division: Public Improvement Financing
Organization No: 4815

Summary:

This CFD annexation was completed on January 10, 2006 (see Attachment "B"). The Special Tax levy will pay for authorized drainage improvements.

Committee/Commission Action: None

Background Information:

On March 4, 1997, City Council approved formation of the North Natomas Drainage CFD 97-01. The purpose of the CFD was to remove the underlying property from the 100 year flood plain and acquire land for habitat mitigation. The CFD includes approximately 5,800 acres. The CFD was authorized to sell bonds to finance improvements to drainage facilities including levees, channels, and pumping plants.

Land acquisition, engineering and other miscellaneous costs were also authorized. The annexation will consist of new residential development. The development project for this annexation is listed as follows:

This annexation will annex the Machado Subdivision boundary (Planning File P04-114) into the existing North Natomas Drainage CFD No. 97-01 boundary.

Financial Considerations:

There is no impact to the General Fund. The North Natomas Drainage CFD has been structured to allow parcels to annex to the district through a Catch-up Special Tax. The Special Tax will be paid by the property owner prior to, or concurrent with, annexation.

The Catch-up Special Tax will be set equal to the sum of the applicable Maximum Special Tax per gross acre for the prior nine years in which the Special Tax was levied for undeveloped parcels east of Interstate 5 in Land Use Category 5, multiplied by the gross acres of the annexing parcel. The annexing property will be subject to a Catch-up Special Tax of $30,385.67 ($4,877.31 per gross acre).

The maximum annual Special Tax rates levied on new residential properties for FY 2005/06 are $105.45 per single family parcel and $70.30 per multi family unit. The FY 2006/07 Special Tax will be adjusted with an annual escalation factor based on the Consumer Price Index, not to exceed 2%.

Environmental Considerations:

Under California Environmental Quality Act (CEQA) Guidelines, administration and annexation into a CFD do not constitute a project and therefore is exempt from review.

Policy Considerations:

The procedures under which this CFD annexation is being initiated are set forth in Title 5 of the Government Code, Sections 53311-53317.5, entitled "The Mello-Roos Community Facilities Act of 1982." Annexation into North Natomas Drainage CFD 97-01 is consistent with the City's Strategic Plan 3 Year Goal to "achieve sustainability and enhance livability".

Emerging Small Business Development (ESBD):

None. No goods or services are being purchased.

Respectfully Submitted by: _____
Mark Griffin
Fiscal Manager, Development Services Department

Approved: _____
Carol Shearly
Director of Planning, Development Services Department

Recommendation Approved:

_____
Ray Kerridge
Interim City Manager

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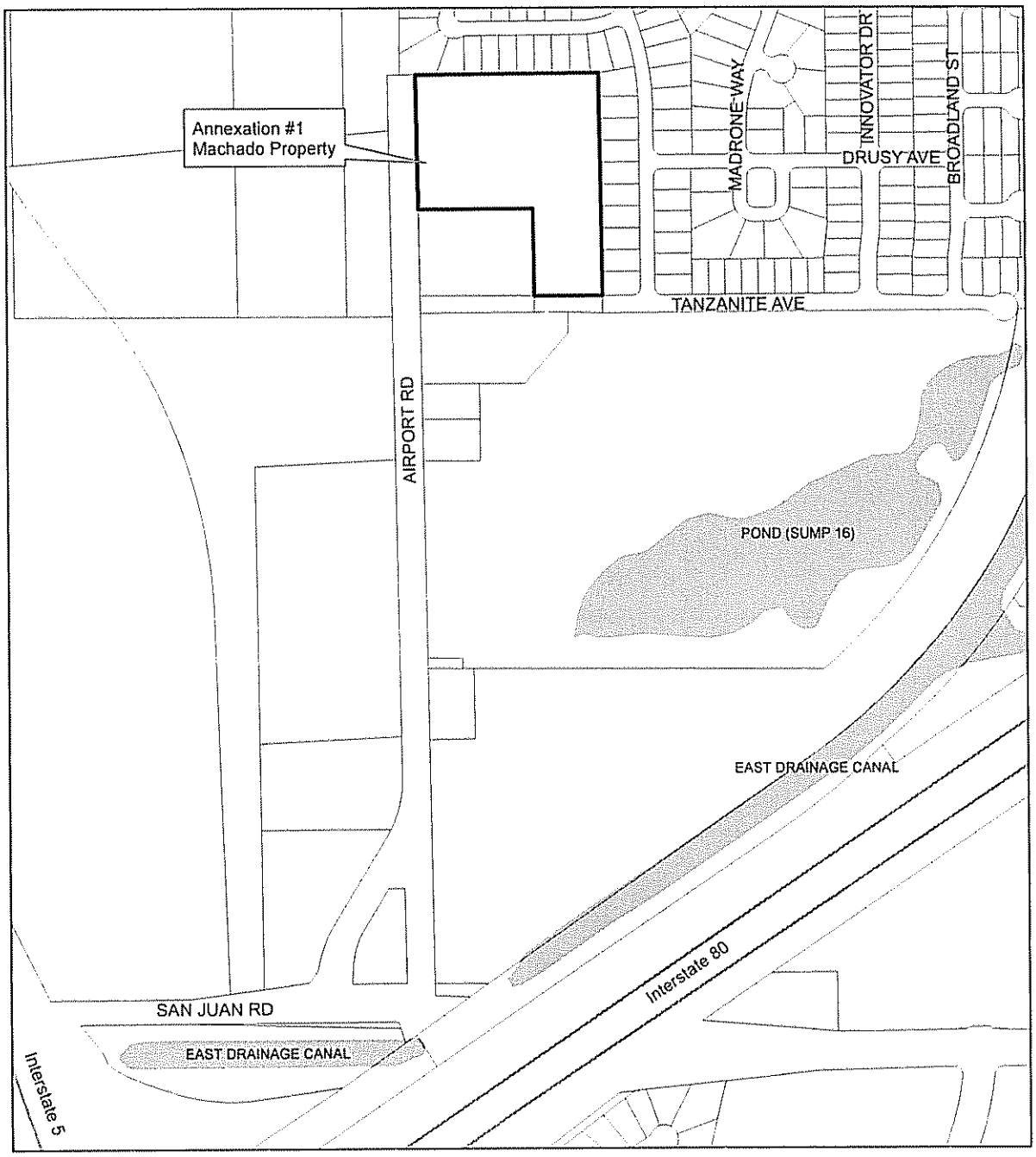
ATTACHMENT A

Location Map



Development Services

BMueller 09/16/05

0 300 600 1,200 Feet

N W E S

ATTACHMENT B

ANNEXATION NO. 1 TO THE NORTH DRAINAGE COMMUNITY FACILITIES DISTRICT (CFD) NO. 97-01 SCHEDULE

October 25, 2005	City Council – Resolution of Intention
October 26, 2005	Mail Notice of Hearing
November 29, 2005	City Council – Hearing, Call for Special Election
November 30, 2005	Mail Ballots
December 21, 2005	Ballots Due
January 10, 2006	City Council – Election Results & Pass for Publication Ordinance to Levy Tax
January 11, 2006	Record Notice of "Special Tax"
January 17, 2006	**City Council - Adopt Ordinance to Levy Tax**

ORDINANCE NO. 2006-

Adopted by the Sacramento City Council

AN ORDINANCE LEVYING A SPECIAL TAX FOR THE PROPERTY-TAX YEAR 2006-2007 AND FOLLOWING TAX YEARS SOLELY WITHIN AND RELATING TO THE CITY OF SACRAMENTO NORTH NATOMAS DRAINAGE COMMUNITY FACILITIES DISTRICT NO. 97-01, ANNEXATION NO. 1 TO FINANCE DRAINAGE FACILITIES

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1. Pursuant to Government Code sections 53328, 53339 through 53339.9, and 53340, and in accordance with the Rate and Method of Apportionment of Special Tax attached as Exhibit B to Resolution No. 2005-865, adopted by the City Council on November 29, 2005, a Special Tax is levied on all taxable parcels within the City of Sacramento North Natomas Drainage Community Facilities District No. 97-01, Annexation No. 1 for the 2006-2007 tax year, and for all subsequent years in the amount of the maximum authorized tax, provided that this amount may be adjusted annually, subject to the maximum authorized Special Tax limit, by resolution of the City Council.

Section 2. The Director of Development Services or his designee (Director) is authorized and directed, with the aid of other appropriate officers and agents of the City, to do the following:

(a) Determine the Special Tax Requirement (defined in Exhibit B of Resolution No. 2005-865) each year without further action of the City Council.

(b) Prepare the annual Special Tax roll in the amount of the Special Tax Requirement, in accordance with Exhibit B of Resolution No. 2005-865.

(c) Provide, without further action of the City Council, all necessary and appropriate information to the Sacramento County Auditor in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the Special Tax on the secured property tax roll of the county. The City Council has reserved the right to use any method of collecting the Special Tax that it determines, from time to time, to be in the City's best interests, including, but not limited to, direct billing to the property owners and supplemental billing, as provided in Resolution No. 2005-865 and in Government Code sections 53339 through 53339.9 and 53340.

Section 3. The appropriate officers and agents of the city are authorized to make adjustments to the Special Tax roll prior to the final posting of the special taxes to the County tax roll each year, as may be necessary to achieve a correct match of the Special Tax levy with the assessor's parcel numbers finally utilized by the County in sending out property tax bills.

Section 4. If the Special Tax is collected on the secured tax roll of the County, then the County may deduct from the amounts collected, prior to remitting the Special Tax collections to the City, its reasonable and agreed charges for collecting the Special Tax.

Section 5. In accordance with section 8 of the Rate and Method of Apportionment of the Special Tax, any taxpayer may contest the levy of the Special Tax by filing with the Director a written notice of appeal setting forth the grounds for appeal with specificity. Grounds for appeal are limited to (a) clerical errors in assigning an amount of tax to a parcel and (b) errors in defining the use of a parcel or its classification. No other appeals will be allowed. The Director shall promptly review the appeal and, if necessary, meet with the taxpayer. If the Director's findings verify that the Special Tax should be modified or changed, then a recommendation to that effect shall be made to this council and, as appropriate, the Special Tax levy shall be corrected and, if applicable, a credit for next year's Special Tax levy shall be granted. If the Director denies the appeal, then the taxpayer may file an appeal of the denial with the City Council within 14 calendar days after the Director mails notice of the denial; failure to file within this time constitutes a bar to appeal. The appeal to the City Council must be in writing and must fully explain the grounds of appeal. In accordance with chapter 1.24 of the Sacramento City Code, the City Council may hear the appeal or refer it to a hearing officer. The hearing shall be conducted not more than 30 calendar days following the filing of the appeal. The failure of the City Council or the hearing officer to timely hear the appeal, or to render a decision within 30 calendar days following the conclusion of the hearing, constitutes a denial of the appeal. The determination of the City Council or the hearing officer on the appeal shall be final for all purposes. The filing of a notice of appeal shall not relieve the taxpayer of the obligation to pay the Special Tax when due.

Section 6. If, for any cause, a court of competent jurisdiction finds that any portion of this ordinance is invalid or that the Special Tax is inapplicable to a particular parcel, the balance of this ordinance and the application of the Special Tax to the remaining parcels shall not be affected.

Section 7. This ordinance is tax measure and shall take effect and be in force immediately.

Section 8. The title of this ordinance shall be published at least once in a newspaper of general circulation published in the City of Sacramento after being passed for publication of title by the City Council. Publication shall occur at least three days before the adoption of this ordinance, in accordance with section 32(c) of the Sacramento City Charter. This council finds that the title of this ordinance was published on _____, 2006, in _____, a newspaper of general circulation published in the City of Sacramento.