REPORT TO COUNCIL
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 the North Natomas Community Facilities District No. 3 – Ordinance to Levy a Special Tax

Location/Council District:

Annexation No. 1 to the North Natomas Community Facilities District (CFD) No. 3 is located in North Natomas in Council District 1 (Attachment "A", Page 4).

Recommendation:

Adopt an Ordinance: 1) Levying a Special Tax for property annexed into the North Natomas Community Facilities District No. 3.

Contact: Ron Wicky, Program Specialist, (916) 808-5628; Bob Cooper, Senior Engineer, (916) 808-5778
Presenters: 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 maintenance and services for future years.

Committee/Commission Action: None

Background Information:

On June 9, 1998, City Council approved the Resolution to form CFD No. 3 that provides funding for landscape maintenance services in North Natomas by levying taxes on all developed properties.

The North Natomas Community Plan area encompasses approximately 7,400 acres along the northern city boundary. City Council adopted the North Natomas Financing

Plan for the area in 1994, providing infrastructure needs as the area develops. Among other improvements, landscaping along freeways, agricultural buffers, and drainage canals were included. CFD No. 3 provides funding to maintain the landscape improvements as well as other landscaping along major road corridors, light rail corridor, drainage canals, detention basin park acres, agriculture buffers and above standard width street medians.

This annexation will annex the Machado Subdivision boundary into the existing CFD No. 3 boundary.

Financial Considerations:

There is no impact to the General Fund. Only developed properties will be subject to the CFD tax.

The maximum annual Special Tax rate levied on new residential properties for FY 2005/06 is $61.97 per single family parcel. The FY 2006/07 Special Tax will be adjusted with an annual escalation factor based on the Consumer Price Index, not to exceed 4%.

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 this District 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: _____
for Mark Griffin
Fiscal Manager, Development Services Department

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

Recommendation Approved:

_____
Ray Kerridge
Interim City Manager

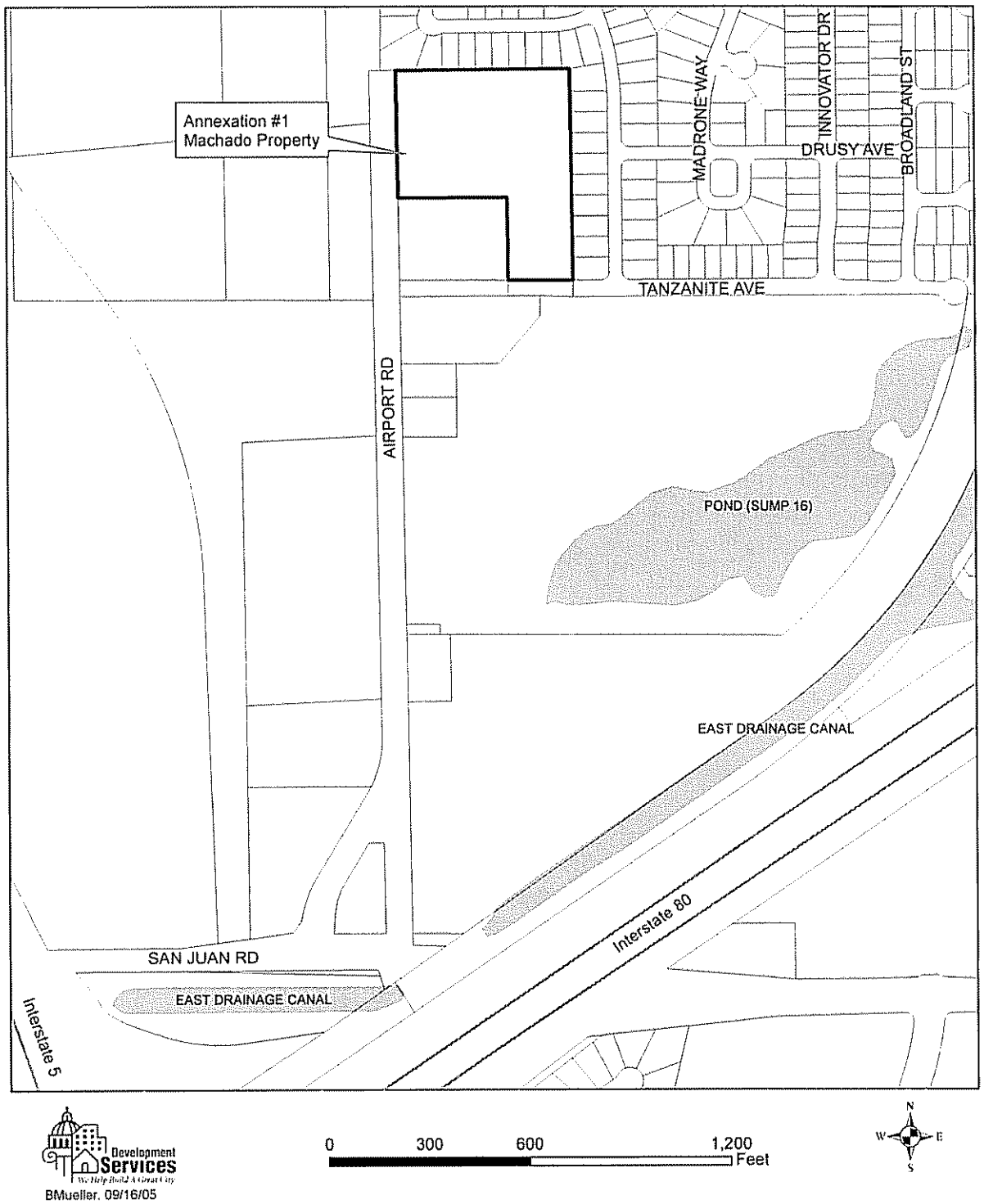
Table of Contents:

Pg 1-3	Report
Pg 4	Attachment A, Map of Territory to Be Annexed
Pg 5	Attachment B, Schedule of Proceedings
Pg 6-7	Ordinance Levying a Special Tax

S:\Moves\DEV\Spec Dists\DISTRICT PROJECTS\CFD\NN#3 98-01\Annexations\CCR CFD3 No1 - Ordinance.doc

ATTACHMENT A

Location Map



ATTACHMENT B

ANNEXATION NO. 1 TO THE NORTH NATOMAS COMMUNITY FACILITIES DISTRICT (CFD) NO. 3 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 COMMUNITY FACILITIES DISTRICT NO. 3, ANNEXATION NO. 1, FOR LANDSCAPE MAINTENACE

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

Section 1. Pursuant to Government Code Sections 53328 and 53340, and 53339 et seq. and in accordance with the Rate and Method of Apportionment of Special Tax as shown on Exhibit B to the Resolution Establishing Annexation No. 1 to the City of Sacramento North Natomas Community Facilities District No. 3, (CFD No. 3, Annexation No. 1) (Resolution No. 2005-864 adopted by this Council on November 29, 2005), a Special Tax is hereby levied on all taxable parcels within the City of Sacramento North Natomas Community Facilities District No. 3, 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 this Council.

Section 2. The Manager of the Development Engineering and Finance Division of the Department of Development Services (Manager), or his/her designee, of the City of Sacramento (City) is authorized and directed, with the aid of the appropriate officers and agents of the City, to determine each year, without further action of this Council, the Special Tax Requirement (as that term is defined in Exhibit B of Resolution No. 2005-864 establishing Annexation No. 1 to CFD No. 3), to prepare the annual Special Tax roll in the amount of the Special Tax Requirement in accordance with said Exhibit B and, without further action of this Council, to provide 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; provided that, as stated in said Resolution No. 2005-864 and Sections 53339 et seq. and 53340 of the California Government Code, this Council has reserved the right to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City, including but not limited to, direct billing by the City to the property owners and supplemental billing.

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. The City agrees that, in the event the special tax is collected on the secured tax roll of the County, the County may deduct its reasonable and agreed charges for

collecting the special tax from the amounts collected, prior to remitting the Special Tax collections to the City.

Section 5. Any taxpayer may contest the levy of the Special Tax by filing a written notice of appeal, setting forth with specificity the grounds for appeal, with the City Manager pursuant to Section 7 of the Rate and Method of Apportionment of the Special Tax. Any such notice of appeal must be filed within thirty (30) calendar days following the formation of the District, or annexation of the property that is the subject of the appeal to the District; and failure to do so within the time period specified herein constitutes a bar to any such appeal. Grounds for appeal are limited to the following: (i) clerical errors in assigning an amount of tax to a parcel and (ii) an error in defining the use of a parcel or its classification. No other appeals will be allowed. The City Manager, or designee, shall promptly review the appeal, and if necessary, meet with the appellant. If the findings of the City Manager, or designee, verify that the Special Tax should be modified or changed, a recommendation to that effect shall be made to the Council, and as appropriate, the Special Tax levy shall be corrected and, if applicable in such case, a credit for next year's Special Tax levy shall be granted. If the City Manager, or designee, denies the appeal, the taxpayer may file an appeal of that determination with the Council within fourteen (14) calendar days of the mailing of notification of the City Manager's, or designee's, decision; and failure to do so within the time period specified herein constitutes a bar to any such appeal. The appeal must be in writing and fully explain the grounds of appeal. The Council may hear the appeal, or refer it to a hearing officer, pursuant to Chapter 1.24 of the Sacramento City Code. The hearing on the appeal shall be conducted not more than thirty (30) calendar days following the filing of the appeal of the decision of the City Manager, or designee. The failure of the Council or the appointed hearing officer to timely hear the appeal, or render a decision within thirty (30) calendar days following the conclusion of the hearing thereon, shall constitute a denial of the appeal. The determination of the Council or hearing officer on the appeal shall be final for all purposes.

Section 6. The filing of written notice contesting the levy of the Special Tax or an appeal shall not relieve the taxpayer of the obligation to pay the Special Tax when due.

Section 7. If for any cause any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of this ordinance and the application of the Special Tax to the remaining parcels shall not be affected.

Section 8. This ordinance shall take effect and be in force immediately as a tax measure.

Section 9. 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 Council, at least three days before the adoption of this ordinance by the Council, pursuant to Section 32(c) of the Sacramento City Charter. It is hereby found that the title of this ordinance was published in _____, a newspaper of general circulation published in the City of Sacramento on _____, 2006.