



APPROVED
BY THE CITY COUNCIL

OCT 6 1998

OFFICE OF THE
CITY CLERK

1.3

CITY OF SACRAMENTO
CALIFORNIA

DEPARTMENT OF
PUBLIC WORKS

TECHNICAL SERVICES DIVISION

DEVELOPMENT SERVICES &
SPECIAL DISTRICTS
1231 I STREET
ROOM 300
SACRAMENTO, CA
95814-2988

September 21, 1998

916-264-7474
FAX 916-264-7480

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: WILLOWCREEK LANDSCAPING COMMUNITY FACILITIES DISTRICT (CFD)
NO. 98-04 - INITIATE PROCEEDINGS**

LOCATION AND COUNCIL DISTRICT:

The Willowcreek Landscaping CFD No. 98-04 is located west of the Natomas Main Drainage Canal, north of the Sacramento River and southeast of Highway 80 in Council District 1 (see attached Exhibit A map).

RECOMMENDATION:

This report recommends that the City Council adopt a Resolution Requesting Jurisdiction of the County Board of Supervisors.

CONTACT PERSON:

Ron Wicky, Special Districts Analyst, 264-5628
Jon Blank, Associate Engineer, 264-7493

FOR COUNCIL MEETING OF: October 6, 1998

SUMMARY:

This report initiates proceedings of the assessment district to be known as the "Willowcreek Landscaping CFD No. 98-04" for the City of Sacramento. Adoption of the attached resolution will request the County to give the City jurisdiction to assess parcels located in the County of Sacramento.

COMMITTEE/COMMISSION ACTION:

None.

City Council
Willowcreek Landscaping CFD No. 98-04
September 21, 1998

BACKGROUND INFORMATION:

On April 29, 1997, City Council approved Willowcreek Assessment District No. 96-01 that provided funding to construct the pump station and infrastructure necessary to allow development. As residential subdivisions develop, they will be required to construct landscaping adjacent to their subdivision. The proposed Willowcreek Landscaping CFD will provide a funding mechanism to maintain these landscaped areas.

The westerly most portion of the proposed district which includes four parcels of land lies outside the city limits. The government code requires the City to obtain the County's consent for jurisdiction on formation of a Community Facilities District if a portion of the proposed district lies outside the city limits. This item will be presented to the County Board of Supervisors on October 20, 1998 for their consent. After obtaining approval from the County, we will be formally asking Council to initiate formation of the district on October 27, 1998 (see schedule on attached Exhibit B).

FINANCIAL CONSIDERATIONS:

The project will be funded by property owners within the district. The costs will be detailed in the report sent to Council on October 27, 1998.

ENVIRONMENTAL CONSIDERATIONS:

Council action in initiating this CFD is exempt from CEQA because it will cause no physical effects on the environment. Improvement projects will be subject to an environmental review process as part of development applications.

POLICY CONSIDERATIONS:

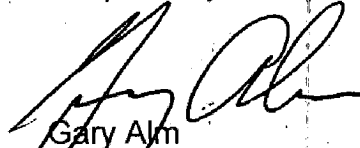
The procedures under which this CFD is being initiated are set forth in Title 5 of the Government Code, Sections 53311-53317.5, entitled "The Mello-Roos Community Facilities Act of 1982."

City Council
Willowcreek Landscaping CFD No. 98-04
September 21, 1998

MBE/WBE:

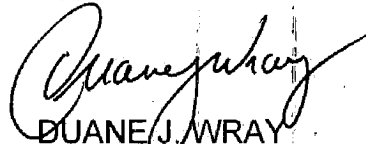
City Council adoption of the attached resolution is not affected by City policy related to MBE/WBE.

Respectfully submitted,



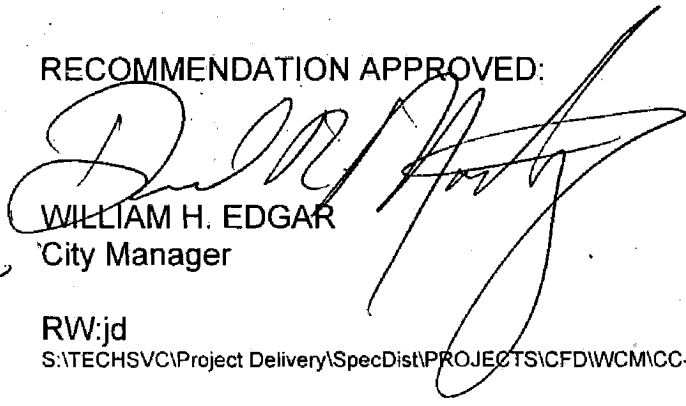
Gary Alm
Manager, Development Services

Approved:




DUANE J. WRAY
Manager, Technical Services Division

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR
City Manager

Approved:



Michael Kashiwagi
Director of Public Works

RW:jd

S:\TECHSVC\Project Delivery\SpecDist\PROJECTS\CFD\WCM\CC-#98-04-Initiate Proc.wpd

WILLOWCREEK LANDSCAPING COMMUNITY FACILITIES DISTRICT NO. 98-04

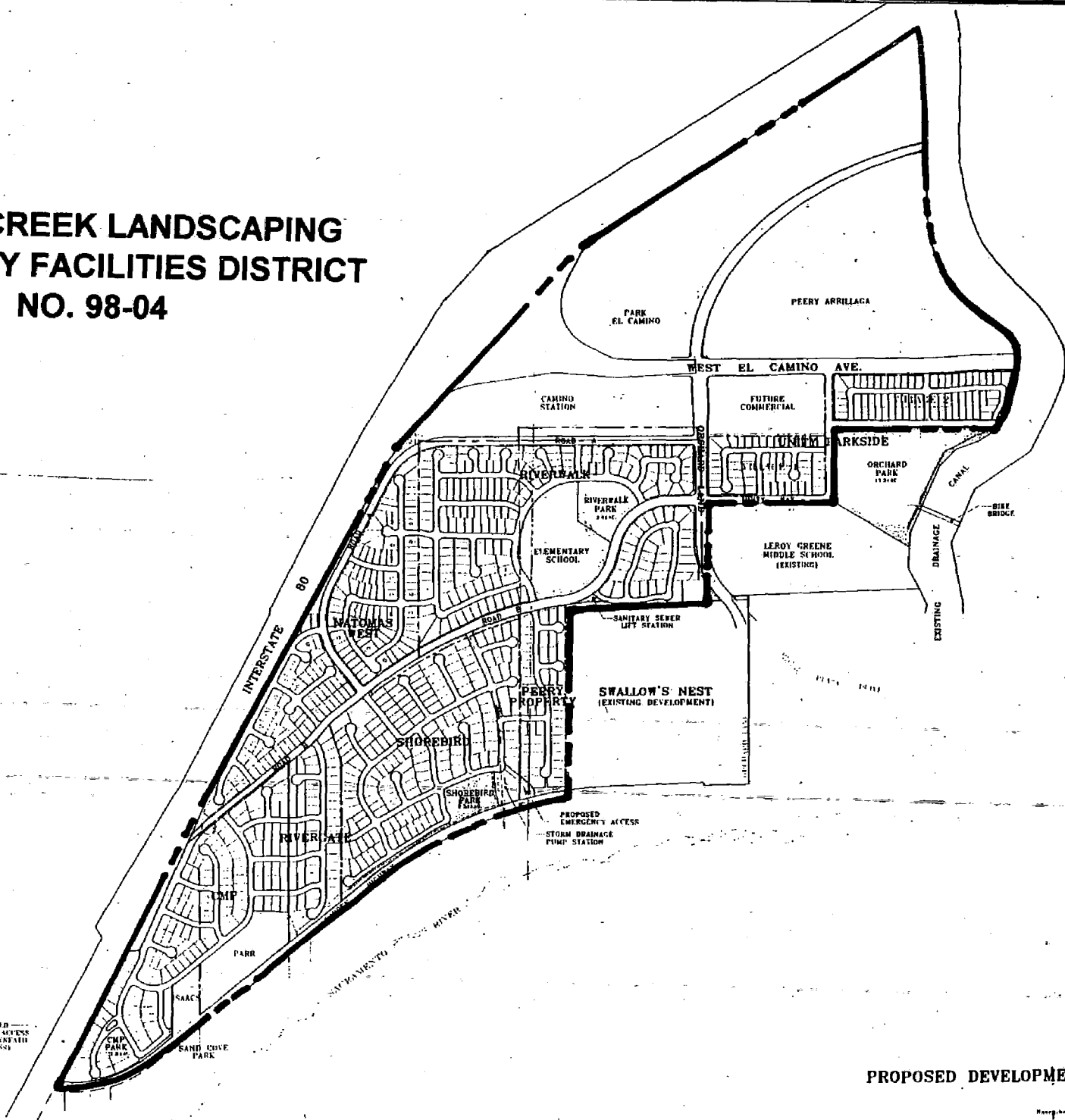


EXHIBIT A

PROPOSED
EMERGENCY ACCESS
LOCATED BENEATH
OVERPASS

PROPOSED DEVELOPMENTS

November 6, 1997

NOTE:
THIS SITE PLAN FOR PRELIMINARY PLANNING PURPOSES ONLY. ALL
SITE CHARACTERISTICS WHICH MAY AFFECT FINAL PLAN TO BE REVISIT

The Spink Corporation
2400 SHERWOOD ROAD, SUITE 100, SAN ANTONIO, TEXAS 78247
PHONE: (512) 381-1111 FAX: (512) 381-1112



EXHIBIT B

**WILLOWCREEK LANDSCAPING CFD NO. 98-04
SCHEDULE**

22-Sep-98	Deadline to provide Tax Rate & list of services for ROI
06-Oct-98	City Council - Request Jurisdiction From County
20-Oct-98	Board of Supervisors - Resolution Granting Jurisdiction
27-Oct-98	City Council - Resolution of Intention
29-Oct-98	Mail Notice of Hearing
01-Dec-98	City Council - Hearing, Call for special election
02-Dec-98	Mail Ballots (Waiver of 90 day period)
22-Dec-98	Ballots Due
05-Jan-99	City Council - Election Results
06-Jan-99	Record Notice of Special Tax
19-Jan-99	City Council - Pass for Publication Ordinance to levy Tax
26-Jan-99	City Council - Adopt Ordinance to levy Tax

APPROVED
BY THE CITY COUNCIL

OCT 6 1998

OFFICE OF THE
CITY CLERK

RESOLUTION NO. 98-500

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION REQUESTING CONSENT TO CONDUCT
ASSESSMENT PROCEEDINGS IN THE WILLOWCREEK
LANDSCAPING COMMUNITY FACILITIES DISTRICT (CFD)
NO. 98-04**

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

The City Council proposes to adopt a Resolution of Intention, a copy of which is annexed hereto, marked Exhibit A, and by reference incorporated herein as though fully set forth.

A portion of the property, proposed to be assessed, lies within the proposed assessment district will, in the opinion of the City Council of the City of Sacramento, be benefitted by the improvements referred to in the proposed Resolution of Intention, and the purposes sought to be accomplished by the work can best be accomplished by a single, comprehensive scheme of work.

The consent of the County of Sacramento, through its Board of Supervisors, is hereby requested to the formation of the district described in said Resolution of Intention, to the improvement described, and to the assumption of jurisdiction by this City for all purposes in connection with the formation of this assessment district, the improvements to be made and the assessment of property within the boundaries of the proposed district.

FOR CITY CLERK USE ONLY

RESOLUTION NO: _____

DATE ADOPTED: _____

The City Clerk is hereby directed to transmit a certified copy of this resolution with the proposed Resolution of Intention attached, and a copy of the map showing the boundaries of the district, to the Clerk of the Board of Supervisors of the County of Sacramento.

MAYOR

ATTEST:

EXHIBIT A

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**A RESOLUTION OF THE CITY OF SACRAMENTO
DECLARING ITS INTENTION TO ESTABLISH THE
WILLOWCREEK LANDSCAPING COMMUNITY FACILITIES DISTRICT NO. 98-04,
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO,
STATE OF CALIFORNIA, AND TO LEVY A SPECIAL
TAX THEREIN TO FINANCE MAINTENANCE SERVICES
TO BE PROVIDED WITHIN SAID DISTRICT**

WHEREAS, the City Council (the "Council") of the City of Sacramento (the "City") has duly considered the advisability and necessity of establishing a community facilities district in the area of the City commonly known as the Willowcreek area within the South Natomas Community Plan Area and levying a special tax therein to pay for maintenance and related services to be provided within the district, under and pursuant to the provisions of Title 81 of the Sacramento City Code and the Act, as defined below; and

WHEREAS, the Council has determined that the establishment of such community facilities district is consistent with and follows the local goals and policies concerning the use of the Act that have been adopted by the Council and are not in effect; and

WHEREAS, the Council is fully advised in this matter;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO AS FOLLOWS:

Section 1. The above recitals are true and correct, and the Council so finds and determines.

Section 2. It is the intention of the Council and the Council hereby proposes to establish a community facilities district ("District") under the terms of the Mello-Roos Community Facilities Act of 1982 (Section 53311 et seq. of the California Government Code, hereafter "Act"). The boundaries of the territory proposed for inclusion in the District are shown on the map entitled "Proposed Boundaries of the Willowcreek Landscaping

Community Facilities District No. 98-04, City of Sacramento, County of Sacramento, State of California" ("Boundary Map"). The Boundary Map is on file in the office of the City Clerk, is in the form required by Section 3110 of the Streets and Highways Code, and is hereby approved. The City Clerk is directed to file a copy of the Boundary Map with the County Recorder of the County of Sacramento within fifteen (15) days hereafter for placement in the Book of Maps of Assessment and Community Facilities Districts, in accordance with the provisions of Section 3111 of the Streets and Highways Code of the State of California.

Section 3. The name proposed for the District is Willowcreek Landscaping Community Facilities District No. 98-04.

Section 4. The District is being formed solely for maintenance services and related purposes, and will not finance capital improvements or issue bonds. The services proposed to be financed by the District are set forth in Exhibit A, attached hereto and incorporated herein by this reference, all of which are as authorized by the Act and by Title 81 of the Sacramento City Code. The District shall also finance all costs and expenses normally incidental to the provision of the maintenance and related services, including without limitation election costs; design fees and costs; contract supervision; and City administrative and legal costs.

Section 5. Except where funds are otherwise available, a special tax sufficient to pay for said maintenance and related services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be levied annually within the District. Pursuant to Title 81 of the Sacramento City Code, certain City-owned property within the District will be subjected to the lien of the special tax. The tax is proposed to be collected as a separately-stated item on the county property tax bill, but the City Council reserves the right to change the method of collection at any time. The special tax shall be apportioned according to the use and state of development of the land, at the per annum tax rates specified in Exhibit B, attached hereto and incorporated herein by this reference, the Rate and Method of Apportionment of Special Tax. The rates shown are maximum rates. The special tax levied on all parcels may be increased prorata, but not more than ten percent (10%), on account of the default or delinquency of the owner of any parcel. The rates may also be escalated for inflation pursuant to Title 81 of the Sacramento City Code, as specified in Exhibit B. If tax collections at the stated rates exceed the amount required to pay the Annual Costs, the rates may be reduced in accordance with the formulae set forth in Exhibit B. The special tax levied and to be collected hereunder shall be in perpetuity, unless and until the need for the maintenance and related services no longer exists.

Section 6. It is the intention of the Council, pursuant to Section 53317.3 of the Act, to continue to levy the special tax on property (that is not otherwise exempt from the

special tax) that is acquired by a public entity through a negotiated transaction, by gift or devise.

Section 7. It is the intention of the Council, pursuant to Section 53317.5 of the Act, to treat the obligation to pay the special tax levied against property that is acquired by a public entity through eminent domain proceedings as if it were a special annual assessment.

Section 8. It is the intention of the Council, pursuant to Section 53340.1 of the Act, to levy the special tax on the leasehold or possessory interests in property owned by a public agency (which property is otherwise exempt from the special tax), to be payable by the owner of the leasehold or possessory interests in such property.

Section 9. It is the intention of the Council, pursuant to Section 53325.7 of the Act, to establish an appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for the District.

Section 10. Notice is given that the City Council hereby fixes 2:00 p.m. on December 2, 1998 in the chambers of the City Council, City Hall, 915 I Street, Sacramento, California 95814 as the time and place for a public hearing on the establishment of the District, the proposed rate, method of apportionment and manner of collection of the special tax and all other matters as set forth in this resolution. At such public hearing, any persons interested, including all taxpayers, property owners and registered voters within the District, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the establishment of the District and the levy of the special tax, or the extent of the District, or the maintenance and related services to be provided, or any other matters set forth herein, will be heard and considered. Any protests to the foregoing may be made orally or in writing by any interested persons or taxpayers, except that protests pertaining to the regularity or sufficiency of such proceedings shall be in writing and shall clearly set forth the irregularities and defects to which the objection is made; and the Council may waive any irregularities in the form or content of any written protest and at such public hearing may correct minor defects in such proceedings. All written protests shall be filed with the City Clerk on or before the time fixed for such public hearing, and any written protest may be withdrawn in writing at any time before the conclusion of such public hearing. If, at the conclusion of the hearing, the City Council determines to proceed with the establishment of the District, the levy of special taxes will be submitted to the electors of the District in an election pursuant to Section 53326 of the Act, to be held not less than ninety (90) days thereafter, unless appropriate waivers pursuant to said Section have been filed with the City Clerk. The special tax may be levied if two-thirds of those voting approve the measure.

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

Section 11. In the opinion of the Council, the public interest will not be served by allowing the property owners in the District to enter into a contract pursuant to Section 53329.5(a) of the Act, to perform the maintenance and related services to be financed under Title 81 of the City Code and the Act.

Section 12. The City Council directs Michael Kashiwagi, Director of Public Works of the City of Sacramento, to prepare the report required by Section 53321.5 of the Government Code and to file the report with the City Council at or before the time of the hearing.

Section 13. The City Clerk is directed to publish notice of the hearing in accordance with Sections 53322 and 53322.4 of the Act, as follows:

(a) A notice of public hearing in the form required by the Act shall be published in the Daily Recorder, a newspaper of general circulation published in the area of the District, which such publication shall be made pursuant to Section 6061 of the California Government Code and shall be completed at least seven (7) days prior to the date set for such public hearing; and

(b) A notice of public hearing in the form required by the Act shall be mailed, first class postage prepaid, to each property owner and to each registered voter within the boundaries of the District, which such mailing to such property owners shall be made to such property owners at their addresses as shown on the records of the Sacramento County Treasurer-Tax Collector, and which such mailing to such registered voters shall be made to such registered voters at their addresses as shown on the records of the Sacramento County Registrar of Voters, or in either case as otherwise known to the City Clerk of the City, and which such mailing shall be completed at least fifteen (15) days prior to the date set for such public hearing.

This Resolution was passed and adopted by the City Council of the City of Sacramento, County of Sacramento, State of California, this ____ day of _____, 1998.

ATTEST:

MAYOR

CITY CLERK

c:\vncfd3.rs4

FOR CITY CLERK USE ONLY

RESOLUTION NO. _____

DATE ADOPTED: _____

EXHIBIT A

DRAFT

Willowcreek Landscaping CFD No. 98-04 List of Authorized Services

The authorized services include those set forth below in addition to the costs associated with collecting and administering the special taxes, and annually administering the District. The special taxes may be levied to pay for any authorized services or to accumulate funds for that purpose. Notwithstanding the above, the CFD's authorized services include the following:

1. The maintenance of landscaping, irrigation facilities, soundwalls and other appurtenances along the exterior of residential subdivisions.
2. The maintenance and repair of Class 1 bike trails and associated landscaping.
3. The maintenance of landscaping, irrigation facilities, soundwalls and other appurtenances along the emergency accesses.
4. Miscellaneous maintenance and landscape capital improvements, repair and replacement.
5. CFD formation and annual administration costs of the District.
6. Miscellaneous cost related to any of the items described above including planning, engineering, legal and administration.

EXHIBIT B

DRAFT

City of Sacramento, California
Willowcreek Landscaping
Community Facilities District No. 98-04

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in the Willowcreek Landscaping Community Facilities District No. 98-04 (the "CFD") of the City of Sacramento (the "City") shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

2. Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the actual or estimated costs incurred by the City to form the CFD and to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and legal counsel; the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Annexation Parcel" means a Parcel that was not included within the boundaries of the CFD at the time of formation. Parcels are required to annex to the District based upon City policy.

"Annual Costs" means for each Fiscal Year, the total of 1) Authorized Services 2) Administrative Expenses; and 3) any amounts needed to cure actual or estimated delinquencies in Special Taxes for the current or previous Fiscal Year.

"Assessor" means the Assessor of the County of Sacramento.

"Authorized Services" mean those services, as listed in the Resolution forming the CFD adopted on _____.

"Base Fiscal Year" means the Fiscal Year beginning July 1, 1999 and ending June 30, 2000.

"CFD" means the Willowcreek Landscaping Community Facilities District No. 98-04 of the City of Sacramento, California.

"City" means City of Sacramento, California.

"Council" means the City Council of the City of Sacramento acting for the CFD under the Act.

"County" means the County of Sacramento, California.

"Developed Parcel" means a Parcel that has an approved final map for residential uses permitting up to 2 units per lot. In addition, the City has accepted the landscaping improvements for that final map.

"Existing Home Parcel" means a Parcel that has a dwelling unit on that parcel at the time of the CFD's formation. Three Existing Home Parcels currently exist and will be classified as Developed, Undeveloped or Unmapped according to the following parameters. APN 274-0030-036 will be classified as Unmapped until _____. APN 274-0220-017 will also be classified as Unmapped until _____. APN (Perry) _____ will be classified the same as other units in the final map submitted along with APN _____.

"Fiscal Year" means the period starting July 1 and ending the following June 30.

"Maximum Annual Special Tax" means the greatest amount of Special Tax that can be levied against a Parcel calculated by multiplying the Maximum Annual Special Tax Rate times the relevant units of the parcel.

"Maximum Annual Special Tax Rate" means the amount shown in Attachment 1 for a Fiscal Year that is used in calculating the Maximum Annual Special Tax for a Parcel based on its land use classification.

"Maximum Annual Special Tax Revenue" means the greatest amount of revenue that can be collected in total from a group of Parcels by levying the Maximum Annual Special Tax Rates.

"Multi-Family Parcel" means a parcel with more than 2 attached dwelling units.

"Non-Residential Parcel" means a parcel with land uses other than residential dwelling units.

"Parcel" means any Assessor's parcel in the CFD based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

"Parcel Number" means the Assessor's Parcel Number for any Parcel based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

"Public Parcel" means any Parcel, in its entirety, that is or is intended to be publicly owned or as subsequently designated by the City that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, public landscaping, wetlands, greenbelts, and public open space.

These parcels are exempt from the levy of Special Taxes as described below. Any such Parcel shall be a Tax-Exempt Parcel.

"Special Tax(es)" mean(s) any tax levy under the Act in the CFD.

"Tax Collection Schedule" means the document prepared by the City for the County Auditor-Controller to use in levying and collecting the Special Taxes each Fiscal Year.

"Taxable Parcel" means any residential Parcel with up to two units per lot.

"Tax Escalation Factor" means an annual percentage increase in the Maximum Annual Special Tax Rate based upon the Consumer Price Index (CPI) (prior calendar year annual average, San Francisco, All Urban Consumers (CPI-U) Index), not to exceed 4%.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (i) Public Parcels (subject to the limitations set forth in Section 4, below), (ii) multi-family Parcels, and (iii) non-residential Parcels.

"Undeveloped Parcel" means a Parcel, which has an approved final map for residential uses permitting up to 2 units per lot without having landscaping improvements for that final map accepted by the City.

"Unmapped Parcel" means a Parcel, which is not a Developed Parcel or an Undeveloped Parcel.

3. Duration of the Special Tax

Parcels in the CFD will remain subject to the service tax in perpetuity.

4. Assignment of Maximum Annual Special Tax

A. **Classification of Parcels.** By June 30 of each Fiscal Year, using the Definitions above, the parcel records of the Assessor's Secured Tax Roll as of January 1, and other City development approval records, the City shall cause:

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel;
2. Each Taxable Parcel is to be further classified as a Developed Parcel, Undeveloped Parcel or Unmapped.

B. **Assignment of Maximum Annual Special Tax.**

Attachment 1 shows the Base Year Maximum Special Tax rates. Each Fiscal Year following the Base Year, the Maximum Special Tax rates shall be increased in accordance with the Tax Escalation Factor.

C. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and is converted to a taxable use, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to the 4.A and 4.B above. Conversely, if a Taxable Parcel is converted to a public use, it shall become tax-exempt.

5. Calculating Annual Special Taxes

The City shall compute the Annual Costs and determine the Maximum Annual Special Tax for each parcel based on the assignment of the Special Tax in Section 4. The City will then determine the tax levy for each parcel using the following process:

- A. Computes the Annual Cost using the definition in Section 2 for the Fiscal Year.
- B. Calculate the Special Tax for each Taxable Parcel by the following steps:
 - Determine if sufficient special tax revenues are available by taxing each Developed Parcel at 100% of its Maximum Annual Special Tax. If revenues are greater than the Annual Costs, the tax is reduced proportionately against Developed Parcels until the tax levy is set at an amount sufficient to cover Annual Costs.
 - If revenues from taxing Developed Parcels at 100% of their Maximum Annual Special Tax are not sufficient, the City will then proportionately levy the tax on Undeveloped Parcels up to 100% of their Maximum Annual Special Tax until the tax levy is set at an amount sufficient to cover Annual Costs.
- C. Levy on each Taxable Parcel the amount calculated above.
- D. Prepare the Tax Collection Schedule listing the Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor-Controller for such inclusion.

The City shall make every effort to correctly calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the parcels subject to the tax and their Special Tax assignments.

6. Appeals

Any taxpayer that feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City to appeal the levy of the Special Tax. The City will then promptly review the appeal, and if necessary, meet with the applicant. If the City verifies that the tax should be modified or changed, a recommendation at that time will be made to the Council and, as appropriate, the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to the CFD.