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DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

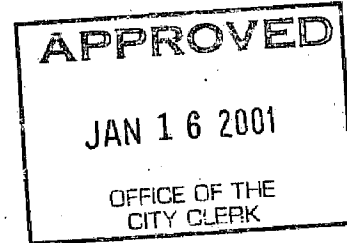
DEVELOPMENT SERVICES  
& SPECIAL DISTRICTS  
1231 J STREET, ROOM 300  
SACRAMENTO, CA 95814

TECHNICAL SERVICES  
DIVISION

PH 916-264-7474  
FAX 916-264-7480

December 27, 2000

City Council  
Sacramento, California



Honorable Members in Session:

**SUBJECT: ANNEXATION #2 TO THE NORTH NATOMAS NEIGHBORHOOD  
LANDSCAPING COMMUNITY FACILITIES DISTRICT (CFD) NO. 99-02 -  
INITIATE PROCEEDINGS**

**LOCATION AND COUNCIL DISTRICT:** Annexation #2 to the North Natomas  
Neighborhood Landscaping CFD No. 99-02 is located in the North Natomas Community  
Plan area in Council District 1 (see attached map).

**RECOMMENDATION:**

This report recommends that the City Council adopt a Resolution of Intention to levy a  
special tax and set a hearing date for February 20, 2001.

**CONTACT PERSON:** Ron Wicky, Special Districts Analyst, 264-5628

**FOR COUNCIL MEETING:** January 16, 2001

**SUMMARY:**

This report presents a proposal to annex territory in to the existing CFD to fund future  
landscaping needs in the North Natomas area. Adoption of the attached resolution will  
set a hearing date for February 20, 2001.

City Council

Annexation #2 to the North Natomas Neighborhood Landscaping CFD no. 99-02

December 27, 2000

**COMMITTEE/COMMISSION ACTION:**

None.

**BACKGROUND INFORMATION:**

On June 29, 1999, City Council approved formation of the North Natomas Neighborhood Landscaping CFD. Formation of the district provided a funding mechanism to maintain the landscaped areas adjacent to residential subdivisions for the tentative map areas of Northborough No. 1, Parkway Plaza, Northpoint Park, Gateway North and Natomas Crossing. The CFD established separate zones for each tentative map or combination of tentative maps where similar landscaping was present. It also required that as other tentative maps are approved in the North Natomas area, they will be required to annex to this CFD.

This proposed annexation will annex the tentative map area of Riverview (See Exhibit A of the attached Resolution).

**FINANCIAL CONSIDERATIONS:**

The current maximum tax rate will be (forty dollars) \$40 for this zone. Only "developed residential parcels" will be subject to the CFD tax. A "developed residential parcel" has been defined as a parcel that has a recorded final map for residential uses and the City has formally accepted the landscaping improvements. All costs associated with this CFD shall be paid for by the property owners and there will be no cost to the City.

**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:**

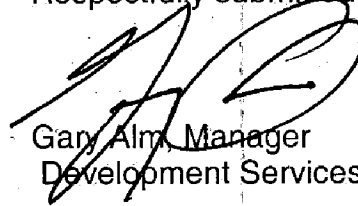
The procedures under which this CFD is being initiated are set forth in Title 5 of the Government Code, Sections 53311-53317.5 entitled "The Mello-Roos Community Facilities Act of 1982."

City Council  
Annexation #2 to the North Natomas Neighborhood Landscaping CFD no. 99-02  
December 27, 2000.

**ESBD CONSIDERATIONS:**

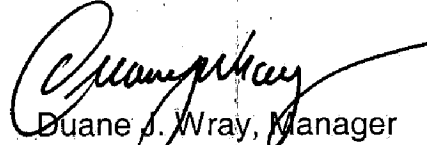
City council adoption of the attached resolution is not affected by city policy related to ESBD.

Respectfully submitted,



Gary Alm, Manager  
Development Services and Special Districts

Approved:



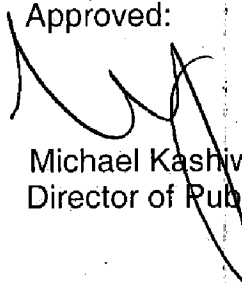
Duane J. Wray, Manager  
Technical Services Division

RECOMMENDATION APPROVED:



ROBERT P. THOMAS  
City Manager

Approved:



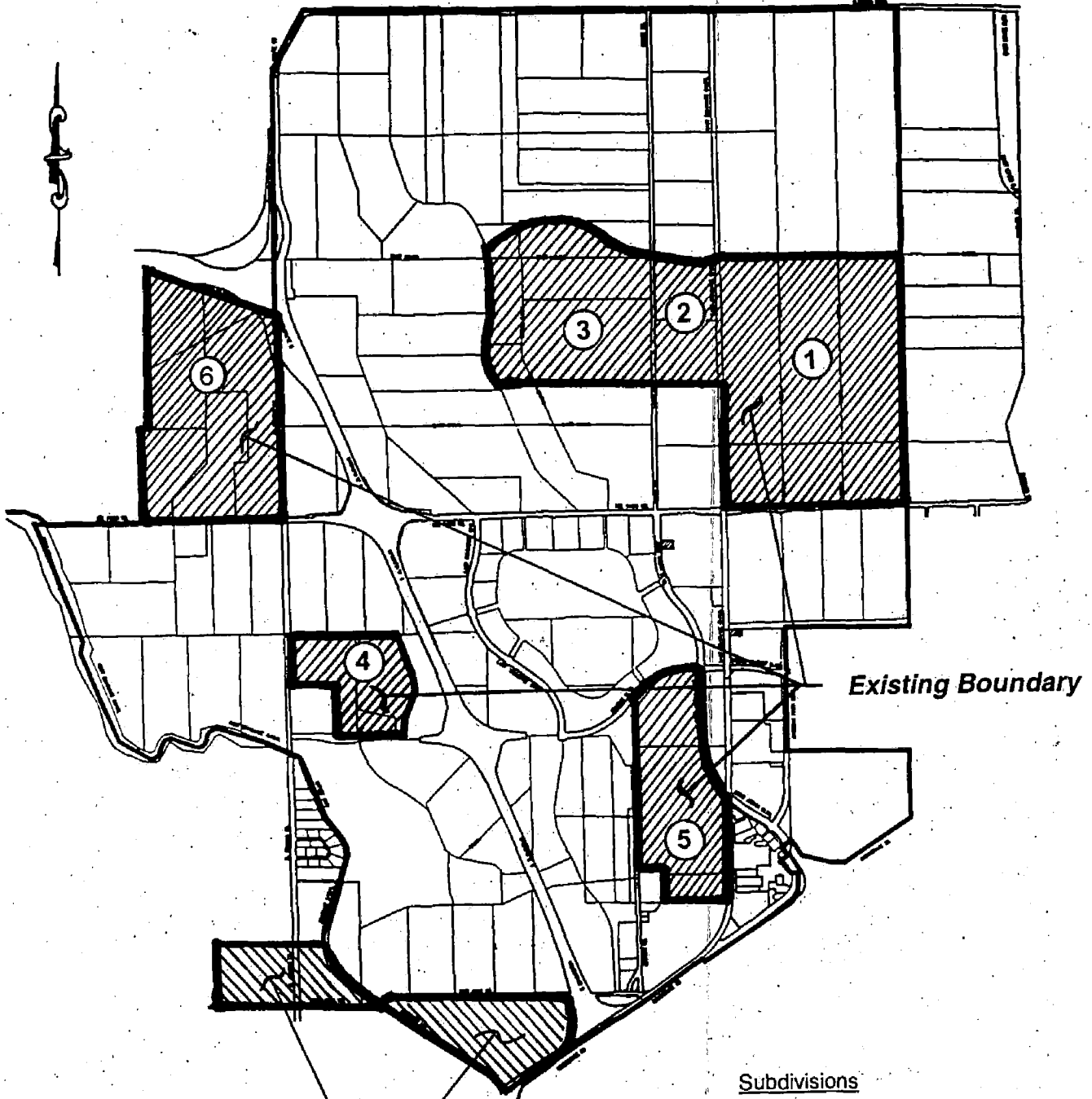
Michael Kashwagi  
Director of Public Works

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# EXHIBIT A

## NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY FACILITIES DISTRICT #99-02

### AREA OF SERVICES



**Proposed Annexation #2**  
*Riverview Subdivision*

#### Subdivisions

- ① = Northpoint
- ② = Parkway Plaza
- ③ = Northborough (Phase 1)
- ④ = Gateway North
- ⑤ = Natomas Crossing
- ⑥ = Westborough

**Exhibit B**

**ANNEXATION #2 TO THE NORTH NATOMAS NEIGHBORHOOD  
LANDSCAPING CFD NO 99-02  
SCHEDULE**

<b>January 16, 2001</b>	<b>City Council Resolution of Intention</b>
January 17, 2001	Mail Notice of Hearing, Call for Special Election
February 20, 2001	Mail Ballots (Waiver of 90-day period)
March 6, 2001	Ballots Due
March 20, 2001	City Council Election Results
March 20, 2001	City Council Pass for Publication Ordinance to Levy Tax
March 21, 2001	Record Notice of Special Tax
March 27, 2001	City Council Adopt Ordinance to Levy Tax

**APPROVED**  
JAN 16 2001  
OFFICE OF THE  
CITY CLERK

**RESOLUTION NO. 7001-033**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**A RESOLUTION OF THE CITY OF SACRAMENTO  
DECLARING ITS INTENTION TO ANNEX TERRITORY TO THE  
NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT NO. 99-02,  
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  
(ANNEXATION NO. 2)**

**WHEREAS:**

A. The City Council (the "Council") of the City of Sacramento (the "City") has heretofore established the North Natomas Neighborhood Landscaping Community Facilities District No. 99-02 ("District") pursuant to provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"), and has heretofore levied 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.

B. The Council has determined that the establishment of the 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 now in effect.

C. 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 annex territory to the North Natomas Neighborhood Landscaping Community Facilities District No. 99-02, ("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

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boundaries of the territory proposed for inclusion in the District are shown on the map entitled "Area Map" attached hereto as Exhibit D. Exhibit D also shows the territory included in the existing District. A map showing the proposed territory to be annexed ("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 of the proposed annexation to the District is "North Natomas Neighborhood Landscaping Community Facilities District No. 99-02, Annexation No. 2."

Section 4. The District was formed solely for maintenance services and related purposes, and will not finance capital improvements or issue bonds. The services 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 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 maximum special tax rate for the proposed annexation is specified in Exhibit C, attached hereto and incorporated herein by this reference. 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.

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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 February 20, 2001, 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 proposed annexation to the District, and the proposed levy of special taxes, 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.

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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. The notice of hearing must include a description of the voting procedures in accordance with Government Code Section 53322(b)(4).

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

# Exhibit A

## North Natomas Neighborhood Landscaping CFD No. 99-02 List of Authorized Services

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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. The primary function of the CFD is to fund the maintenance of neighborhood landscape areas for subdivisions. The CFD will also serve as a backup funding source for homeowners associations that fail to provide adequate landscaping or drainage maintenance, in the areas where they have been required to provide such maintenance services, as determined by the City.

The CFD's authorized services include the following:

1. The repair and maintenance of landscaping, irrigation facilities, lighting, soundwalls, monuments and signs, and other appurtenances within and along public rights-of-way.
2. Costs of scheduled inspection of maintenance of landscaped areas.
3. Maintenance services as required to implement a Lake Management Plan within a residential subdivision.
4. Utility bills associated with maintenance of landscaped areas.
5. CFD formation and annual administration costs.
6. Miscellaneous cost related to any of the items described above including planning, engineering, legal, and administration.

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# Exhibit B

City of Sacramento, California  
North Natomas Neighborhood Landscaping  
Community Facilities District No. 99-02

## RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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### 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 North Natomas Community Facilities District No. 99-02 (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, which 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 Landscape Maintenance Services 2) Authorized Drainage Maintenance Services, 3) 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 CFD 99-02.

"Base Drainage Maintenance Services Maximum Tax" means the maximum special tax that can be levied for drainage maintenance services for any new Tax Zone created through annexation of a residential subdivision.

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

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**"Base Landscape Maintenance Services Maximum Tax"** means the maximum special tax that can be levied for landscape maintenance services for any new Tax Zone created through annexation of a residential subdivision.

**"CFD"** means the North Natomas Neighborhood Landscape Services Community Facilities District No. 99-02 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 Residential Parcel"** means a residential Parcel, which has a recorded final small lot map for residential uses permitting up to 2 units per lot.

**"Drainage Maintenance Services Tax"** means the portion of the maximum special tax that is levied on a Taxable Parcel to fund drainage maintenance and associated costs. Residential parcels in certain subdivisions are required by the City to provide a backup funding source for the maintenance of drainage facilities in the event that the homeowners association fails to provide adequate drainage maintenance. This portion of the special tax is only levied if the City has determined that the subdivision homeowners association has failed to adequately provide the required drainage maintenance service.

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

**"Landscape Maintenance Services Tax"** means the portion of the Maximum Annual Special Tax that is levied on a Taxable Parcel to fund landscape maintenance and associated costs. The tax is levied on Parcels that do not have maintenance of landscaping provided by homeowners associations. However, the tax may also be used as a backup tax in the event that a homeowners association fails to adequately provide landscape maintenance and the City has to take over provision of services.

**"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 and landscape intensity.

**"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.

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

**"Public Parcel"** means any Parcel, in its entirety, that is or is intended to be publicly owned in the North Natomas Community Plan as adopted by the City—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.

**"Subdivision"** means a division of a Parcel into a set of Successor Parcels through the Subdivision Map Act process.

**"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 Parcel that is classified as a Developed Residential Parcel or Undeveloped Parcel.

**"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); and (ii) all other parcels not defined as Developed Residential Parcels or Undeveloped Parcels.

**"Tax Zone"** describes one or more subdivisions with similar landscaping maintenance features and annual maintenance costs that are grouped together as a Tax Zone. Each subdivision included in the CFD at formation is assigned a Tax Zone. As a subdivision is annexed into the CFD, it may either be annexed into an existing Tax Zone or be assigned a new Tax Zone. Tax Zones will be labeled in alphabetical sequence as new Tax Zones are created.

**"Undeveloped Land Tax"** means the maximum special tax that can be levied for landscape maintenance services for an Undeveloped Parcel.

**"Undeveloped Parcel"** means remaining land in subdivision designated for single family residential land uses permitting up to 2 units per lot in the tentative map.

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### 3. Duration of the Special Tax

Parcels in the CFD will remain subject to the special 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 to be further categorized by Tax Zone. The Tax Zone assigned to a Parcel is based on the same Tax Zone assigned to the Taxable Parcel's subdivision.
3. Each Taxable Parcel to be classified as to whether or not it is subject to the Landscape Maintenance Services Tax.
4. Each Taxable Parcel to be further classified as to whether or not it is subject to the Drainage Maintenance Services Tax.
5. Each Taxable Parcel to be further classified as to whether or not it is subject to the Undeveloped Land Tax.

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. Annexation Parcels. Subdivisions annexing into the CFD shall have their Maximum Special Tax Rate and Tax Zone assigned at the time of annexation.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and/or is converted to Developed Residential Parcel, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to 4.A and 4.B above. Conversely, if a privately owned 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 Taxable Parcel based on the assignment of the Special Tax in Section 4. The City will then determine the tax levy for each Taxable Parcel using the following process:

A. Compute the Annual Cost using the definition in Section 2 for the Fiscal Year. The City will allocate the Annual Costs for landscape maintenance and drainage maintenance for each Tax Zone. All administrative costs or other costs not related to the provision of landscape maintenance or drainage maintenance shall be allocated based on each Tax

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Zone's percentage of the total landscape maintenance costs and drainage maintenance costs.

B. For each Tax Zone, calculate the Landscape Maintenance Service Tax for each Developed Parcel necessary to fund the allocated landscape maintenance cost and administration cost by the following:

- Calculate the Maximum Annual Special Tax Revenues for the landscape maintenance portion of the Special Tax by setting the tax rate for each Developed Parcel at 100% of its Maximum Annual Special Tax shown in Attachment 1. If revenues are greater than the Annual Cost allocated to the Tax Zone for landscape maintenance and administration cost, the tax is reduced proportionately until the special tax is set at an amount sufficient to cover the allocated Annual Cost.
- If revenues from taxing Developed Parcels at 100% of the Maximum Annual Special Tax is not sufficient to fund allocated Annual Cost, levy the Undeveloped Land Tax up to 100% of its Maximum Annual Special Tax shown in Attachment 1, or until total special tax revenues equal Annual Cost.

C. For each Tax Zone, calculate the Drainage Maintenance Services Tax for each Taxable Parcel necessary to fund the allocated drainage maintenance costs by the following:

- Calculate the Maximum Annual Special Tax Revenues for the drainage maintenance portion of the Special Tax by setting the tax rate for each Taxable Parcel subject the drainage maintenance portion of the Special Tax at 100% of its Maximum Annual Special Tax shown in Attachment 1. If revenues are greater than the Annual Cost allocated to the Tax Zone for drainage maintenance, the tax rate is reduced proportionately until the tax levy is set at an amount sufficient to cover the allocated Annual Cost.

D. Sum the Landscape Maintenance Services Tax and the Drainage Maintenance Services Tax calculated above to determine the Special Tax Levy for each Taxable Parcel in each Tax Zone.

E. 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.

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## 6. Records Maintained for the CFD

As development and subdivision of North Natomas takes place, the City will maintain a file containing records of the following information for each Parcel:

- The current Parcel Number;
- The Parcel acreage;
- Number of residential units per parcel; and
- Tax Zone for the Parcel.

The file containing the information listed above will be available for public inspection.

## 7. Appeals

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing 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.

## 8. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes; provided; however, the City or its designee may directly bill the Special tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary to meet its financial obligation.

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# EXHIBIT C

City of Sacramento CFD No. 99-02  
 Maximum Special Tax Rates for Base Year 1999-2000 [1]

Tax Zone (1)	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b>Tax Zones at CFD Formation</b>			
A	<b>Natomas Park</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$35 \$0 \$190	Authorized Unit Authorized Unit Gross Acre
B	<b>Natomas Crossing</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$45 \$0 \$0	Authorized Unit Authorized Unit Gross Acre
C	<b>Gateway West</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax - Gateway West North Drainage Maintenance Services Tax - other subdivisions Undeveloped Land Tax [5]	\$60 \$150 \$0 \$0	Authorized Unit Authorized Unit Authorized Unit Gross Acre
<b>Future Annexations</b>			
A	<b>River View</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$35 \$0 \$190	Authorized Unit Authorized Unit Gross Acre
D	<b>Annexation No. 1 Westlake [6]</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$70 \$40 \$0	Authorized Unit Authorized Unit Gross Acre
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

[1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.

[2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.

[3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.

[4] Following the Base Year 1999-2000 for Tax Zones A, B, and C, and Base Year 2000-2001 for Tax Zone D, the Maximum Special Tax Rates will increase annually based upon the Consumer Price Index (CPI) (prior year annual average), San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.

[5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.

## FOR CITY CLERK USE ONLY

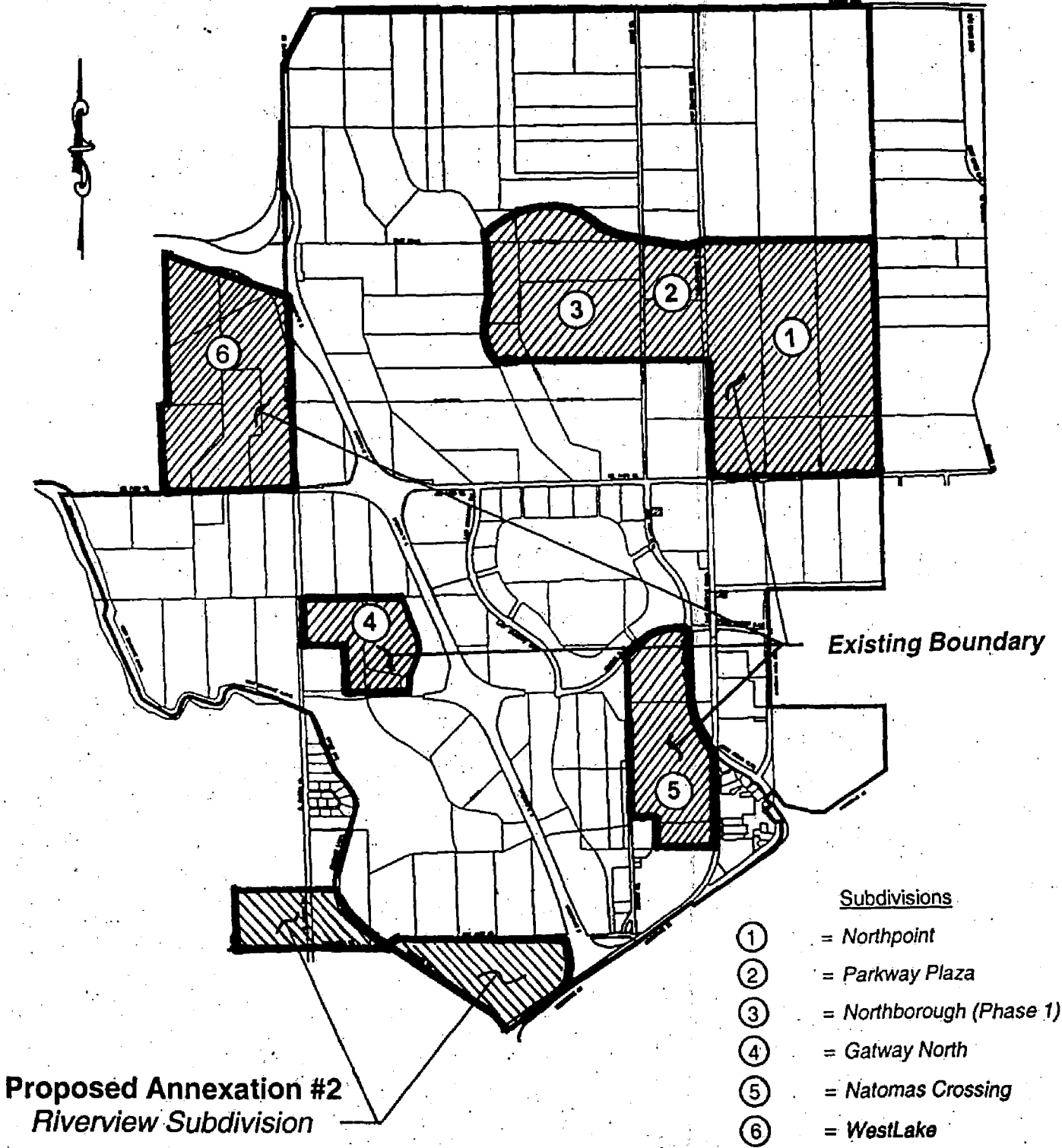
RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**EXHIBIT D**

**NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT #99-02**

**AREA OF SERVICES**



**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_

**WAIVER AND CONSENT OF LANDOWNERS  
WITHIN THE PROPOSED NORTH NATOMAS  
NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT NO. 99-02  
SHORTENING TIME PERIODS AND WAIVING VARIOUS  
OTHER REQUIREMENTS  
(ANNEXATION NO. 2)**

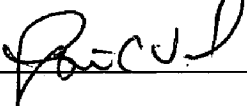
The undersigned is the owner (or the authorized representative of the owner) of certain real property in the City of Sacramento that is designated on the current (Fiscal year 1999-00) assessment roll of the County of Sacramento as the Assessor's Parcel Number indicated next to the undersigned's signature hereto, which real property is located in the proposed Annexation No. 2 to the North Natomas Neighborhood Landscaping Community Facilities District ("District"), as the District boundaries are set forth on the map entitled "Boundaries of North Natomas Neighborhood Landscaping Community Facilities District No. 99-02, Annexation No. 2, City of Sacramento, County of Sacramento, State of California," designated Exhibit A attached hereto and incorporated herein by this reference, and in such capacity the undersigned is legally entitled and authorized to cast the ballots for the above-referenced owner in the mailed ballot election to be conducted within the District to determine, among other things, whether the land owned by the above-referenced owner shall be subject to the levy of a special tax by the District.

The undersigned hereby waives: (i) any and all minimum time requirements relative to such election pursuant to Section 53326(a) of the California Government Code; (ii) the preparation and distribution of an impartial analysis of the ballot measure to be submitted at such election, as well as arguments and rebuttal arguments in favor of or against such ballot measure; and (iii) the timing requirements regarding the mailing of ballots to the qualified electors within the District pursuant to Section 4101 of the California Elections Code.

The undersigned hereby further agrees that the election is being expedited, pursuant to this waiver and consent, at the particular instance and request of the above-referenced owner.

Dated: 12/14/00

Owner or authorized representative:

  
\_\_\_\_\_

By: Brian C. Vanc  
Its: Managing Member

Assessor Parcel No.(s):

225-0190-002  
225-0190-003  
225-0020-026

PROPOSED BOUNDARIES OF  
 CITY OF SACRAMENTO  
 NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
 COMMUNITY FACILITIES DISTRICT No. 99-02  
 ANNEXATION No. 2  
 SACRAMENTO, CALIFORNIA  
 SHEET 1 OF 1

CLERK'S MAP FILING STATEMENT.

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS 16<sup>th</sup> DAY OF JANUARY, 2001.

CITY CLERK  
 CITY OF SACRAMENTO

CLERK'S CERTIFICATE

I HEREBY CERTIFY THAT THE MAP SHOWING PROPOSED BOUNDARIES OF THE NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY FACILITIES DISTRICT NO. 99 - ANNEXATION #2 WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON 16<sup>th</sup> DAY OF JANUARY, 2001 BY ITS RESOLUTION NO. \_\_\_\_\_

CITY CLERK  
 CITY OF SACRAMENTO

COUNTY RECORDER'S FILING STATEMENT

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2001 AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M., IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF SACRAMENTO, CALIFORNIA.

RECORDER OF SACRAMENTO COUNTY DOCUMENT NO.: \_\_\_\_\_  
 STATE OF CALIFORNIA

BY: \_\_\_\_\_

LEGEND

\_\_\_\_\_ DISTRICT BOUNDARY

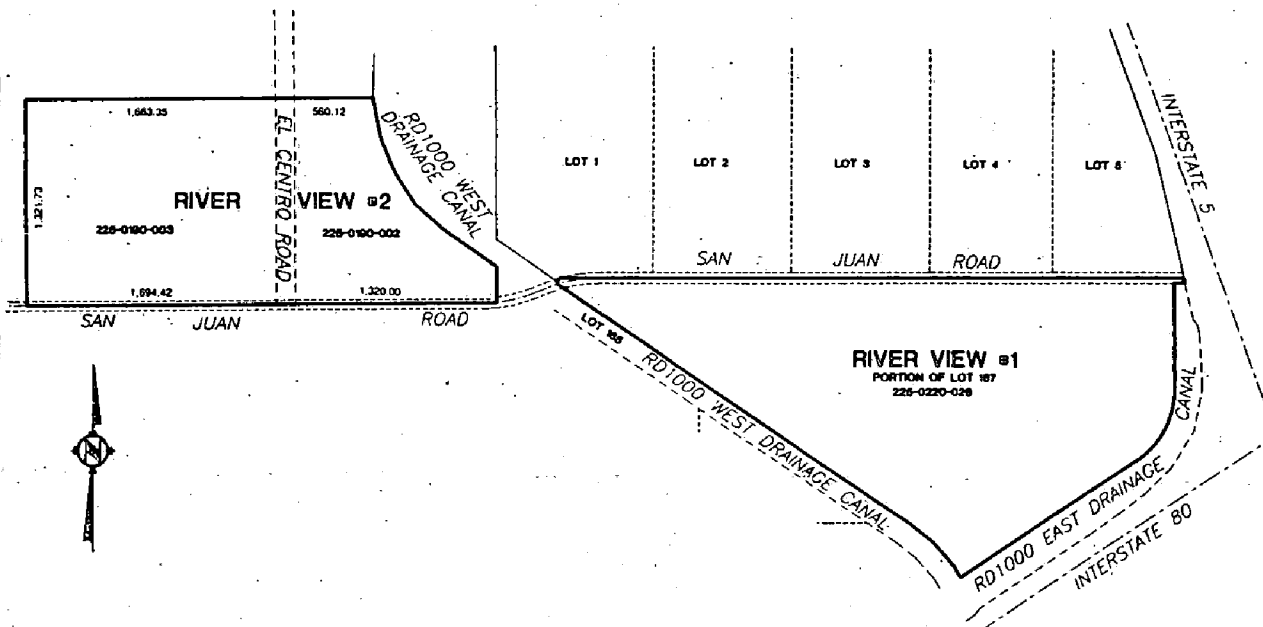


EXHIBIT A

CIVIL ENGINEERING  
 PLANNING  
 SURVEYING/MAPPING  
**WOOD-RODGERS INC.**  
 1301 C ST. #1008 SACRAMENTO, CA 95818  
 PHONE: (916) 341-7740



**Economic &  
Planning Systems**

*Public Finance  
Real Estate Economics  
Regional Economics  
Land Use Policy*

# HEARING REPORT FOR ANNEXATION NO. 2

## NORTH NATOMAS CFD No. 99-02

Prepared for:

City of Sacramento

Prepared by:

Economic & Planning Systems, Inc.

January 16, 2001

EPS #9049

**SACRAMENTO**

1750 Creekside Oaks Drive, Suite 290  
Sacramento, CA 95833-3647  
www.epsys.com

phone: 916-649-8010  
fax: 916-649-2070



**BERKELEY**

phone: 510-841-9190  
fax: 510-841-9208

**DENVER**

phone: 303-575-8112  
fax: 303-623-1294

**CONTACT INFORMATION**

**Annexation No. 2 North Natomas CFD No. 99-02**

**January 16, 2001**

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## I. INTRODUCTION & PURPOSE

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City Council adopted resolution no. 99-372 June 29, 1999. At that time, CFD No. 99-02 was formed with three tax zones, Tax Zone A (Natomas Park subdivisions), Tax Zone B (Natomas Crossing subdivision), and Tax Zone C (Gateway North subdivision). The rate and method of apportionment of the special tax that was adopted contains the provision for new subdivisions built within the North Natomas Finance Plan area to annex into the CFD.

### ANNEXATION NO. 2 TO CFD NO 99-02

When a new subdivision annexes into the CFD, it may either annex into a tax zone which has a similar level of maintenance cost, or create a new tax zone with an appropriate tax rate to fund the required level of service. Annexation No. 2 includes the River View subdivision that will annex into Tax Zone A. Estimates of the annual landscape maintenance costs are similar to the annual landscape maintenance projected costs for Natomas Park, which encompasses multiple subdivisions within Tax Zone A.

This report describes Annexation No. 2 of River View subdivision into CFD No. 99-02 in detail in Chapter IV.

### INTRODUCTION

The North Natomas Community Plan encompasses approximately 9,000 acres north of Interstate 80 and west of Union Pacific Railroad. Although adopted by the City of Sacramento, the Community Plan includes areas outside the City limits. The Financing Plan for the North Natomas Community Plan delineated a Finance Plan Area. Approximately 6,800 acres within the City limits have been included in the Finance Plan Area<sup>1</sup> for North Natomas. At buildout, the Finance Plan Area is projected to contain approximately 27,900 dwelling units and jobs for approximately 56,500 employees.

A variety of Citywide funding sources are in place to fund standard service levels of maintenance for parks, landscape corridors, bikeways, and open space. These existing funding sources include the Citywide Landscaping and Lighting District, City general fund, utility rate base, gas tax, and CIP funds. North Natomas development will pay into these existing Citywide funding sources.

In June 1998 the North Natomas Annual Maintenance Community Facilities District (CFD No. 3) was formed to fund area-wide landscaping within the Finance Plan Area that is either unique to North Natomas or is above City standards. Features unique to North Natomas

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<sup>1</sup>The Finance Plan Area of the Community Plan includes only those acres in the City of Sacramento that are participating in the North Natomas Financing Plan.

include landscape corridors along major roads, drainage canals, swale, and freeway corridors. CFD No. 3 encompasses the entire Finance Plan Area but does not provide for ongoing maintenance of landscaping within neighborhood subdivisions.

## PURPOSE OF CFD NO. 99-02

The City typically uses neighborhood landscape districts to fund subdivision landscaping. Neighborhood Landscaping Community Facilities District 99-02 (CFD No. 99-02) will fund landscaping and drainage maintenance for subdivisions within the Finance Plan Area of North Natomas. **Figure 1** shows participating subdivisions at formation of the CFD.

CFD No. 99-02 will comprise two components. First, it will provide landscape maintenance for each subdivision that does not have such maintenance funding provided through a homeowners association. Second, it will also provide drainage maintenance services for subdivisions that are required to implement a lake management plan, and that do not provide such funding through a homeowners association. CFD No. 99-02 may also serve as a back-up source of funds in the event that a homeowners association fails to provide landscape maintenance or drainage maintenance.

CFD No. 99-02 provides for varying levels of landscaping in different subdivisions by assigning each subdivision a tax zone.

## ORGANIZATION OF THIS REPORT

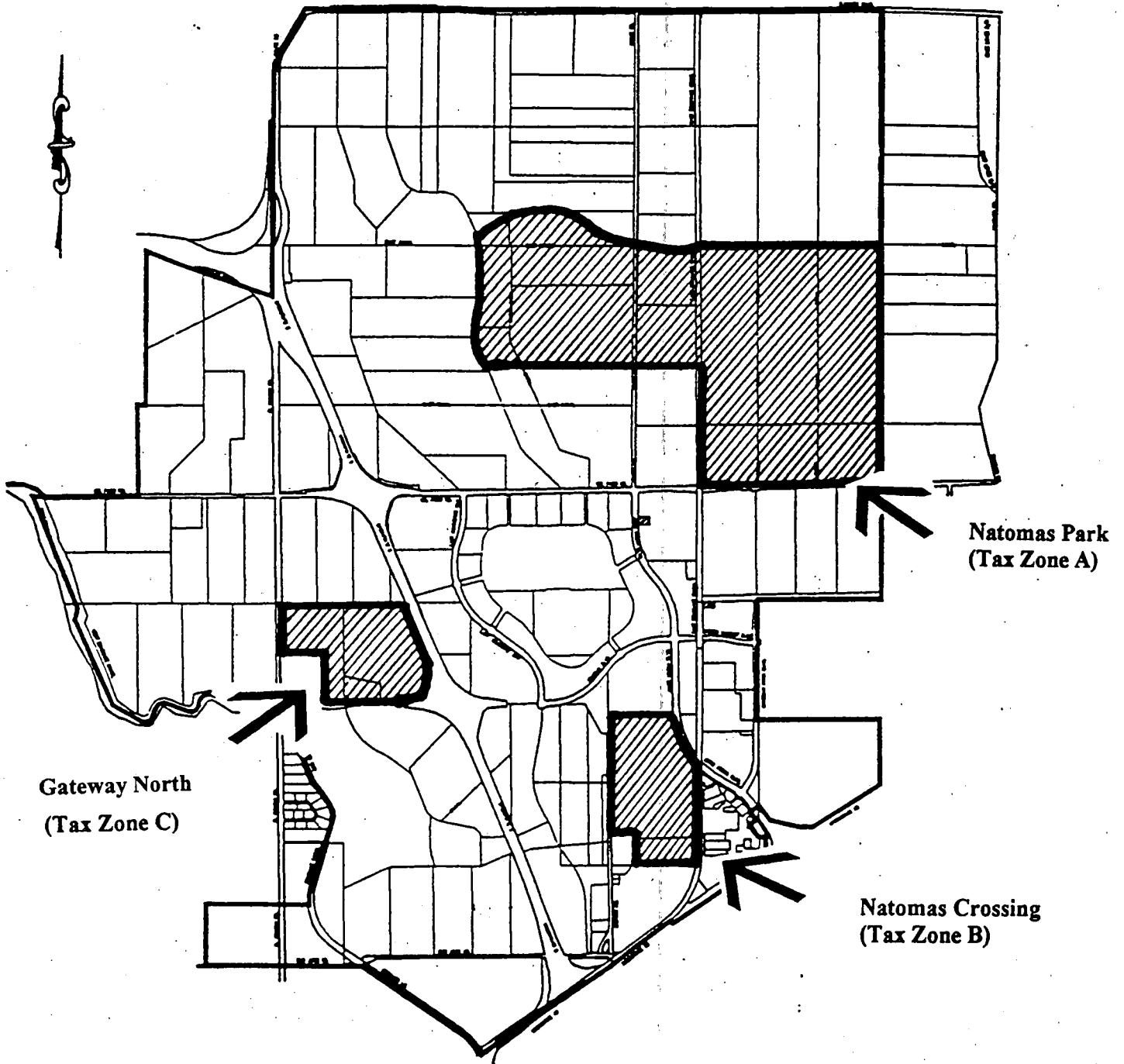
Following this introduction, **Chapter II** describes the annual costs for maintenance services, and the calculation of the maximum special taxes. **Chapter III** discusses features of the Neighborhood Landscaping Mello-Roos CFD No. 99-02. This discussion outlines the method of calculating the special tax levy and the structure of the proposed CFD. A description of Annexations No. 2 and No. 1 to CFD No. 99-02 is included in **Chapter IV**.

**Exhibit A** gives the List of Authorized Services, **Exhibit B** is the Rate and Method of Apportionment, and **Exhibit C** shows the boundary maps for CFD No. 99-02. **Exhibit D** is an amended Attachment 1 to the Rate and Method of Apportionment, and the Boundary Maps for Tax Zone D and River View, which is annexing into Tax Zone A.

Economic & Planning Systems calculated the maximum annual special tax and developed the special tax formula for CFD No.99-02 in cooperation with the City of Sacramento.

Figure 1

NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT #99-02



## II. ANNUAL MAINTENANCE COSTS

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### ANNUAL LANDSCAPING MAINTENANCE COSTS

Neighborhood CFD No. 99-02 will fund maintenance of landscaping improvements in residential subdivisions that do not have a homeowners association providing this service.

Three project areas are participating in the CFD at formation. Each project area has been assigned a different tax zone to reflect the varying estimates of landscaping maintenance cost in each subdivision:

- Tax zone A includes Natomas Park, (multiple subdivisions)
- Tax zone B includes Natomas Crossing, and
- Tax zone C includes Gateway North.

Of these three project areas, only Natomas Park and Natomas Crossing will be levied the landscaping maximum special tax. A homeowners association will not provide funding for landscaping maintenance in these subdivisions. Funding for landscaping maintenance in Gateway North will be provided by a homeowners association. If the homeowners association fails to provide adequate levels of service and the City has to take over responsibility then tax zone C would be levied the landscaping maintenance maximum special tax.

### ANNUAL DRAINAGE MAINTENANCE COSTS

Neighborhood CFD No. 99-02 may also fund the drainage maintenance for residential subdivisions with a lake management plan. The only subdivision with a lake management plan at the time of CFD formation is Gateway North. Funding to meet the maintenance required by the lake management plan will be provided by the homeowners association. If the homeowners association fails to provide adequate levels of service and the City has to take over responsibility then tax zone C would be levied the drainage maintenance maximum special tax.

### SUMMARY OF ANNUAL COSTS

Annual costs are defined as the sum of landscape maintenance and drainage maintenance costs plus administrative costs and any amounts needed to cure actual or estimated delinquencies in the Special Taxes for the current or previous year. **Figure 2** below lists the proposed landscape maintenance services and the estimated annual cost at buildout in tax zones A and B (1999 \$).

**Figure 2**  
**Summary of Annual Costs**  
**At Buildout in Tax Zones A and B**

(rounded to 1999 \$'s hundreds)

**Tax Zone A (Natomas Park) - multiple subdivisions**

Landscape Maintenance [1], [3]	\$20,300
Unscheduled Maintenance [2], [3]	\$2,000
Utilities Cost (water & electric) and Contract Maintenance [3]	\$4,500
Plus 20% Contingency	\$5,400
<b>Subtotal Landscape Maintenance Costs</b>	<b>\$32,200</b>
Administration	\$4,700
Plus 20% Contingency	\$1,000
<b>Total Annual Cost Tax Zone A</b>	<b>\$37,900</b>

**Tax Zone B (Natomas Crossing)**

Landscape Maintenance [1], [3]	\$10,800
Unscheduled Maintenance [2], [3]	\$1,000
Utilities Cost (water & electric) and Contract Maintenance [3]	\$1,700
Plus 20% Contingency	\$2,700
<b>Subtotal Landscape Maintenance Costs</b>	<b>\$16,200</b>
Administration	\$2,400
Plus 20% Contingency	\$400
<b>Total Annual Cost Tax Zone B</b>	<b>\$19,000</b>

**TOTAL ANNUAL COST** **\$56,900**

[1] Maintenance of landscaping based upon \$0.05 per square foot for 'low level' landscaping, \$0.07 per square foot for 'medium level' landscaping, and \$0.12 per square foot for 'high level' landscaping.

[2] 10% of the total maintenance budget was added for miscellaneous maintenance and landscape capital improvements/replace/repair.

[3] Includes 15% contingency.

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Source: City of Sacramento and EPS.

The annual costs shown assume buildout of Natomas Park (tax zone A), which includes multiple subdivisions, and Natomas Crossing (tax zone B), which are the only project areas included in the CFD at formation to be levied the landscaping maximum special tax. Gateway North is the only subdivision subject to the drainage maintenance tax, however, funding for this service will be provided through a homeowners association.

Landscape maintenance shown in Figure 2 includes three levels of landscaping. 'Low level' landscaping includes items such as hardscape areas, 'medium landscaping' includes items such as planters and shrub beds, and 'high level' landscaping includes items such as turf, fences, and soundwalls. Figures 3, 4, and 5 show square feet of the varying levels of landscaping in each subdivision, as provided by the landscape architects. Cost per square foot was provided by the City of Sacramento. Figure 5 also shows estimated annual cost for drainage maintenance in Tax Zone C.

Landscape improvements will be installed as development occurs. Maintenance of landscaping will be a developer requirement until landscaping improvements are accepted by the City. The annual maintenance cost and supporting tax base will increase as final maps are recorded and landscaping is installed. The tax base will continue to increase as new subdivisions annex into existing tax zones or create new tax zones.

**Figure 3**  
**North Natomas Neighborhood Landscaping Service CFD No. 99-02**  
**Estimated Landscape Maintenance Costs**

Landscape Feature	Quantity	Unit	Cost per Unit	Total Cost Tax Zone A
<b><i>Tax Zone A - Natomas Park</i></b>				
<b>Northborough</b>				
Shrub Beds (medium)	78,960	SF	\$0.07	\$5,527
Turf (high)	11,020	SF	\$0.12	\$1,322
Soundwall [1]	52,800	SF	\$0.12	\$6,336
<b>Subtotal Northborough</b>	<b>89,980</b>	<b>SF</b>		<b>\$13,186</b>
<b>Northpointe</b>				
Shrub Beds (medium)	36,320	SF	\$0.07	\$2,542
Turf (high)	9,000	SF	\$0.12	\$1,080
Soundwall [1]	7,200	SF	\$0.12	\$864
<b>Subtotal Northpointe</b>	<b>45,320</b>	<b>SF</b>		<b>\$4,486</b>
<b>Total Estimated Cost</b>	<b>135,300</b>	<b>SF</b>		<b>\$17,672</b>

"ZoneA"

[1] Soundwalls in Natomas Park subdivisions are 6 feet high.

**Note:** Total estimated cost does not include contingencies.

Sources: City of Sacramento and Procida Landscape.

Figure 4  
 North Natomas Neighborhood Landscaping Service CFD No. 99-02  
 Estimated Landscape Maintenance Costs

Landscape Feature	Quantity	Unit	Cost per Unit	Total Cost Tax Zone B
<b><i>Tax Zone B - Natomas Crossing</i></b>				
Turf (high)	49,641	SF	\$0.12	\$5,957
Planter (medium)	22,798	SF	\$0.07	\$1,596
Hardscape (low)	147	SF	\$0.05	\$7
Fence [1]	14,400	SF	\$0.12	\$1,728
Soundwall [1]	816	SF	\$0.12	\$98
<b>Total Estimated Cost</b>	<b>87,802</b>	<b>SF</b>		<b>\$9,386</b>

"ZoneB"

[1] Fence and Soundwall converted to SF using height of 8 feet.

**Note:** Total estimated cost does not include contingencies.

Source: City of Sacramento and Spink Engineering.

Figure 5  
 North Natomás Neighborhood Landscaping Service CFD No. 99-02

**Estimated Landscape Maintenance Costs**

Landscape Feature	Quantity	Unit	Cost per Unit	Total Cost Tax Zone C
<b>Tax Zone C - Gateway North</b>				
Turf (High)	32,338	SF	\$0.12	\$3,881
Planter (Medium)	45,562	SF	\$0.07	\$3,189
Hardscape (low)	13,922	SF	\$0.05	\$696
Soundwall [1]	28,480	SF	\$0.12	\$3,418
<b>Total Estimated Landscaping Cost</b>	<b>120,302</b>	<b>SF</b>		<b>\$11,184</b>

[1] Soundwall converted to SF using height of 8 feet.

"ZoneC"

**Note:** Total estimated cost does not include contingencies.

Source: City of Sacramento and Spink Engineering.

**Estimated Drainage Maintenance Costs**

Drainage Maintenance	Total Cost Tax Zone C
<b>Tax Zone C - Gateway North</b>	
Monitoring - sampling	\$4,000
Monitoring - laboratory analyses	\$12,000
Twice per month trash clean up	\$2,500
Plant Harvesting	\$2,500
Algae Control	\$3,600
Quarterly and Annual Reports [1]	\$2,000
<b>Total Estimated Drainage Costs</b>	<b>\$26,600</b>

[1] Assumes an annual report only.

**Note:** Total estimated cost does not include contingencies.

Source: Gateway West-North Lake Management Plan, February 1999.

## MAXIMUM SPECIAL TAX RATES

Maximum special tax rates for each tax zone were estimated by taking the estimated annual costs for a tax zone and dividing by the number of residential units planned for development within that tax zone. The maximum special tax rates are set based on the total number of units at buildout. This calculation is illustrated in Figure 6 for tax zones A and B. Maximum special tax rates for tax zones A, B, and C are given in the Rate and Method of Apportionment in Exhibit B.

A total 35 percent contingency was added in each tax zone. Fifteen percent was added for each landscape maintenance service item, and 20 percent was added to both landscape maintenance and administrative costs. The overall contingency of 20 percent was added because the cost estimates are preliminary. There are few comparable areas to compare the standard of landscaping and associated costs in North Natomas subdivisions with in the City of Sacramento.

If annual costs in a tax zone are anticipated to be significantly less than the maximum special tax rates allow for, the maximum special tax rates may be reduced proportionately as outlined in section 5 of the Rate and Method of Apportionment. Any additional revenues above those required for annual cost in the first couple of years will also help pay for CFD formation costs, and to reduce taxes in the following years.

In addition to the tax rates that have been set for tax zones A, B, and C, a base landscaping maximum special tax and a base drainage maintenance maximum special tax have been set. These maximum special tax rates are the maximum rates that may be levied when a new subdivision or group of subdivisions creates the need for a new tax zone.

If revenue from taxing developed parcels within a tax zone at 100 percent of the maximum special tax rates is insufficient to fund annual costs for that tax zone in a given year, an undeveloped land tax may be levied per gross acre. The undeveloped land tax only applies to tax zone A at formation because Natomas Park is comprised of several subdivisions that will build out over a period of time.

Figure 6.

North Natomas Neighborhood Landscaping Services CFD No. 99-02

Estimated Annual Landscape Maintenance Costs and Special Taxes per Unit at Subdivision Buildout

Item	Square Feet	Cost per Sq. Foot	1999\$ Estimate	15% Contingency	Total Estimate 1999\$
<b>Tax Zone A (Natomas Park)</b>					
Low Level Landscaping	0	\$0.05	\$0	\$0	\$0
Medium Level Landscaping	115,280	\$0.07	\$8,070	\$1,210	\$9,280
High Level Landscaping	80,020	\$0.12	\$9,602	\$1,440	\$11,043
<b>Subtotal</b>	<b>195,300</b>	<b>\$0.09</b>	<b>\$17,672</b>	<b>\$2,651</b>	<b>\$20,323</b>
Unscheduled Maintenance	10% of maintenance budget		\$1,767	\$265	\$2,032
Utilities Cost & Contract Maintenance (1)	195,300	\$0.02	\$3,906	\$586	\$4,492
<b>Subtotal Annual Maintenance Cost Tax Zone A</b>			<b>\$23,345</b>	<b>\$3,502</b>	<b>\$26,847</b>
Subtotal including 20% Contingency					\$32,216
<b>Tax Zone B (Natomas Crossing)</b>					
Low Level Landscaping	147	\$0.05	\$7	\$1	\$8
Medium Level Landscaping	22,798	\$0.07	\$1,596	\$239	\$1,835
High Level Landscaping	64,857	\$0.12	\$7,783	\$1,167	\$8,950
<b>Subtotal</b>	<b>87,802</b>	<b>\$0.11</b>	<b>\$9,386</b>	<b>\$1,408</b>	<b>\$10,794</b>
Unscheduled Maintenance	10% of maintenance budget		\$939	\$141	\$1,079
Utilities Cost & Contract Maintenance (1)	72,439	\$0.02	\$1,449	\$217.32	\$1,666
<b>Subtotal Annual Maintenance Cost Tax Zone B</b>			<b>\$11,773</b>	<b>\$1,766</b>	<b>\$13,539</b>
Subtotal including 20% Contingency					\$16,247
<b>TOTAL ANNUAL MAINTENANCE COSTS</b>					<b>\$48,464</b>
<b>Plus Administration (2)</b>					
Tax Zone A	66.5%				\$7,074
<b>Tax Zone A Administration including 20% Contingency</b>					<b>\$5,643</b>
Tax Zone B	33.5%				\$2,372
<b>Tax Zone B Administration including 20% Contingency</b>					<b>\$2,846</b>
<b>TOTAL ANNUAL COST</b>					<b>\$55,538</b>
Tax Zone A (Natomas Park)					\$36,919
Tax Zone B (Natomas Crossing)					\$18,619
<b>Residential Units (3)</b>					
Tax Zone A (Natomas Park)					1,085
Tax Zone B (Natomas Crossing)					452
<b>Estimated Annual Special tax per Unit (rounded)</b>					
Tax Zone A (Natomas Park)					\$35
Tax Zone B (Natomas Crossing)					\$45

"landscaping"

(1) Square feet for medium and high landscaping only. Utilities bills include water and electricity.

(2) Includes \$2 per unit for County and \$4,000 per annum for Special Districts. Tax Zone administration cost allocated as the percentage of that Tax Zone's landscape maintenance costs of the total landscape maintenance costs.

(3) Unit counts are at buildout of subdivisions.

Sources: Landscaping square feet for Natomas Crossing provided by Spink, and Natomas Park by Procida.

### III. DESCRIPTION OF MELLO-ROOS CFD No. 99-02

---

As discussed in **Chapter II**, the North Natomas Mello-Roos CFD No. 99-02 will fund the annual maintenance costs required for ongoing maintenance of landscaping and drainage services for subdivisions within the CFD. This Chapter describes CFD No. 99-02 by explaining the calculation of annual cost, and the method to set the annual levy for each taxable parcel.

The purpose of the CFD is to fund ongoing landscape and drainage maintenance described in **Chapter II**. The list of eligible facilities and incidental expenses that the CFD is authorized to fund with special tax revenues is shown in this report in **Exhibit A**. Parcels within CFD No. 99-02 will pay an annual special tax based upon the Rate and Method of Apportionment of Special Tax shown in **Exhibit B**. The boundary map for CFD No. 99-02 is attached as **Exhibit C**.

#### ANNUAL COSTS TO BE FUNDED IN THE CFD

The annual cost will be determined each year by estimating the cost of ongoing maintenance and repair of facilities plus the cost of City administration. The City will apply the special tax formula included as **Exhibit B** to this report to determine the special tax levy for each parcel. The tax formula must provide revenue to pay for the annual cost in any year. In years when less money is needed, the tax levy may be less than the maximum authorized rates.

#### CFD BOUNDARIES

**Exhibit C** shows the proposed boundary map for CFD No. 99-02 at the time of formation. The map shows the North Natomas Finance Plan Area. The areas that are shaded are included in the CFD. Future subdivision projects may be required by the City of Sacramento to annex into the CFD prior to the initiation of development, according to City policy. Property currently within the County portion of the Community Plan Area that annexes to the City of Sacramento submitting applications to develop will also be required to annex to CFD 99-02 according to City policy.

#### MAXIMUM ANNUAL SPECIAL TAX ALLOCATION TO LAND USES

The special taxes will be levied upon "Developed Residential Parcels". Developed Residential Parcels are defined as parcels created by a recorded final map that permit up to 2 units per lot. The maximum special taxes will be levied per authorized unit recorded on the final map. In addition, an undeveloped land tax may be levied in a tax zone if taxing Developed Residential Parcels at 100 percent is insufficient to cover annual costs.

Landscaping maintenance tax and drainage maintenance tax rates for the fiscal year 1999-2000 base tax year differ by tax zone, as shown in Figure 7. The maximum landscaping special tax in FY 99-2000 is \$35 per authorized unit in tax zone A, \$45 per authorized unit in tax zone B, and \$60 per authorized unit in tax zone C. The base landscape maintenance services maximum tax is \$100 per authorized unit. The base drainage maintenance services maximum tax is \$200 per single family unit. The base tax rates refer to the maximum special taxes that can be levied for services for annexing subdivisions that create a new tax zone. Gateway North is the only participating subdivision with a requirement to maintain a lake management plan. The maximum tax to provide sufficient funding for this service in the event that the homeowners association fails to provide adequate service, is \$150 per authorized unit.

The undeveloped land tax shown in Figure 7 is only levied if revenues from the levy of maximum special taxes on developed parcels within a tax zone is insufficient to cover annual costs within that particular tax zone. The undeveloped land tax for an annexing subdivision that creates its own tax zone is \$310 per gross acre and is based on typical density of residential subdivisions developing in North Natomias. Tax zone A is the only tax zone at the time of formation with an undeveloped land tax. Using approximately 5 units per gross acre and the landscape maintenance special tax rate in tax zone A, the undeveloped land tax is \$190 per gross acre for tax zone A.

Tax rates may escalate each year based upon the prior calendar year annual average of the San Francisco, All Urban Consumers, Consumer Price Index (CPI-U), not to exceed 4 percent.

## **DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX**

By June 30 of each year, the City shall prepare a list of the Parcels subject to the special tax using the records of the County assessor as of January 1 and other City development approvals. The City will tax all parcels within the CFD except tax-exempt parcels as described in Section 4 of the rate and method of apportionment.

## **TERMINATION OF THE SPECIAL TAX**

The special tax will be levied and collected in perpetuity.

## **ASSIGNMENT OF MAXIMUM SPECIAL TAX**

Section 4 of the special tax formula describes in detail the precise method for assigning the maximum special tax to parcels within the CFD. The following paragraph briefly summarizes these procedures.

Each year the administrator uses the definitions contained in the special tax formula to classify each parcel as tax-exempt or taxable. After classifying the parcels, the administrator

assigns the maximum annual tax using the maximum special tax rate for each taxable parcel. The maximum annual tax shall not exceed the rates per dwelling unit in the base year (FY 1999-00), as adjusted by the annual escalation factor after the base year.

## **SETTING THE ANNUAL SPECIAL TAX LEVY FOR TAXABLE PARCELS**

After computing the total annual cost for each tax zone, the City will then determine the levy for each taxable parcel in each tax zone. To determine the annual levy the City will use the following process described in Section 5 of the special tax formula. That process can be summarized as follows:

- First, the City determines the annual cost for landscape and drainage maintenance in each tax zone for the fiscal year.
- Second, calculate the landscape maintenance service tax by setting the tax rate for each developed parcel at 100 percent of its maximum annual special tax. If revenues are greater than annual costs, the tax is reduced proportionately against taxable parcels until the taxes are set at an amount sufficient to cover annual costs. If revenues are not sufficient to fund allocated annual cost, levy the undeveloped land tax up to 100 percent of its maximum annual special tax.
- Third, calculate the drainage maintenance service tax by setting the tax rate for each developed parcel at 100 percent of its maximum annual special tax. If revenues are greater than annual costs, the tax is reduced proportionately against taxable parcels until the taxes are set at an amount sufficient to cover annual costs.
- Fourth, sum the landscape maintenance services tax and the drainage maintenance services tax to determine the special tax levy for each taxable parcel in each tax zone.

## **MANNER OF COLLECTION**

The special tax will be collected in the same manner and at the same time as ad valorem property taxes.

**Figure 7**  
**City of Sacramento CFD No. 99-02**  
**Maximum Special Tax Rates for Base Year 1999-2000 [1]**

Tax Zone [1]	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b><u>Tax Zones at CFD Formation</u></b>			
<b>A</b>	<b>Natomas Park</b>		
	Landscape Maintenance Services Tax	\$35	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$190	Gross Acre
<b>B</b>	<b>Natomas Crossing</b>		
	Landscape Maintenance Services Tax	\$45	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>C</b>	<b>Gateway West</b>		
	Landscape Maintenance Services Tax	\$60	Authorized Unit
	Drainage Maintenance Services Tax - Gateway West North	\$150	Authorized Unit
	Drainage Maintenance Services Tax - other subdivisions	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b><u>Future Annexations</u></b>			
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

"a1"

- [1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.
- [2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.
- [3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.
- [4] Following the Base Year 1999-2000, the Maximum Special Tax Rates will escalate annually based upon the Consumer Price Index (CPI) (prior year annual average, San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.
- [5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.

## IV. SUMMARY OF ANNEXATIONS

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This chapter is an additional chapter to the Final Hearing Report that was prepared June 21, 1999. It describes proposed and adopted annexations to CFD No. 99-02.

### ANNEXATION NO. 2 RIVER VIEW

River View subdivision is the second annexation proposed to annex into CFD No. 99-02. This residential subdivision is divided into two areas. The first area is located west of Interstate 5, between San Juan Road, Interstate 80, and Orchard Lane. The second area is located west of Witter Way, between San Juan Road and Radio Road. The proposed annexation area is illustrated in Figure 8.

It is proposed that River View annex into Tax Zone A, as the cost of annual landscape maintenance within the subdivision is similar to Natomas Park. The City will levy up to the maximum special tax for Tax Zone A annually for landscaping maintenance. This tax may be levied into perpetuity.

### SUMMARY OF ANNUAL COST

Estimated landscape maintenance square footage was provided by the developer. Cost per square foot was provided by the City of Sacramento. Landscape maintenance costs include costs for different categories of landscaping including turf and trees, planters, hardscape, and soundwalls. Total landscape square footage for each village, cost per square foot, and total annual maintenance costs excluding contingency and administration costs are listed in Figure 9.

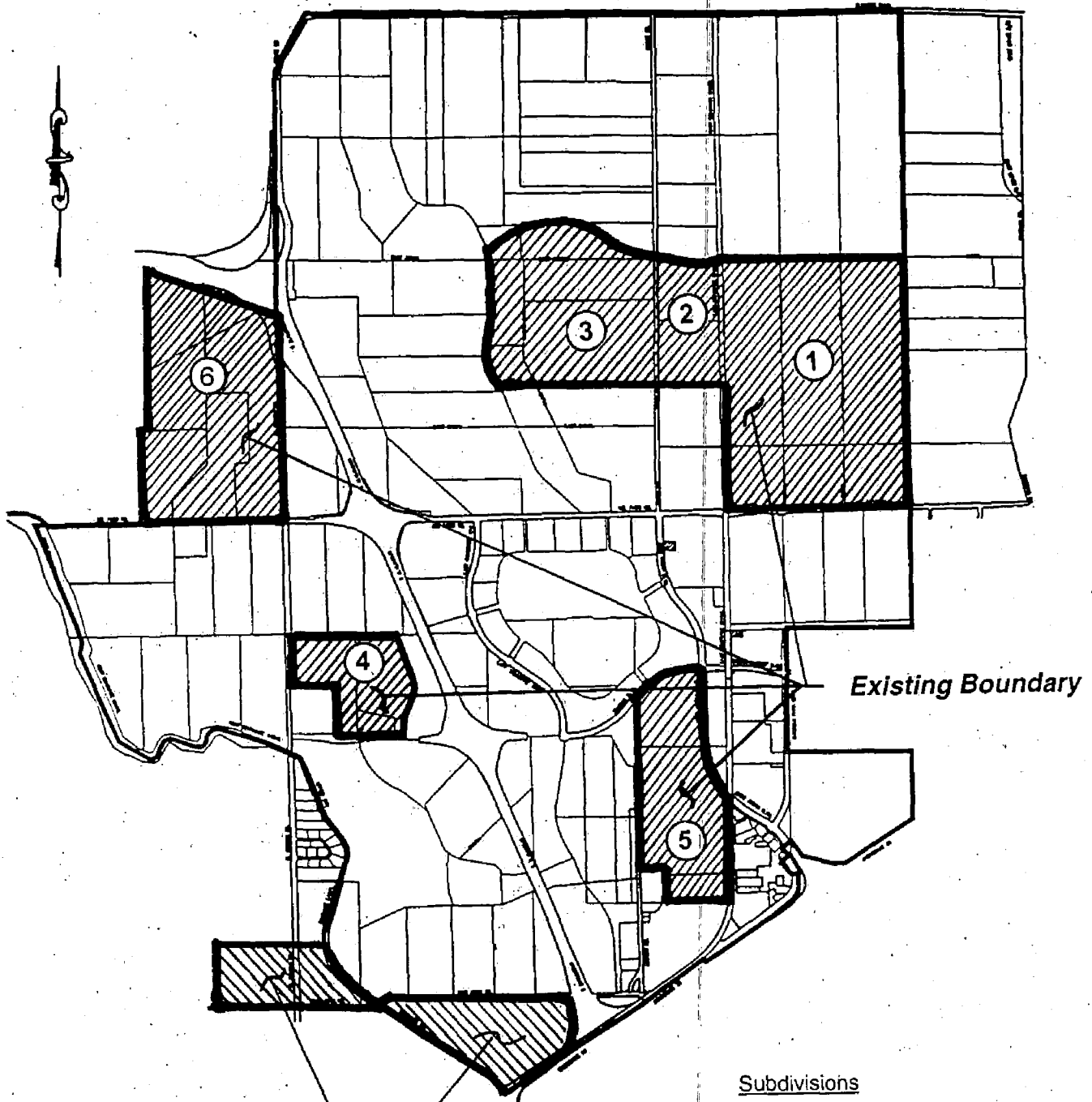
Landscape improvements will be installed as development occurs. All street frontage along single family homesites, and open space maintenance is currently included in the estimate. Maintenance of landscaping will be a developer requirement until landscaping improvements are accepted by the City.

CFD Annual Cost includes contingency for unscheduled maintenance, utilities cost, and administration cost, and is estimated in Figure 10. Administration cost is divided among the subdivisions by their share of annual maintenance costs.

### MAXIMUM SPECIAL TAX RATES

The maximum special tax rate for landscaping services in River View was estimated by taking the estimated annual cost for River View and dividing by the number of residential units planned for development within the neighborhood. The maximum special tax rates are set based on the total number of units planned at buildout. There are 439 single family units planned. The calculation of maximum special tax rates is shown in Figure 11.

AREA OF SERVICES



**Proposed Annexation #2**  
*Riverview Subdivision*

- Subdivisions
- ① = Northpoint
  - ② = Parkway Plaza
  - ③ = Northborough (Phase 1)
  - ④ = Gateway North
  - ⑤ = Natomas Crossing
  - ⑥ = WestLake

Figure 9

Annexation Number 2 to North Natomas CFD No. 99-02

Estimated Landscape Maintenance Costs - River View

Landscape Feature	Quantity	Unit	Cost per Unit	Total Cost River View
<b><u>Village 1A</u></b>				
Turf and Trees (High) [1]	16,727	SF	\$0.13	\$2,171
Soundwall (High) [2]	321	SF	\$0.13	\$42
<b>Subtotal Village 1A</b>	<b>17,048</b>			<b>\$2,213</b>
<b><u>Village 1B</u></b>				
Turf and Trees (High) [1]	3,125	SF	\$0.13	\$406
Soundwall (High) [2]	1,260	SF	\$0.13	\$164
<b>Subtotal Village 1B</b>	<b>4,385</b>			<b>\$569</b>
<b><u>Village 4A</u></b>				
Turf and Trees (High) [1]	26,584	SF	\$0.13	\$3,450
Soundwall (High) [2]	1,940	SF	\$0.13	\$252
<b>Subtotal Village 4A</b>	<b>28,524</b>			<b>\$3,702</b>
<b><u>Village 4B</u></b>				
Turf and Trees (High) [1]	6,147	SF	\$0.13	\$798
Soundwall (High) [2]	562	SF	\$0.13	\$73
<b>Subtotal Village 4B</b>	<b>6,709</b>			<b>\$871</b>
<b><u>San Juan Road</u></b>				
Turf and Trees (High) [1]	6,650	SF	\$0.13	\$863
Soundwall (High) [2], [3]	-	SF	\$0.13	-
<b>Subtotal San Juan Road</b>	<b>6,650</b>			<b>\$863</b>
<b>Total Estimated Landscaping Costs</b>				<b>\$8,218</b>

"RiverV"

[1] May include planters and hardscape features such as cobblestone areas.

[2] Soundwall converted to SF using height of 6 feet.

[3] Soundwall maintenance costs for San Juan Road are included in the soundwall costs for Villages 1A, 1B, 4A, and 4B.

**Note:** Total estimated cost does not include contingencies in this figure.

Source: City of Sacramento and River West Development.

Figure 10

North Natomas Neighborhood Landscaping Services CFD No. 99-02  
 Estimated Annual Landscape Maintenance Costs at Subdivision Buildout

Item	Square Feet	Cost per Sq. Foot	2001\$ Estimate	15% Contingency	Total Estimate
					<b>2001\$</b>
<b>Tax Zone A (Natoma's Park)</b>					
Low Level Landscaping	0	\$0.05	\$0	\$0	\$0
Medium Level Landscaping	115,280	\$0.08	\$8,728	\$1,309	\$10,037
High Level Landscaping	80,020	\$0.13	\$10,386	\$1,558	\$11,944
<b>Subtotal</b>	<b>195,300</b>	<b>\$0.10</b>	<b>\$19,114</b>	<b>\$2,867</b>	<b>\$21,981</b>
Unscheduled Maintenance	10% of maintenance budget		\$1,911	\$287	\$2,198
Utilities Cost & Contract Maintenance (1)	195,300	\$0.02	\$4,225	\$634	\$4,858
<b>Subtotal Annual Maintenance Cost Tax Zone A</b>			<b>\$25,250</b>	<b>\$3,788</b>	<b>\$29,038</b>
Subtotal including 20% Contingency					\$34,845
<b>Tax Zone B (Natoma's Crossing)</b>					
Low Level Landscaping	147	\$0.05	\$8	\$1	\$9
Medium Level Landscaping	22,798	\$0.08	\$1,726	\$259	\$1,985
High Level Landscaping	64,857	\$0.13	\$8,418	\$1,263	\$9,681
<b>Subtotal</b>	<b>87,802</b>	<b>\$0.12</b>	<b>\$10,152</b>	<b>\$1,523</b>	<b>\$11,675</b>
Unscheduled Maintenance	10% of maintenance budget		\$1,015	\$152	\$1,167
Utilities Cost & Contract Maintenance (1)	72,439	\$0.02	\$1,567	\$235.05	\$1,802
<b>Subtotal Annual Maintenance Cost Tax Zone B</b>			<b>\$12,734</b>	<b>\$1,910</b>	<b>\$14,644</b>
Subtotal including 20% Contingency					\$17,573
<b>River View</b>					
High Level Landscaping (2)	63,316	\$0.13	\$8,218	\$1,233	\$9,451
<b>Subtotal</b>	<b>63,316</b>	<b>\$0.13</b>	<b>\$8,218</b>	<b>\$1,233</b>	<b>\$9,451</b>
Unscheduled Maintenance	10% of maintenance budget		\$822	\$123	\$945
Utilities Cost & Contract Maintenance (1)	0	\$0.02	\$0	\$0.00	\$0
<b>Subtotal Annual Maintenance Cost River View</b>			<b>\$9,040</b>	<b>\$1,356</b>	<b>\$10,396</b>
Subtotal including 20% Contingency					\$12,475
<b>TOTAL ANNUAL MAINTENANCE COSTS</b>					<b>\$64,893</b>
<b>Plus Administration (3)</b>					<b>\$7,952</b>
Tax Zone A					\$4,270
<b>Tax Zone A Administration including 20% Contingency</b>					<b>\$5,124</b>
Tax Zone B					\$2,153
<b>Tax Zone B Administration including 20% Contingency</b>					<b>\$2,584</b>
River View					\$1,529
<b>River View Administration including 20% Contingency</b>					<b>\$1,834</b>
<b>TOTAL ANNUAL COST</b>					<b>\$72,845</b>
Tax Zone A (Natoma's Park)					\$39,115
Tax Zone B (Natoma's Crossing)					\$19,727
River View					\$14,003

(1) Square feet for medium and high-landscaping only. Utilities bills include water and electricity.

(2) May include planter (medium) and hardscape (low) andscape features.

(3) Includes \$2 per unit for County and \$4,000 per annum for Special Districts. Tax Zone administration costs allocated as the percentage of that Tax Zone's landscape maintenance costs of the total landscape maintenance costs.

Sources: Landscaping square feet for Natoma's Crossing provided by Spink, Natoma's Park by Procida, and River View by River West Developments.

**Figure 11**  
**North Natomas Neighborhood Landscaping Services CFD No. 99-02**  
**Estimated Annual Special Taxes per Unit at Subdivision Buildout**

Item	Total Estimate
	<b>2001\$</b>
<b>TOTAL ANNUAL COST</b>	<b>\$72,845</b>
Tax Zone A (Natomas Park)	\$39,115
Tax Zone B (Natomas Crossing)	\$19,727
River View	\$14,003
<b>Residential Units (1)</b>	
Tax Zone A (Natomas Park)	1,085
Tax Zone B (Natomas Crossing)	452
River View	439
<b>Estimated Annual Special tax per Unit (rounded)</b>	
Tax Zone A (Natomas Park)	\$37
Tax Zone B (Natomas Crossing)	\$47
River View	\$35

*"landscaping"*

(1) Unit counts are at buildout of subdivisions.

Sources: City of Sacramento, Lennar Communities, Spink, and River West Developments.

allow for, the maximum special tax rates may be reduced proportionately as outlined in section 5 of the Rate and Method of Apportionment.

The maximum special tax rate for landscaping maintenance services for Tax Zone A in fiscal year 2001-2002 is \$37.86. As the River View subdivision maximum special tax is approximately \$35 per unit, it is proposed River View, annex into the existing Tax Zone A.

## **ANNEXATION NO. 1 WESTLAKE**

Annexation No. 1 annexed the Westlake subdivision in June 2000. A new Tax Zone, Tax Zone D, was created at the time Westlake annexed, as the maintenance costs for landscaping and drainage did not closely match those in either Tax Zone A, Tax Zone B, or Tax Zone C.

Westlake subdivision will have a homeowners association to provide landscaping and drainage services, however, maximum special taxes have been set and may be levied against such property. The City will levy the maximum special taxes if the homeowners association fails to provide adequate levels of service, and the City has to take over responsibility of servicing the area.

### SUMMARY OF ANNUAL COSTS

Estimated landscape maintenance square footage was provided by the developer. Cost per square foot was provided by the City of Sacramento. Landscape maintenance costs include costs for different categories of landscaping including turf and trees, planters, hardscape, soundwalls and fences, and stamped asphalt maintenance. Maintenance costs for the entry monument on B Street are included in the contingency. Total landscape square footage for each village, cost per square foot, and total annual maintenance costs are listed in Figure 12.

Figure 13 shows total estimated annual drainage maintenance costs from the Westborough Lake management Plan prepared by Perry Lake Management:

Landscape improvements will be installed as development occurs. All street frontage along single family homesites, and open space maintenance is currently included in the estimate. Maintenance of landscaping will be a developer requirement until landscaping improvements are accepted by the City.

Figure 12

Annexation Number 1 to North Natomas CFD No. 99-02

Estimated Landscape Maintenance Costs - Tax Zone D

Landscape Feature	Quantity	Unit	Cost per Unit	Total Cost Tax Zone D
<b>Village 1 [4]</b>				
Turf and Trees (High)	12,913	SF	\$0.12	\$1,550
Planter (Medium)	23,658	SF	\$0.07	\$1,656
Hardscape (low)	7,329	SF	\$0.05	\$366
Soundwall [1]	12,000	SF	\$0.12	\$1,440
<b>Subtotal Village 1</b>	<b>55,900</b>			<b>\$5,012</b>
<b>Village 2 [4]</b>				
Turf (High)	2,740	SF	\$0.12	\$329
Planter (Medium)	16,660	SF	\$0.07	\$1,166
<b>Subtotal Village 2</b>	<b>19,400</b>			<b>\$1,495</b>
<b>Village 3 [4]</b>				
Turf (High)	40,064	SF	\$0.12	\$4,808
Planter (Medium)	66,453	SF	\$0.07	\$4,652
Hardscape (low)	27,604	SF	\$0.05	\$1,380
<b>Subtotal Village 3</b>	<b>134,120</b>			<b>\$10,839</b>
<b>Village 4 [4]</b>				
Turf (High)	3,000	SF	\$0.12	\$360
Planter (Medium)	5,000	SF	\$0.07	\$350
Hardscape (low)	2,000	SF	\$0.05	\$100
Soundwall [1]	12,000	SF	\$0.12	\$1,440
<b>Subtotal Village 4</b>	<b>22,000</b>			<b>\$2,250</b>
<b>Village 5 [4]</b>				
Turf (High)	11,915	SF	\$0.12	\$1,430
Planter (Medium)	17,162	SF	\$0.07	\$1,201
Hardscape (low)	10,222	SF	\$0.05	\$511
Soundwall [1]	10,800	SF	\$0.12	\$1,296
<b>Subtotal Village 5</b>	<b>50,100</b>			<b>\$4,438</b>
<b>Village 6 [4]</b>				
Turf (High)	44,674	SF	\$0.12	\$5,361
Planter (Medium)	65,770	SF	\$0.07	\$4,604
Hardscape (low)	32,996	SF	\$0.05	\$1,650
Soundwall [1]	17,400	SF	\$0.12	\$2,088
<b>Subtotal Village 6</b>	<b>160,840</b>			<b>\$13,703</b>
<b>EI Centro Road</b>				
Turf (High)	16,175	SF	\$0.12	\$1,941
Planter (Medium)	40,685	SF	\$0.07	\$2,848
Hardscape (low)	7,840	SF	\$0.05	\$392
Soundwall [1]	17,100	SF	\$0.12	\$2,052
<b>Subtotal EI Centro Road</b>	<b>81,800</b>			<b>\$7,233</b>
<b>Stamped Asphalt [2]</b>	<b>10,000</b>	<b>SF</b>	<b>\$4.65</b>	<b>\$4,650</b>
<b>B Street Entry Monument [3]</b>	n.a. - included in contingency			<b>\$0</b>
<b>Total Estimated Landscaping Costs</b>				<b>\$49,620</b>

\*Zone D\*

[1] Soundwall converted to SF using height of 6 feet.

[2] Cost per square foot for restamping and recoloring over 10 years. Annual cost averaged.

[3] Entry monument costs \$400,000 to construct. Future repair costs are included in contingency.

[4] Village cost estimates include frontage costs for landscaping along A Street and open space corridors.

Note: Total estimated cost does not include contingencies in this figure.

**Figure 13**  
**Annexation Number 1 to North Natomas CFD No. 99-02**

**Estimated Drainage Maintenance Costs - Tax Zone D**

Drainage Maintenance	Total Cost Tax Zone D
Monitoring - sampling	\$4,000
Monitoring - laboratory analyses	\$12,000
Twice per month trash clean up	\$2,500
Algae Control	\$3,600
Quarterly and Annual Reports [1]	\$2,000
<b>Total Estimated Drainage Costs</b>	<b>\$24,100</b>

[1] Assumes an annual report only.

**Note:** Total estimated cost does not include contingencies.

Source: Lennar Communities, March 2000.

### MAXIMUM SPECIAL TAX RATES

The maximum special tax rates for landscaping and drainage services were estimated by taking the estimated annual costs for Tax Zone D and dividing by the number of residential units planned for development within Tax Zone D. The maximum special tax rates are set based on the total number of units planned at buildout. There are 709 low density and 197 medium density single family units planned for the subdivision. Both low density and medium density housing will be part of the homeowners association and will share in the costs of maintenance. The calculation of maximum special tax rates is shown in **Figure 14**.

A total 35 percent contingency was added to total landscape and drainage costs. If annual costs are anticipated to be significantly less than the maximum special tax rates allow for, the maximum special tax rates may be reduced proportionately as outlined in section 5 of the Rate and Method of Apportionment.

The maximum special tax rates for landscaping and drainage services will be \$0 in the Westlake subdivision so long as these services are provided adequately by the homeowners association. If the City has to provide these services in the future, the following maximum special tax rates will be levied:

- Landscape maintenance services maximum special tax      \$70 per residential unit
- Drainage maintenance services maximum special tax      \$40 per residential unit

The maximum special tax rates shown in **Figure 14** are for the Base Year, which is Fiscal Year 2000-2001. Maximum special tax rates may be adjusted in the future using the Tax Escalation Factor, as defined in the Rate and Method of Apportionment.

**Figure 14**  
**Annexation Number 1 to North Natomas CFD No. 99-02**

**Base Year Maximum Special Taxes for Tax Zone D (Westlake)**

Landscaping and Drainage Maintenance	Tax Zone D (Westlake)
Landscaping Maintenance Costs plus Landscaping Contingency 35% <b>Total Landscaping Maintenance Costs</b>	\$49,600 \$17,400 <b>\$67,000</b>
Drainage Maintenance Costs plus Drainage Contingency 35% <b>Total Drainage Maintenance Costs</b>	\$24,100 \$8,400 <b>\$32,500</b>
<b>Total Residential Units</b>	<b>906</b>
<b>Maximum Special Tax per Unit</b>	Fiscal Year 2000-01
Landscape Maintenance Services Tax	\$70
Drainage Maintenance Services Tax	\$40

"zone\_d"

EXHIBITS:

EXHIBIT A - LIST OF AUTHORIZED SERVICES

EXHIBIT B - RATE AND METHOD OF APPORTIONMENT

EXHIBIT C - BOUNDARY MAP

EXHIBIT D - ANNEXATION NO. 1 AND ANNEXATION  
NO. 2 MAXIMUM SPECIAL TAXES AND  
BOUNDARY MAPS



Economic &  
Planning Systems

*Public Finance*

*Real Estate Economics*

*Regional Economics*

*Land Use Policy*

## EXHIBIT A:

# LIST OF AUTHORIZED SERVICES

# Exhibit A

## North Natomas Neighborhood Landscaping CFD No. 99-02 List of Authorized Services

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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. The primary function of the CFD is to fund the maintenance of neighborhood landscape areas for subdivisions. The CFD will also serve as a backup funding source for homeowners associations that fail to provide adequate landscaping or drainage maintenance, in the areas where they have been required to provide such maintenance services, as determined by the City.

The CFD's authorized services include the following:

1. The repair and maintenance of landscaping, irrigation facilities, lighting, soundwalls, monuments and signs, and other appurtenances within and along public rights-of-way.
2. Costs of scheduled inspection of maintenance of landscaped areas.
3. Maintenance services as required to implement a Lake Management Plan within a residential subdivision.
4. Utility bills associated with maintenance of landscaped areas.
5. CFD formation and annual administration costs.
6. Miscellaneous cost related to any of the items described above including planning, engineering, legal, and administration.



Economic &  
Planning Systems

*Public Finance*  
*Real Estate Economics*  
*Regional Economics*  
*Land Use Policy*

EXHIBIT B  
RATE AND METHOD OF APPORTIONMENT  
OF SPECIAL TAX

# Exhibit B

## City of Sacramento, California North Natomas Neighborhood Landscaping Community Facilities District No. 99-02

### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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#### 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 North Natomas Community Facilities District No. 99-02 (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, which 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 Landscape Maintenance Services 2) Authorized Drainage Maintenance Services, 3) 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 CFD 99-02.

"Base Drainage Maintenance Services Maximum Tax" means the maximum special tax that can be levied for drainage maintenance services for any new Tax Zone created through annexation of a residential subdivision.

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

**"Base Landscape Maintenance Services Maximum Tax"** means the maximum special tax that can be levied for landscape maintenance services for any new Tax Zone created through annexation of a residential subdivision.

**"CFD"** means the North Natomas Neighborhood Landscape Services Community Facilities District No. 99-02 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 Residential Parcel"** means a residential Parcel, which has a recorded final small lot map for residential uses permitting up to 2 units per lot.

**"Drainage Maintenance Services Tax"** means the portion of the maximum special tax that is levied on a Taxable Parcel to fund drainage maintenance and associated costs. Residential parcels in certain subdivisions are required by the City to provide a backup funding source for the maintenance of drainage facilities in the event that the homeowners association fails to provide adequate drainage maintenance. This portion of the special tax is only levied if the City has determined that the subdivision homeowners association has failed to adequately provide the required drainage maintenance service.

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

**"Landscape Maintenance Services Tax"** means the portion of the Maximum Annual Special Tax that is levied on a Taxable Parcel to fund landscape maintenance and associated costs. The tax is levied on Parcels that do not have maintenance of landscaping provided by homeowners associations. However, the tax may also be used as a backup tax in the event that a homeowners association fails to adequately provide landscape maintenance and the City has to take over provision of services.

**"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 and landscape intensity.

**"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.

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

**"Public Parcel"** means any Parcel, in its entirety, that is or is intended to be publicly owned in the North Natomas Community Plan as adopted by the City--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.

**"Subdivision"** means a division of a Parcel into a set of Successor Parcels through the Subdivision Map Act process.

**"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 Parcel that is classified as a Developed Residential Parcel or Undeveloped Parcel.

**"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); and (ii) all other parcels not defined as Developed Residential Parcels or Undeveloped Parcels.

**"Tax Zone"** describes one or more subdivisions with similar landscaping maintenance features and annual maintenance costs that are grouped together as a Tax Zone. Each subdivision included in the CFD at formation is assigned a Tax Zone. As a subdivision is annexed into the CFD, it may either be annexed into an existing Tax Zone or be assigned a new Tax Zone. Tax Zones will be labeled in alphabetical sequence as new Tax Zones are created.

**"Undeveloped Land Tax"** means the maximum special tax that can be levied for landscape maintenance services for an Undeveloped Parcel.

**"Undeveloped Parcel"** means remaining land in subdivision designated for single family residential land uses permitting up to 2 units per lot in the tentative map.

### 3. Duration of the Special Tax

Parcels in the CFD will remain subject to the special 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 to be further categorized by Tax Zone. The Tax Zone assigned to a Parcel is based on the same Tax Zone assigned to the Taxable Parcel's subdivision.
3. Each Taxable Parcel to be classified as to whether or not it is subject to the Landscape Maintenance Services Tax.
4. Each Taxable Parcel to be further classified as to whether or not it is subject to the Drainage Maintenance Services Tax.
5. Each Taxable Parcel to be further classified as to whether or not it is subject to the Undeveloped Land Tax.

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. Annexation Parcels. Subdivisions annexing into the CFD shall have their Maximum Special Tax Rate and Tax Zone assigned at the time of annexation.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and/or is converted to Developed Residential Parcel, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to 4.A and 4.B above. Conversely, if a privately owned 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 Taxable Parcel based on the assignment of the Special Tax in Section 4. The City will then determine the tax levy for each Taxable Parcel using the following process:

A. Compute the Annual Cost using the definition in Section 2 for the Fiscal Year. The City will allocate the Annual Costs for landscape maintenance and drainage maintenance for each Tax Zone. All administrative costs or other costs not related to the provision of landscape maintenance or drainage maintenance shall be allocated based on each Tax

Zone's percentage of the total landscape maintenance costs and drainage maintenance costs.

B. For each Tax Zone, calculate the Landscape Maintenance Service Tax for each Developed Parcel necessary to fund the allocated landscape maintenance cost and administration cost by the following:

- Calculate the Maximum Annual Special Tax Revenues for the landscape maintenance portion of the Special Tax by setting the tax rate for each Developed Parcel at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. If revenues are greater than the Annual Cost allocated to the Tax Zone for landscape maintenance and administration cost, the tax is reduced proportionately until the special tax is set at an amount sufficient to cover the allocated Annual Cost.
- If revenues from taxing Developed Parcels at 100% of the Maximum Annual Special Tax is not sufficient to fund allocated Annual Cost, levy the Undeveloped Land Tax up to 100% of its Maximum Annual Special Tax shown in **Attachment 1**, or until total special tax revenues equal Annual Cost.

C. For each Tax Zone, calculate the Drainage Maintenance Services Tax for each Taxable Parcel necessary to fund the allocated drainage maintenance costs by the following:

- Calculate the Maximum Annual Special Tax Revenues for the drainage maintenance portion of the Special Tax by setting the tax rate for each Taxable Parcel subject the drainage maintenance portion of the Special Tax at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. If revenues are greater than the Annual Cost allocated to the Tax Zone for drainage maintenance, the tax rate is reduced proportionately until the tax levy is set at an amount sufficient to cover the allocated Annual Cost.

D. Sum the Landscape Maintenance Services Tax and the Drainage Maintenance Services Tax calculated above to determine the Special Tax Levy for each Taxable Parcel in each Tax Zone.

E. 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. Records Maintained for the CFD

As development and subdivision of North Natomas takes place, the City will maintain a file containing records of the following information for each Parcel:

- The current Parcel Number;
- The Parcel acreage;
- Number of residential units per parcel; and
- Tax Zone for the Parcel.

The file containing the information listed above will be available for public inspection.

## 7. Appeals

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing 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.

## 8. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes; provided; however, the City or its designee may directly bill the Special tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary to meet its financial obligation.

Attachment 1

City of Sacramento CFD No. 99-02

Maximum Special Tax Rates for Base Year 1999-2000 [1]

Tax Zone [1]	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b>Tax Zones at CFD Formation</b>			
<b>A</b>	<b>Natomas Park</b>		
	Landscape Maintenance Services Tax	\$35	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$190	Gross Acre
<b>B</b>	<b>Natomas Crossing</b>		
	Landscape Maintenance Services Tax	\$45	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>C</b>	<b>Gateway West</b>		
	Landscape Maintenance Services Tax	\$60	Authorized Unit
	Drainage Maintenance Services Tax - Gateway West North	\$150	Authorized Unit
	Drainage Maintenance Services Tax-- other subdivisions	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>Future Annexations</b>			
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

"a1"

[1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.

[2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.

[3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.

[4] Following the Base Year 1999-2000, the Maximum Special Tax Rates will escalate annually based upon the Consumer Price Index (CPI) (prior year annual average, San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.

[5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.



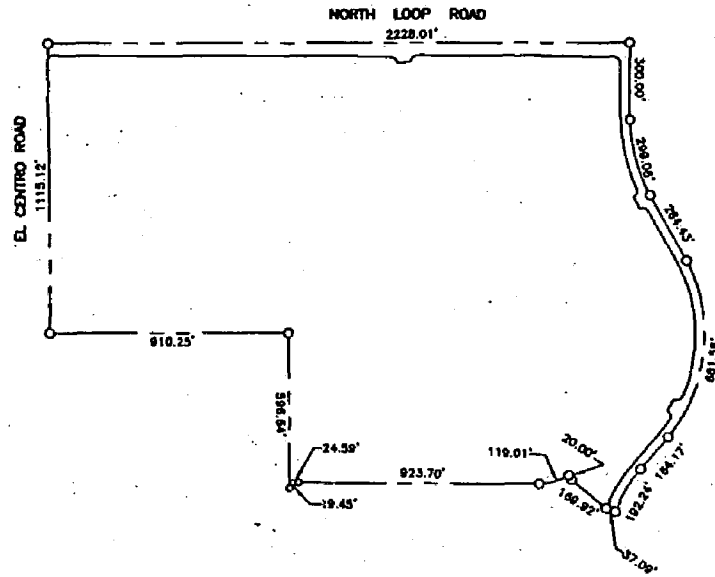
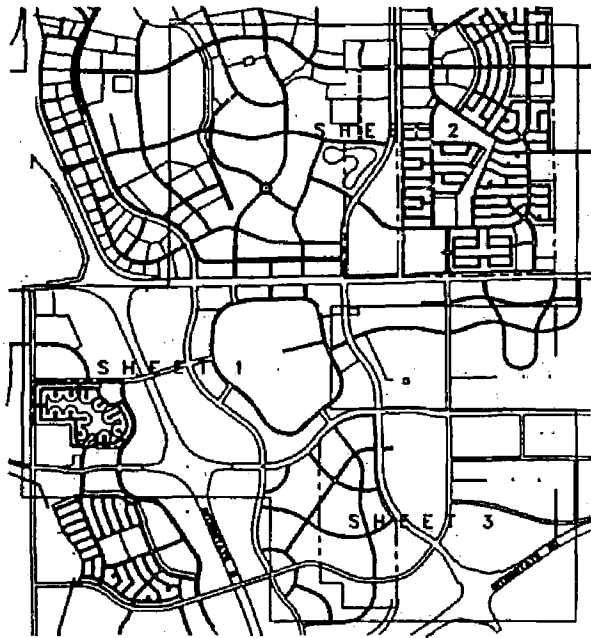
**Economic &  
Planning Systems**

*Public Finance  
Real Estate Economics  
Regional Economics  
Land Use Policy*

**EXHIBIT C.  
BOUNDARY MAP**

INDEX MAP

SCALE: 1"=2000'



CLERK'S FILING STATEMENT AND MAP CERTIFICATE

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 19\_\_\_\_.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY FACILITIES DISTRICT (CDF) NO. 99-02, CITY OF SACRAMENTO, STATE OF CALIFORNIA WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 19\_\_\_\_ BY ITS RESOLUTION NO. \_\_\_\_\_.

VALARIE BURROWES  
CITY CLERK, CITY OF SACRAMENTO

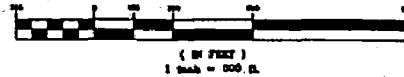
COUNTY RECORDER'S FILING STATEMENT

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 19\_\_\_\_ AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

COUNTY RECORDER OF THE COUNTY OF SACRAMENTO COUNTY

BY \_\_\_\_\_

GRAPHIC SCALE



LEGEND:

DISTRICT BOUNDARY -----

PROPOSED BOUNDARIES OF  
NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT (CDF) NO 99-02

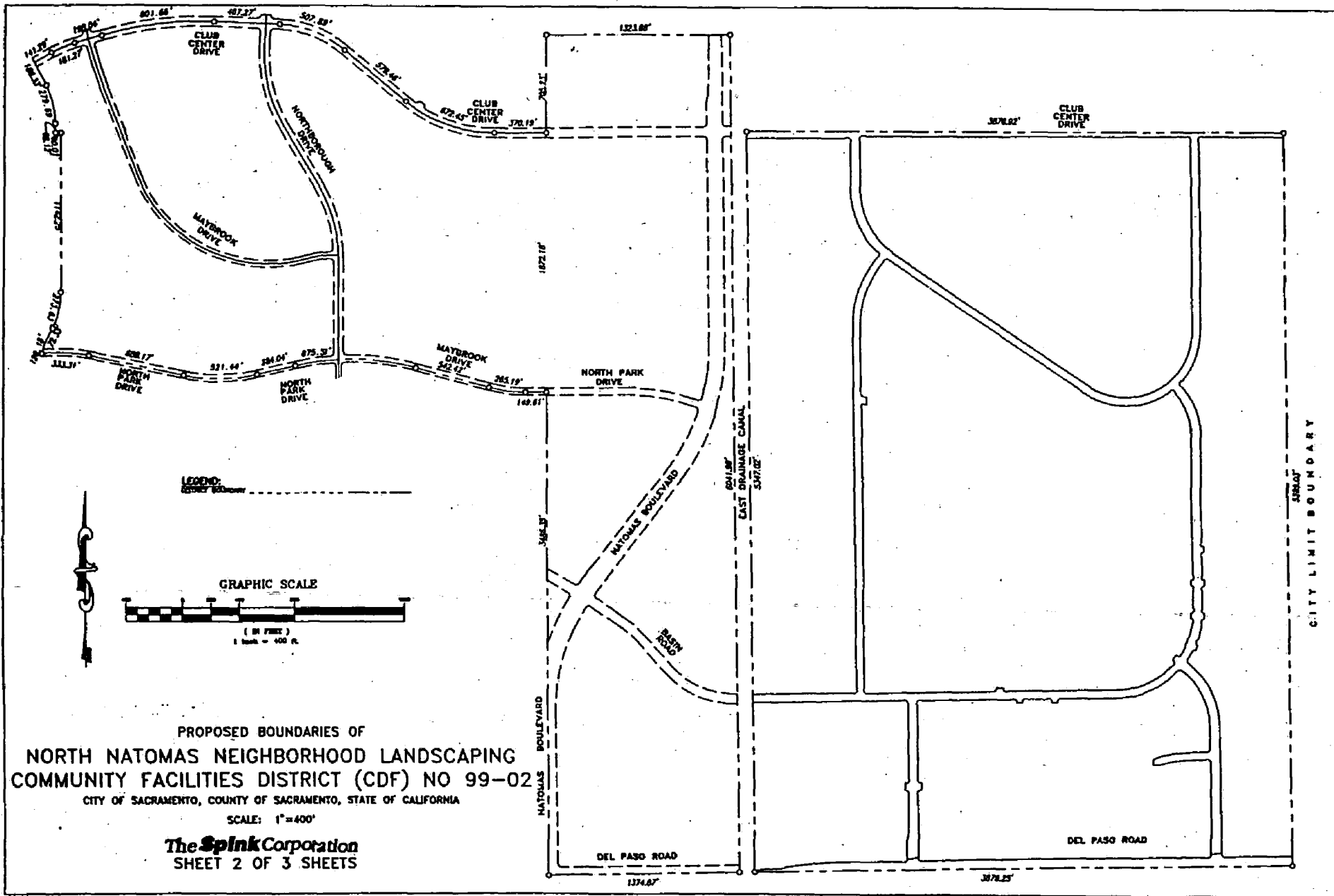
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

The Spink Corporation  
SHEET 1 OF 3 SHEETS

C-1

EXHIBIT C

C-2



PROPOSED BOUNDARIES OF  
 NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
 COMMUNITY FACILITIES DISTRICT (CDF) NO 99-02  
 CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
 SCALE: 1"=400'

**The Splink Corporation**  
 SHEET 2 OF 3 SHEETS

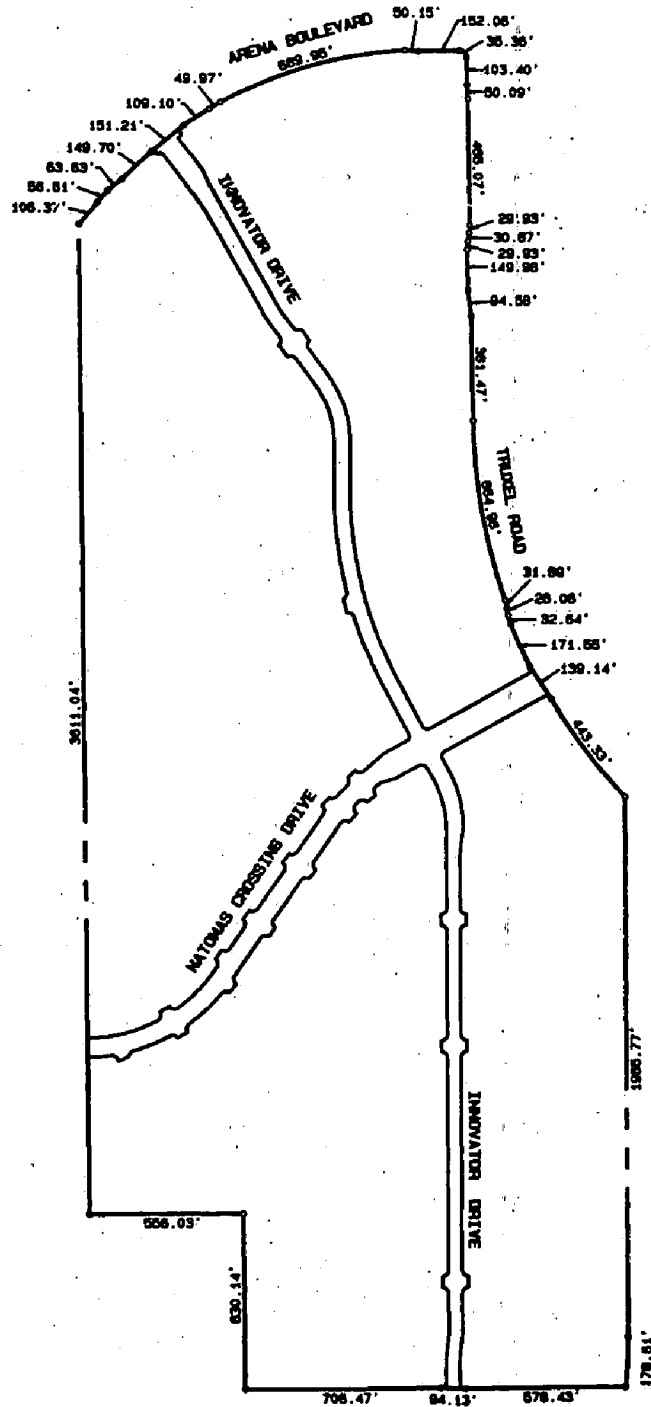
PROPOSED BOUNDARIES OF  
 NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
 COMMUNITY FACILITIES DISTRICT (CDF) NO. 99-02

CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

SCALE: 1"=300' 1999

The  Corporation  
 SHEET 3 OF 3 SHEETS

LEGEND:  
 DISTRICT BOUNDARY -----





Economic &  
Planning Systems

*Public Finance*  
*Real Estate Economics*  
*Regional Economics*  
*Land Use Policy*

## EXHIBIT D:

# ANNEXATION NO. 1 AND ANNEXATION NO. 2 MAXIMUM SPECIAL TAXES AND BOUNDARY MAPS

**Figure D-1**  
**City of Sacramento CFD No. 99-02**  
**Maximum Special Tax Rates for Base Year 1999-2000 [1]**

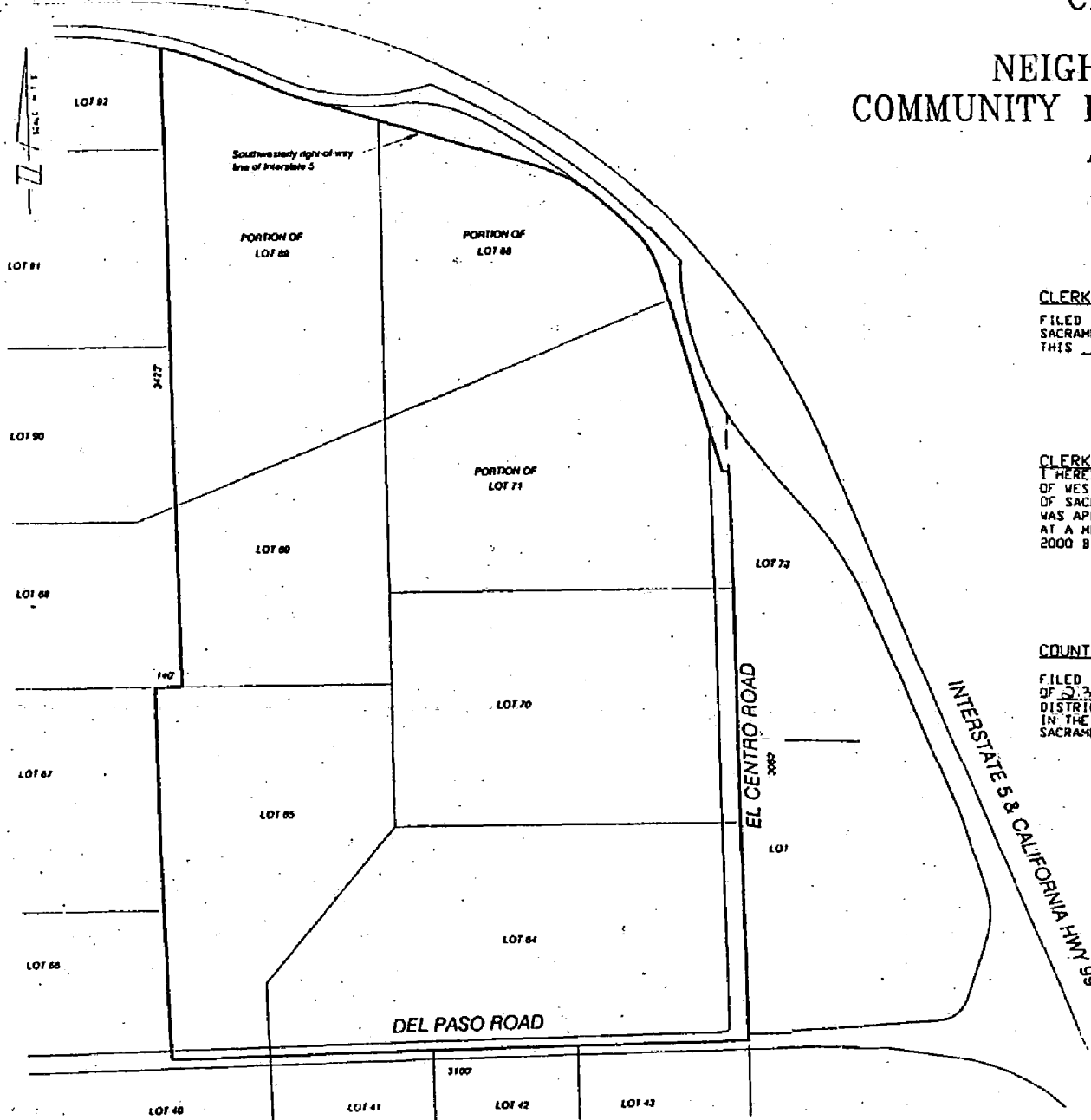
Tax Zone [1]	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b>Tax Zones at CFD Formation</b>			
<b>A</b>	<b>Natomas Park</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$35 \$0 \$190	Authorized Unit Authorized Unit Gross Acre
<b>B</b>	<b>Natomas Crossing</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$45 \$0 \$0	Authorized Unit Authorized Unit Gross Acre
<b>C</b>	<b>Gateway West</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax - Gateway West North Drainage Maintenance Services Tax - other subdivisions Undeveloped Land Tax [5]	\$60 \$150 \$0 \$0	Authorized Unit Authorized Unit Authorized Unit Gross Acre
<b>Future Annexations</b>			
<b>A</b>	<b>River View</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$35 \$0 \$190	Authorized Unit Authorized Unit Gross Acre
<b>D</b>	<b>Annexation No. 1 Westlake [6]</b> Landscape Maintenance Services Tax Drainage Maintenance Services Tax Undeveloped Land Tax [5]	\$70 \$40 \$0	Authorized Unit Authorized Unit Gross Acre
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

"a1"

- [1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.
- [2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.
- [3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.
- [4] Following the Base Year 1999-2000 for Tax Zones A, B, and C, and Base Year 2000-2001 for Tax Zone D, the Maximum Special Tax Rates will increase annually based upon the Consumer Price Index (CPI) (prior year annual average), San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.
- [5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.

INTERSTATE 5

CITY OF SACRAMENTO  
 NORTH NATOMAS  
 NEIGHBORHOOD LANDSCAPING  
 COMMUNITY FACILITIES DISTRICT No. 99-02  
 ANNEXATION NO. 1  
 SACRAMENTO, CALIFORNIA  
 SHEET 1 OF 1 SHEETS



CLERK'S MAP FILING STATEMENT:

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS 13<sup>th</sup> DAY OF April, 2000.

*Ninika Kesteven*  
 CITY CLERK, CITY OF SACRAMENTO, CALIFORNIA

CLERK'S CERTIFICATE:

I HEREBY CERTIFY THAT THE MAP SHOWING PROPOSED BOUNDARIES OF VESTLAKE COMMUNITY FACILITIES DISTRICT NO. 2000-01, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON THE 13<sup>th</sup> DAY OF April, 2000 BY ITS RESOLUTION NO. 2000-145.

*Ninika Kesteven*  
 CITY CLERK, CITY OF SACRAMENTO, CALIFORNIA

COUNTY RECORDER'S FILING STATEMENT:

FILED THIS 14<sup>th</sup> DAY OF April, 2000 AT THE HOUR OF 2:30 O'CLOCK P.M. IN BOOK 203 OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS AT PAGE 3 IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA. BR 2000014-445

*Mark Morris*  
 COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

Figure D-2

PROPOSED BOUNDARIES OF  
 CITY OF SACRAMENTO  
 NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
 COMMUNITY FACILITIES DISTRICT No. 99-02  
 ANNEXATION No. 2  
 SACRAMENTO, CALIFORNIA  
 SHEET 1 OF 1

CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS 16<sup>th</sup> DAY OF January, 2001.

CITY CLERK  
 CITY OF SACRAMENTO

CLERK'S CERTIFICATE

I HEREBY CERTIFY THAT THE MAP SHOWING PROPOSED BOUNDARIES OF THE NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY FACILITIES DISTRICT NO. 99 - ANNEXATION #2 WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON 16<sup>th</sup> DAY OF January, 2001 BY ITS RESOLUTION NO.

CITY CLERK  
 CITY OF SACRAMENTO

COUNTY RECORDER'S FILING STATEMENT

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2001 AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M., IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF SACRAMENTO, CALIFORNIA.

RECORDER OF SACRAMENTO COUNTY DOCUMENT NO.: \_\_\_\_\_  
 STATE OF CALIFORNIA

BY: \_\_\_\_\_

LEGEND

\_\_\_\_\_ DISTRICT BOUNDARY

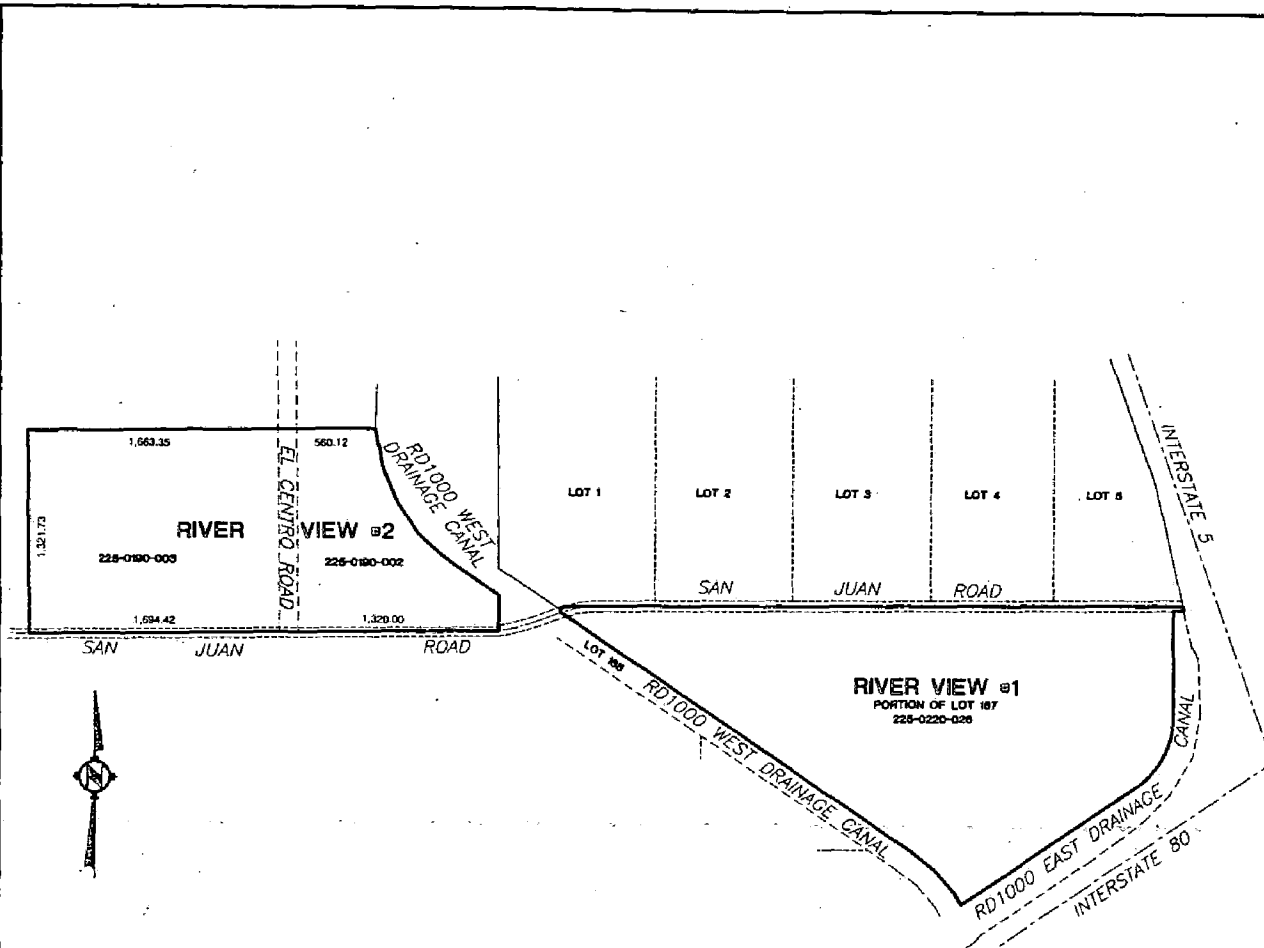


Figure D-3

CIVIL ENGINEERING  
 PLANNING  
 SURVEYING/MAPPING  
**WOOD · RODGERS INC.**  
 3301 C ST. #100B SACRAMENTO, CA 95818  
 PHONE: (916) 341-7780

CITY OF SACRAMENTO

**AFFIDAVIT OF COMPLIANCE WITH THE  
REQUIREMENTS FOR PUBLISHING A NOTICE  
OF PUBLIC HEARING ON THE RESOLUTION  
OF INTENTION TO ESTABLISH THE  
NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY  
FACILITIES DISTRICT NO. 99-02, ANNEXATION NO. 2, CITY OF SACRAMENTO,  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA**

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF SACRAMENTO    )

Valerie A. Burrowes, being first duly sworn, deposes and says:

That she is now and at all times herein mentioned was the City Clerk of the City of Sacramento;

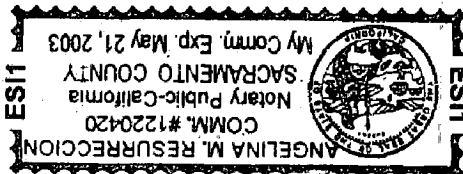
That, pursuant to Resolution No. 2001- 033 (the "Resolution") adopted by the City Council of the City of Sacramento on JAN. 16, 2001, she complied with the requirements for publishing a Notice of Public Hearing on the Resolution to establish the North Natomas Neighborhood Landscaping Community Facilities District No. 99-02, Annexation No. 2, City of Sacramento, County of Sacramento, State of California (the "Community Facilities District"), as required by the Resolution, by causing a copy of such notice to be published in the Daily Recorder, a newspaper of general circulation published in the area of the Community Facilities District and proposed annexation, and that attached hereto, marked Exhibit A and incorporated herein and made a part hereof, is a true and correct copy of an affidavit of publication on file in her office showing that such notice as annexed to said affidavit was duly published one time on JAN 24, 2001.

*Valerie A. Burrowes*  
\_\_\_\_\_  
City Clerk of the City of Sacramento

Subscribed and sworn to before me  
this 22nd day of January, 2001.

*Angelina M. Resurreccion*  
\_\_\_\_\_  
NOTARY PUBLIC  
State of California

[Notarial Seal]



**EXHIBIT A**

[ATTACH AFFIDAVIT OF PUBLICATION]

THE DAILY RECORDER

- SINCE 1911 -

1115 H Street, P.O. Box 1048, Sacramento, California 95812  
Telephone (916) 444-2355 • Fax (916) 444-0636

ROBERT HARDCASTLE  
SAC. CITY CLERK PO#8070060934  
915 I St., Rm. 304/ V. HENRY  
Sacramento, CA 95814

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California )  
County of Sacramento ) ss

Notice Type: GRR GOVT READY-RUN

Ad Description: AD NO 9181

I am a citizen of the United States; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the DAILY RECORDER, a daily newspaper published in the English language in the City of Sacramento, County of Sacramento, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of Sacramento, State of California, under date May 2, 1913, Case No. 16,180. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

01/24/01

Executed on: 01/24/01  
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

*C. Brambila*  
\_\_\_\_\_  
Signature

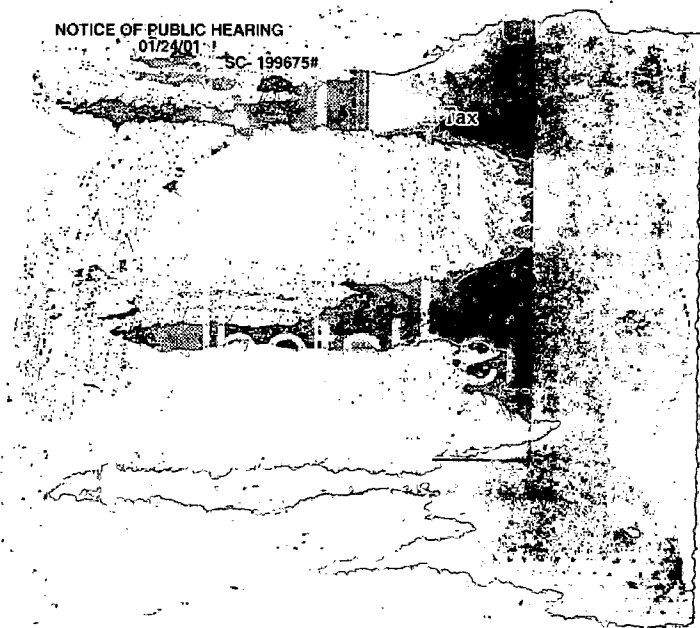
RECEIVED

CITY CLERK OFFICE  
CITY OF SACRAMENTO

JAN 29 9 52 AM '01

1/16/01

SC#: 199675





## EXHIBIT A

### NOTICE OF PUBLIC HEARING

ON THE RESOLUTION OF INTENTION TO ANNEX  
TERRITORY TO THE CITY OF SACRAMENTO  
NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT NO 99-02  
AND TO LEVY A SPECIAL TAX THEREIN TO FINANCE  
LANDSCAPE MAINTENANCE OF CERTAIN PUBLIC FACILITIES  
IN AND FOR SUCH ANNEXATION TO COMMUNITY FACILITIES DISTRICT  
(ANNEXATION NO. 2)

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of Sacramento (the "City") has duly adopted Resolution No. 2001-033 (the "Resolution") on January 16, 2001, wherein (a) it declared its intention to annex territory more particularly described in Exhibit A attached hereto and incorporated herein and made a part hereto pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act") in the area of the City commonly known and designated as the "City of Sacramento North Natomas Neighborhood Landscaping Community Facilities District No. 99-02" (the "Community Facilities District"), for the purpose of financing landscape maintenance of certain public facilities, and wherein (b) it declared its intention to authorize the levy of a special tax in the Community Facilities District ("CFD") to pay for the landscape maintenance, and that a description of the rate and method of apportionment of such special tax and the manner of collection of such special tax is attached hereto, labeled Exhibit B, and is incorporated herein and made a part hereof, and the proposed maximum tax rate is attached hereto as Exhibit C, and is incorporated herein and made a part hereof.

The authorized services include those set forth below in addition to the costs associated with annexation of the district, 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. The primary function of the CFD is to fund the maintenance of parks, landscape corridors, and open space facilities unique to North Natomas or above City standards. Notwithstanding the above funding objectives, the CFD's authorized services include the following:

1. The maintenance of landscaping, irrigation facilities, soundwalls and other appurtenances, relating directly or indirectly thereto, that were made a condition of approval of a residential subdivision map.
2. Maintenance services as required to implement the Lake Management Plan for Westborough.
3. CFD formation and annual administration costs of the District.
4. Miscellaneous cost related or incidental to any of the items described above including planning, engineering, legal and administration.

NOTICE IS HEREBY FURTHER GIVEN that Tuesday, the 20th day of February, 2001, at the hour of 2:00 o'clock p.m. at the regular meeting place of the Council, City Council Chambers, Sacramento City Hall, 915 I Street, Second Floor, Sacramento, California 95814, has been fixed by the Council by the Resolution as the time and place for a public hearing to be held by the Council to consider the establishment of the annexation to the Community Facilities District, the proposed rate, method of apportionment and manner of collection of such special tax and all other matters set forth in the Resolution, and at such public hearing any persons interested, including all taxpayers, property owners and registered voters within the area to be annexed to the Community Facilities District, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the annexation to the Community Facilities District and the levy of such special tax, or the maintenance of the landscaping, or on any other matters set forth in the Resolution, 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 any 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 of the City 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.

NOTICE IS HEREBY FURTHER GIVEN that such public hearing may be continued from time to time, but shall be completed within thirty (30) days, except that if the Council finds that the complexity of the annexation to the Community Facilities District or the need for public participation requires additional time, such public hearing may be continued from time to time for a period not to exceed six (6) months.

NOTICE IS HEREBY FURTHER GIVEN that the Council may at such public hearing modify the Resolution by eliminating any of the maintenance, or by changing the method and apportionment of such special tax so as to reduce the maximum special tax for all or a portion of the owners of property within the Community Facilities District or by removing any territory from the proposed annexation to the Community Facilities District, except that if the Council proposes to modify the Resolution in a way that will increase the probable special tax to be paid by the owner of any lot or parcel of land in the annexation to the Community Facilities District, the council shall direct that a report be prepared that includes a brief analysis of the impact of the proposed modifications on the probable special tax to be paid by the owners of lots or parcels of land in the proposed annexation to the Community Facilities District, and the Council shall receive and consider such report before approving any such modifications or any resolution annexing territory to the Community Facilities District which includes such modifications.

NOTICE IS HEREBY FURTHER GIVEN that at the conclusion of such public hearing the Council may abandon the proposed establishment of the proposed annexation to the Community Facilities District or may, after passing upon all protests, determine to proceed with annexing the proposed territory to the Community Facilities District; provided, that if fifty percent (50%) or more of the registered voters residing within the

territory proposed to be included in the Community Facilities District that are not exempt from the special tax, or the owners of one-half (1/2) or more of the area of the land in the territory proposed to be included in the Community Facilities District that are not exempt from the special tax, file written protests against the establishment of the community Facilities District, and such protests are not withdrawn so as to reduce the value of the protests to less than such a majority, no further proceedings to annex territory to the Community Facilities District or to levy such special tax shall be taken for a period of one (1) year from the date of such decision. Except that if the majority protests of the registered voters or of the landowners are only against the furnishing of a specified type or types of maintenance proposed for the annexation to the Community Facilities District, those maintenance services shall be eliminated from the resolution to annex territory to the Community Facilities District.

NOTICE IS HEREBY FURTHER GIVEN that if the Council determines at the conclusion of such public hearing to proceed with the annexation to the Community Facilities District, the proposed voting procedure shall be by landowners voting in accordance with the Act.

NOTICE IS HEREBY FURTHER GIVEN that a more complete description of the maintenance proposed for the annexation to the Community Facilities District and a copy of the Resolution and the boundary map of the Community Facilities District and proposed territory to be annexed are on file with the City Clerk of the City of Sacramento, Sacramento City Hall, 915 I Street, Second Floor, Sacramento, California 95814, and are available for review there during business hours by any interested persons.

NOTICE IS HEREBY FURTHER GIVEN that the voting procedures shall be as set forth in Government Code Section 53326.

Questions should be directed to Ron Wicky, Department of Public Works, Special Districts, telephone (916) 264-5628.

DATED:

**January 17, 2001**

**Valerie A. Burrowes**

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VALERIE A. BURROWES  
City Clerk of the City of Sacramento

PROPOSED BOUNDARIES OF  
CITY OF SACRAMENTO  
NORTH NATOMAS NEIGHBORHOOD LANDSCAPING  
COMMUNITY FACILITIES DISTRICT No. 99-02  
ANNEXATION No. 2  
SACRAMENTO, CALIFORNIA  
SHEET 1 OF 1

CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS 16<sup>th</sup> DAY OF January, 2001.

CITY CLERK  
CITY OF SACRAMENTO

CLERK'S CERTIFICATE

I HEREBY CERTIFY THAT THE MAP SHOWING PROPOSED BOUNDARIES OF THE NORTH NATOMAS NEIGHBORHOOD LANDSCAPING COMMUNITY FACILITIES DISTRICT NO. 99 - ANNEXATION #2 WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON 16<sup>th</sup> DAY OF January, 2001 BY ITS RESOLUTION NO.

CITY CLERK  
CITY OF SACRAMENTO

COUNTY RECORDER'S FILING STATEMENT

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 2001 AT THE HOUR OF \_\_\_\_\_ O'CLOCK  
IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT DISTRICTS AND COMMUNITY FACILITIES  
DISTRICTS AT PAGE \_\_\_\_\_ IN THE OFFICE OF THE RECORDER OF THE COUNTY OF  
SACRAMENTO, STATE OF SACRAMENTO, CALIFORNIA.

RECORDER OF SACRAMENTO COUNTY DOCUMENT NO.: \_\_\_\_\_  
STATE OF CALIFORNIA

BY: \_\_\_\_\_

LEGEND

\_\_\_\_\_ DISTRICT BOUNDARY

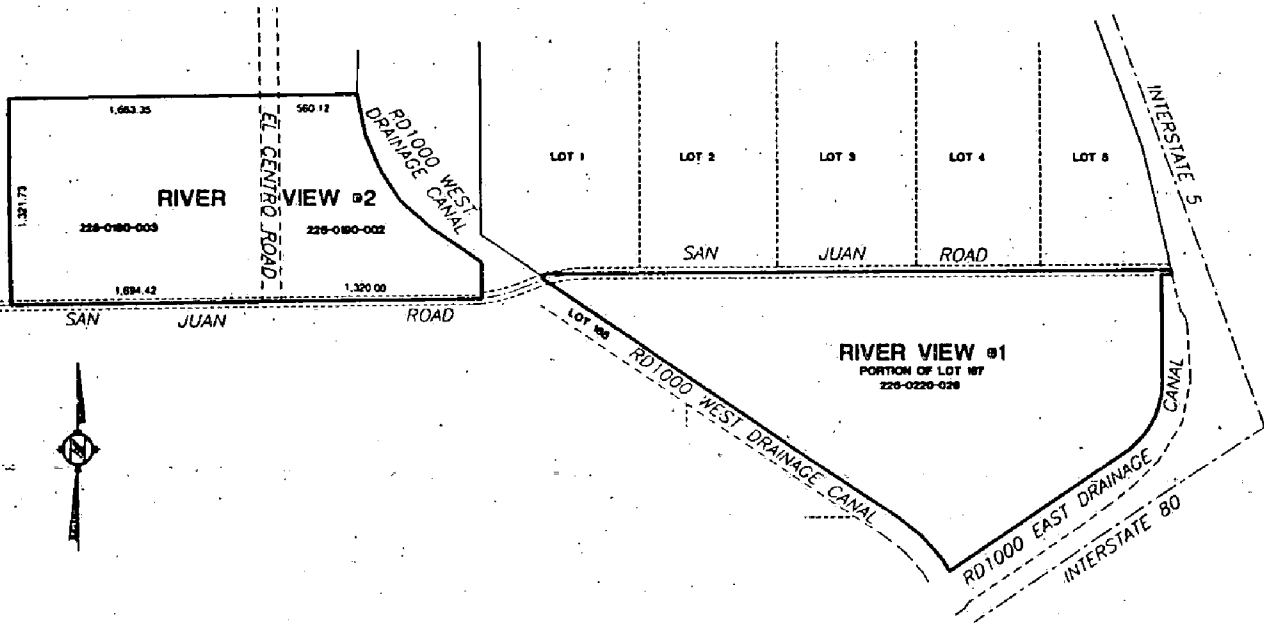


EXHIBIT A

CIVIL ENGINEERING  
PLANNING  
SURVEYING/MAPPING  
**WOOD · RODGERS INC.**  
301 C ST. #1008 SACRAMENTO, CA 95816  
PHONE: (916) 341-7740

# Exhibit B

City of Sacramento, California  
North Natomas Neighborhood Landscaping  
Community Facilities District No. 99-02

## RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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### 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 North Natomas Community Facilities District No. 99-02 (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, which 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 Landscape Maintenance Services 2) Authorized Drainage Maintenance Services, 3) 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 CFD 99-02.

"**Base Drainage Maintenance Services Maximum Tax**" means the maximum special tax that can be levied for drainage maintenance services for any new Tax Zone created through annexation of a residential subdivision.

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

**"Base Landscape Maintenance Services Maximum Tax"** means the maximum special tax that can be levied for landscape maintenance services for any new Tax Zone created through annexation of a residential subdivision.

**"CFD"** means the North Natomus Neighborhood Landscape Services Community Facilities District No. 99-02 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 Residential Parcel"** means a residential Parcel, which has a recorded final small lot map for residential uses permitting up to 2 units per lot.

**"Drainage Maintenance Services Tax"** means the portion of the maximum special tax that is levied on a Taxable Parcel to fund drainage maintenance and associated costs. Residential parcels in certain subdivisions are required by the City to provide a backup funding source for the maintenance of drainage facilities in the event that the homeowners association fails to provide adequate drainage maintenance. This portion of the special tax is only levied if the City has determined that the subdivision homeowners association has failed to adequately provide the required drainage maintenance service.

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

**"Landscape Maintenance Services Tax"** means the portion of the Maximum Annual Special Tax that is levied on a Taxable Parcel to fund landscape maintenance and associated costs. The tax is levied on Parcels that do not have maintenance of landscaping provided by homeowners associations. However, the tax may also be used as a backup tax in the event that a homeowners association fails to adequately provide landscape maintenance and the City has to take over provision of services.

**"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 and landscape intensity.

**"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.

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

"**Public Parcel**" means any Parcel, in its entirety, that is or is intended to be publicly owned in the North Natomas Community Plan as adopted by the City--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.

"**Subdivision**" means a division of a Parcel into a set of Successor Parcels through the Subdivision Map Act process.

"**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 Parcel that is classified as a Developed Residential Parcel or Undeveloped Parcel.

"**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); and (ii) all other parcels not defined as Developed Residential Parcels or Undeveloped Parcels.

"**Tax Zone**" describes one or more subdivisions with similar landscaping maintenance features and annual maintenance costs that are grouped together as a Tax Zone. Each subdivision included in the CFD at formation is assigned a Tax Zone. As a subdivision is annexed into the CFD, it may either be annexed into an existing Tax Zone or be assigned a new Tax Zone. Tax Zones will be labeled in alphabetical sequence as new Tax Zones are created.

"**Undeveloped Land Tax**" means the maximum special tax that can be levied for landscape maintenance services for an Undeveloped Parcel.

"**Undeveloped Parcel**" means remaining land in subdivision designated for single family residential land uses permitting up to 2 units per lot in the tentative map.

### 3. Duration of the Special Tax

Parcels in the CFD will remain subject to the special 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 to be further categorized by Tax Zone. The Tax Zone assigned to a Parcel is based on the same Tax Zone assigned to the Taxable Parcel's subdivision.
3. Each Taxable Parcel to be classified as to whether or not it is subject to the Landscape Maintenance Services Tax.
4. Each Taxable Parcel to be further classified as to whether or not it is subject to the Drainage Maintenance Services Tax.
5. Each Taxable Parcel to be further classified as to whether or not it is subject to the Undeveloped Land Tax.

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. Annexation Parcels. Subdivisions annexing into the CFD shall have their Maximum Special Tax Rate and Tax Zone assigned at the time of annexation.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and/or is converted to Developed Residential Parcel, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to 4.A and 4.B above. Conversely, if a privately owned 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 Taxable Parcel based on the assignment of the Special Tax in Section 4. The City will then determine the tax levy for each Taxable Parcel using the following process:

A. Compute the Annual Cost using the definition in Section 2 for the Fiscal Year. The City will allocate the Annual Costs for landscape maintenance and drainage maintenance for each Tax Zone. All administrative costs or other costs not related to the provision of landscape maintenance or drainage maintenance shall be allocated based on each Tax

Zone's percentage of the total landscape maintenance costs and drainage maintenance costs.

B. For each Tax Zone, calculate the Landscape Maintenance Service Tax for each Developed Parcel necessary to fund the allocated landscape maintenance cost and administration cost by the following:

- Calculate the Maximum Annual Special Tax Revenues for the landscape maintenance portion of the Special Tax by setting the tax rate for each Developed Parcel at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. If revenues are greater than the Annual Cost allocated to the Tax Zone for landscape maintenance and administration cost, the tax is reduced proportionately until the special tax is set at an amount sufficient to cover the allocated Annual Cost.
- If revenues from taxing Developed Parcels at 100% of the Maximum Annual Special Tax is not sufficient to fund allocated Annual Cost, levy the Undeveloped Land Tax up to 100% of its Maximum Annual Special Tax shown in **Attachment 1**, or until total special tax revenues equal Annual Cost.

C. For each Tax Zone, calculate the Drainage Maintenance Services Tax for each Taxable Parcel necessary to fund the allocated drainage maintenance costs by the following:

- Calculate the Maximum Annual Special Tax Revenues for the drainage maintenance portion of the Special Tax by setting the tax rate for each Taxable Parcel subject the drainage maintenance portion of the Special Tax at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. If revenues are greater than the Annual Cost allocated to the Tax Zone for drainage maintenance, the tax rate is reduced proportionately until the tax levy is set at an amount sufficient to cover the allocated Annual Cost.

D. Sum the Landscape Maintenance Services Tax and the Drainage Maintenance Services Tax calculated above to determine the Special Tax Levy for each Taxable Parcel in each Tax Zone.

E. 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. Records Maintained for the CFD**

As development and subdivision of North Natomas takes place, the City will maintain a file containing records of the following information for each Parcel:

- The current Parcel Number;
- The Parcel acreage;
- Number of residential units per parcel; and
- Tax Zone for the Parcel.

The file containing the information listed above will be available for public inspection.

## **7. Appeals**

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the City appealing 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.

## **8. Manner of Collection**

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes; provided; however, the City or its designee may directly bill the Special tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary to meet its financial obligation.

Attachment 1  
City of Sacramento CFD No. 99-02  
Maximum Special Tax Rates for Base Year 1999-2000 [1]

Tax Zone [1]	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b>Tax Zones at CFD Formation</b>			
<b>A</b>	<b>Natomas Park</b>		
	Landscape Maintenance Services Tax	\$35	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$190	Gross Acre
<b>B</b>	<b>Natomas Crossing</b>		
	Landscape Maintenance Services Tax	\$45	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>C</b>	<b>Gateway West</b>		
	Landscape Maintenance Services Tax	\$60	Authorized Unit
	Drainage Maintenance Services Tax - Gateway West North	\$150	Authorized Unit
	Drainage Maintenance Services Tax - other subdivisions	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>Future Annexations</b>			
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

[1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.

[2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.

[3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.

[4] Following the Base Year 1999-2000, the Maximum Special Tax Rates will escalate annually based upon the Consumer Price Index (CPI) (prior year annual average, San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.

[5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.

## EXHIBIT C

Figure D-1-  
 City of Sacramento CFD No. 99-02  
 Maximum Special Tax Rates for Base Year 1999-2000 [1]

Tax Zone [1]	Subdivision Special Taxes [2]	FY 1999-2000 Base Year Maximum Special Tax Rate [3], [4]	Developed Residential Parcels Special Tax Calculated Per
<b><u>Tax Zones at CFD Formation</u></b>			
<b>A</b>	<b>Natomas Park</b>		
	Landscape Maintenance Services Tax	\$35	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$190	Gross Acre
<b>B</b>	<b>Natomas Crossing</b>		
	Landscape Maintenance Services Tax	\$45	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b>C</b>	<b>Gateway West</b>		
	Landscape Maintenance Services Tax	\$60	Authorized Unit
	Drainage Maintenance Services Tax - Gateway West North	\$150	Authorized Unit
	Drainage Maintenance Services Tax - other subdivisions	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
<b><u>Future Annexations</u></b>			
<b>A</b>	<b>River View</b>		
	Landscape Maintenance Services Tax	\$35	Authorized Unit
	Drainage Maintenance Services Tax	\$0	Authorized Unit
	Undeveloped Land Tax [5]	\$190	Gross Acre
<b>D</b>	<b>Annexation No. 1 Westlake [6]</b>		
	Landscape Maintenance Services Tax	\$70	Authorized Unit
	Drainage Maintenance Services Tax	\$40	Authorized Unit
	Undeveloped Land Tax [5]	\$0	Gross Acre
	<b>Base Landscape Maintenance Services Maximum Tax</b>	<b>\$100</b>	Authorized Unit
	<b>Base Drainage Maintenance Services Maximum Tax</b>	<b>\$200</b>	Authorized Unit
	<b>Undeveloped Land Tax [5]</b>	<b>\$310</b>	Gross Acre

[1] Any new Tax Zone that is created will be labeled with an alphabetical letter. The new letter will follow sequence from the existing Tax Zone letters.

[2] At time of District Formation, three project areas were identified with varying annual maintenance costs. Annexing subdivisions will either be added to an existing Tax Zone, or a new Tax Zone will be created. In no case may a new Tax Zone have a Maximum Annual Special Tax for Landscaping or Drainage Maintenance greater than the Base Maximum Annual Special Taxes (as may be adjusted by the Tax Escalation Factor) shown in the above table.

[3] If landscape maintenance or drainage services are provided by a Homeowners Association, the maximum special tax rate for those parcels will be set to \$0.

[4] Following the Base Year 1999-2000 for Tax Zones A, B, and C, and Base Year 2000-2001 for Tax Zone D, the Maximum Special Tax Rates will increase annually based upon the Consumer Price Index (CPI) (prior year annual average), San Francisco, All Urban Consumers (CPI-U), not to exceed 4%.

[5] The undeveloped land tax is a backup tax if revenues from taxing Developed Parcels at 100% of the Landscape Maintenance Services Tax is not sufficient to fund the allocated Annual Cost.