



**APPROVED**  
BY THE CITY COUNCIL

**MAY 7 1998**

OFFICE OF THE  
CITY CLERK

3.1

**CITY OF SACRAMENTO**  
CALIFORNIA

DEPARTMENT OF  
PUBLIC WORKS

TECHNICAL SERVICES DIVISION

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

916-264-7474  
FAX 916-264-7480

April 21, 1998

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: DEVELOPMENT FEE FINANCING COMMUNITY FACILITIES DISTRICT  
(CFD) NO. 95-01 ANNEXATION NO. 1 - PUBLIC HEARING**

**LOCATION AND COUNCIL DISTRICT:**

Properties included in this annexation are located in Council Districts 1, 2, 5 and 6. Please see attached map marked Exhibit A.

**RECOMMENDATION:**

This report recommends that the City Council take the following actions:

- Conduct the Public Hearing.
- Adopt Resolution to Annex Territory, Increase the Special Tax Rate, and Call for a Special Election for the Development Fee Financing CFD No. 95-01.

**CONTACT PERSON: Karen Shipley, Administrative Services Officer, 264-5236**

**FOR COUNCIL MEETING OF: May 7, 1998**

**SUMMARY:**

The report presents a proposal to annex seven industrial/commercial projects to the Development Fee Financing CFD. The CFD allows the City to issue Mello-Roos bonds and finance certain development fees over a 10-year period. Properties proposed for annexation are owned by Marvin L. (Buzz) Oates, managing partner of Buzz Oates Enterprises and Raley's represented by Peggy Bohl, of The Bohl Corporation. The public hearing allows Council to consider protests made orally or in writing against the annexation of property to the CFD. As of April 14, 1998, the City Clerk had received no protests to this annexation.

Adoption of the attached resolution will approve annexation to the Development Fee Financing CFD and call for a special election as required by the Mello-Roos Act. The election is scheduled for May 12, 1998. Results of the election will be reported to Council on May 19. All property owners have signed a waiver and consent form to shorten the election time period to accommodate the schedule shown on Exhibit B.

### **COMMITTEE/COMMISSION ACTION**

None.

### **BACKGROUND INFORMATION:**

The Development Fee Financing CFD was approved by City Council on April 6, 1995 by adoption of Resolution No. 95-138. The purpose of the district is to allow developers to pay certain development fees over a 10-year period. Fees eligible for deferral are those which are directly related to public improvements (e.g. major street construction tax, sewer, water, school, Regional Sanitation and SMUD fees). Development fees used to pay for operating costs of the public agencies are not included (e.g. building permit, plan check, business operations tax, processing and planning fees). Deferral of fees is accomplished by issuing Mello-Roos bonds in the amount of the fees plus issuance costs. The original district included five commercial/industrial properties. The district was set up so that other properties could periodically annex to the district. This will be the district's first annexation.

#### Proposed Annexation

On March 31, 1998, City Council initiated proceeding to annex seven properties to the CFD by adopting a Resolution of Consideration No. 98-103 which set May 7, 1998 for a public hearing on the matter. The recommended Council action will approve the annexation and call for a special election scheduled for May 12, 1998. Final approval of the annexation will be determined by the property owner election. A two-thirds (2/3) vote is required to approve the annexation. Results of the election will be reported the City Council on May 19, 1998.

The proposed annexation includes six commercial/industrial properties representing a total land area of 95 acres. Buildings have been completed on 77% of total district area. Building permits have been issued on the remaining 23% of the district. The first parcel listed, the Sacramento Coca-Cola Bottling Company property, was one of the parcels in the original district. At the time the district was formed, North Natomas development fees were unknown. Since then, the fees have been adopted by Council and are now included in this proposed annexation as shown below. Since the Coca-Cola property is already a part of the district, the current tax rate for this parcel will be adjusted to reflect the new fees.

The following chart compares the total development fees on these projects and the portion eligible for fee financing in this annexation.

City Council  
 Development Fee Financing CFD Annexation #1  
 April 21, 1998

Project Address	Total Sq. Ft. of Development	Total Development Fees	Fees Eligible for this Program	% Eligible Fees
4101 Gateway Park Bl.	162,426	\$152,909	\$142,160	93%
2730 Broadway	66,744	258,510	190,537	74%
8670 Younger Creek	584,820	1,220,582	992,429	81%
8760 Younger Creek	50,400	125,510	101,211	81%
2450 Del Paso Bl.	109,474	509,975	401,331	79%
4061 Gateway Park Bl.	339,245	358,977	308,653	86%
180 Harris Av.	20,000	55,949	36,514	65%
150 Harris Av.	30,000	68,541	45,116	66%
<b>TOTAL</b>	<b>1,363,109</b>	<b>\$2,750,953</b>	<b>\$2,217,951</b>	<b>81%</b>

**FINANCIAL CONSIDERATIONS:**

The property owners will finance all fees associated with the annexation and administration of this district. There is no impact to the General Fund. The estimated cost of the district is itemized as follows:

Total Development Fees to be financed:	\$2,217,951
<b>Bond Costs:</b>	
California Debt and Investment Advisory Commission (CDIAC)	638
Bond Counsel	27,500
Special Districts Information Reporting System (SDIRS)	23,259
Official Statement and Bond Printing	14,000
Capitalized Interest	38,300
Annexation process and Administration Costs	26,000
Miscellaneous Expenses	<u>2,952</u>
Subtotal	\$2,350,600
Reserve Account	127,750
Bond Discount	<u>76,650</u>
<b>TOTAL DISTRICT COSTS:</b>	<b>\$2,555,000</b>

The following chart shows the special tax apportioned to each parcel in the district and the maximum annual special tax levy.

Parcel Number	Total Cost	Total Annual Special Tax	Maximum Annual Tax
225-0160-070-0000	\$163,763	\$22,817	\$26,240
010-0242-019-0000	219,492	30,577	35,163
062-0140-013-0000	1,143,243	159,194	183,073
062-0150-012-0000	116,591	16,249	18,687
225-0070-081-0000	462,319	64,386	74,044
225-0160-069-0000	355,557	49,522	56,950
250-0025-062-0000	42,063	5,873	6,753
250-0025-063-0000	<u>51,972</u>	<u>7,252</u>	<u>8,340</u>
TOTAL	\$2,555,000	\$355,870	\$409,251

The tax rates shown are based on the special tax formula for the CFD. For example, each parcel is assigned the total cost of eligible development fees computed (based on the development plans) for each particular parcel. The bond costs, reserve account and bond discount categories are assigned to each parcel in proportion to each parcel's total development fees. The maximum annual tax is computed at 115% of the annual tax.

Bond Authorization

When the original district was formed in 1995, Council authorized a maximum bond issuance of \$25 million. The first issue was \$1.8 million. This proposed annexation will issue an additional \$2.555 million leaving \$20.645 million available for future annexations. The overall value-to-lien ratio for annexation properties is 15:1.

**ENVIRONMENTAL CONSIDERATIONS:**

The environmental review for the development projects listed in this report have previously been completed. Council action in approving this CFD is exempt from CEQA because it will have no conceivable affect on the physical environment.

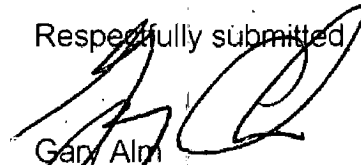
**POLICY CONSIDERATIONS:**

Council approved the Development Fee Financing CFD on April 6, 1995. The procedures under which this annexation is being conducted are set forth in Title 5 of the Government Code, Sections 53311-53317.5 entitled "The Mello-Roos Community Facilities Act of 1982."

**MBE/WBE:**

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

Respectfully submitted



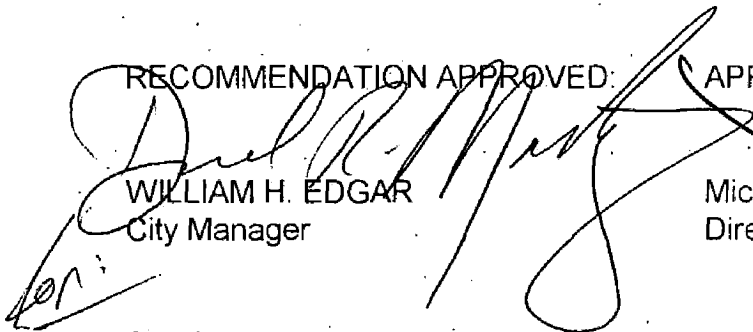
Gary Alm  
Manager, Development Services

Approved:



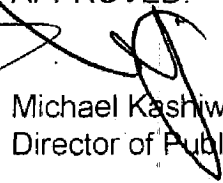
Duane J. Wray  
Manager, Technical Services

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR  
City Manager

APPROVED:



Michael Kashiwagi  
Director of Public Works

Attachments

File:98079



**EXHIBIT B**

**DEVELOPMENT FEE FINANCING CFD ANNEXATION NO. 1  
SCHEDULE**

- March 1998                      Receive from Property Owners:
- Final application, information, title reports
  - Annexation and Reimbursement Agreements
- March 31, 1998                Council Action:
- Adopt Resolution of Intention to Annex Property, to Increase the Special Tax Rate and Call for Public Hearing.
  - Adopt Resolution Approving Annexation and Reimbursement Agreements
- April 3, 1998                    Hearing Notice and Consent and Waiver Form mailed to Property Owners  
Proposed annexation boundary map is recorded.
- April 28, 1998                 CFD Report is filed with City Clerk
- May 7, 1998                     Council Action:
- Conduct Public Hearing
  - Adopt Resolution Approving Annexation and Special Tax Rate Increase and Calling for a Special Election.
- May 12, 1998                    Ballots are due to City Clerk
- May 19, 1998                    Council Action:
- Adopt Resolution Confirming Election Results.
- May 21, 1998                    Record Notice of Special Tax Lien
- May 26, 1998                    Council Action:
- Development Fee Financing CFD Annexation Ordinance  
- Pass for Publication
- June 4, 1998                    Council Action:
- Adopt Ordinance Levying Special Tax
  - Adopt Resolution Levying a Special Tax
  - Adopt Resolution Appropriating Funds
  - Adopt Resolution Approving Official Statement
  - Adopt Bond Documents
- June/July 1998                 Close bond sale, obtain and disburse proceeds.

APPROVED  
BY THE CITY COUNCIL

MAY 7 1998

OFFICE OF THE  
CITY CLERK

RESOLUTION NO. 98-164

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF May 7, 1998

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACRAMENTO DETERMINING TO ANNEX TERRITORY TO AND DETERMINING TO INCREASE THE SPECIAL TAX RATE FOR DEVELOPMENT FEE FINANCING COMMUNITY FACILITIES DISTRICT NO. 95-01, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND CALLING A SPECIAL ELECTION TO SUBMIT TO THE LANDOWNERS IN THE TERRITORY PROPOSED FOR ANNEXATION TO THE COMMUNITY FACILITIES DISTRICT THE QUESTION OF SUCH ANNEXATION AND CALLING A SPECIAL ELECTION TO SUBMIT TO THE LANDOWNERS IN THE COMMUNITY FACILITIES DISTRICT (AS CONSTITUTED AFTER SUCH ANNEXATION) THE QUESTION OF INCREASING SUCH SPECIAL TAX RATE

WHEREAS, the City Council (the "Council") of the City of Sacramento (the "City"), by Resolution No. 98-103, adopted on March 31, 1998 (the "Resolution of Consideration"), determined, under 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"), that the public convenience and necessity require that certain territory more particularly described in the Resolution of Consideration (the "Territory") be annexed to the existing Development Fee Financing Community Facilities District No. 95-01, City of Sacramento, County of Sacramento, State of California (the "Community Facilities District"), and that (in connection with such annexation) the public convenience and necessity require that the special tax rate for the Community Facility District (as

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

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

constituted after such annexation) be increased as more particularly described herein; and

WHEREAS, the Resolution of Consideration fixed Thursday, the 7th day of May, 1998, at the hour of 2:00 o'clock P.M., at the regular meeting place of the Council, at the City Council Chambers, Sacramento City Hall, 915 I Street, Sacramento, California 95814, as the time and place for a public hearing to be held by the Council to consider the proposed annexation of the Territory to the Community Facilities District and the proposed increase in the special tax rate for the Community Facilities District (as constituted after such annexation) and all other matters set forth in the Resolution of Consideration, and notice of such public hearing was duly given as provided in the Resolution of Consideration; and

WHEREAS, pursuant to the Resolution of Consideration, such public hearing was duly convened by the Council at the time and place appointed therefor, and at such public hearing the Council considered the proposed annexation of the Territory to the Community Facilities District and the proposed increase in the special tax rate for the Community Facilities District (as constituted after such annexation) and any other matters set forth in the Resolution of Consideration, and at such public hearing all persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District and

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within the Territory, were given an opportunity to appear and be heard, and the testimony of all interested persons or taxpayers for or against such proposed annexation and such proposed special tax rate increase or any other matters set forth in the Resolution of Consideration was heard and considered; and

WHEREAS, the Council is fully advised in this matter;

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

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

Section 2. The Council hereby determines to call a special election to submit to the landowners in the Territory (which landowners are the electors qualified to vote at such special election) the question of annexing the Territory to the Community Facilities District and to call a special election to submit to the landowners in the Community Facilities District (as constituted after such annexation) (which landowners are the electors qualified to vote at such special election) the question of increasing the special tax rate of the Community Facilities District (as constituted after such annexation), and in connection with such elections, the Council finds and determines that all landowners in the Community Facilities District and all landowners in the Territory have waived any and all time periods relative to such elections pursuant to California Government Code Section

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

53326(a), and they have waived the preparation and distribution of an impartial analysis of the ballot propositions, as well as arguments in favor and against such propositions, pursuant to California Government Code Section 53327(b), and they have waived the requirement to publish notice of the elections pursuant to California Government Code Section 53352, and they have waived the requirements regarding the time to mail ballots pursuant to California Elections Code Section 1351, and they have agreed to accept either mailed service or personal service of the ballots, and they have waived the requirements regarding identification envelopes for the return of mailed ballots pursuant to California Government Code Section 53327.5, and they have requested that the elections be expedited.

Section 3. The Council finds and determines that written protests to such proposed annexation and such proposed special tax rate increase are insufficient in number and in amount under the Act and that such proposed annexation and such proposed special tax rate increase has not been precluded by a majority protest as provided in the Resolution of Consideration; and accordingly the Council hereby orders that all protests to such proposed annexation and to such proposed special tax rate increase are hereby overruled.

Section 4. The Council hereby reapproves and readopts the Resolution of Consideration, and reconfirms all of its findings

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and determinations contained therein, and if such proposed annexation is approved at the election called by this resolution, the Territory shall be annexed to and shall become a part of the Community Facilities District, and if such proposed special tax rate increase is approved at the election called by this resolution, the special tax rate for the Community Facilities District (as constituted after such annexation) shall be as set forth in Exhibit A, attached hereto and incorporated herein and made a part hereof; and upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of such special tax shall attach to all nonexempt real property in the Community Facilities District (as constituted after such election), which lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of such special tax by the Council ceases.

Section 5. A special election shall be and is hereby called and ordered to be held in the Territory on Tuesday, May 12, 1998, in accordance with and subject to the Act and applicable law and the terms hereof, at which special election there shall be submitted to the landowners in the Territory the question of annexing the Territory to the Community Facilities District, and

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the ballot proposition for use at such special election shall be as follows:

Shall the area of the Territory (as that term is defined in Resolution No. 98-164 adopted by the City Council of the City of Sacramento on May 7, 1998) be annexed to the Development Fee Financing Community Facilities District No. 95-01, City of Sacramento, County of Sacramento, State of California, as provided in such Resolution No. 98-164?

Section 6. A special election shall be and is hereby called and ordered to be held in the Community Facilities District on Tuesday, May 12, 1998, in accordance with and subject to the Act and applicable law and the terms hereof, at which special election there shall be submitted to the landowners in the Community Facilities District (as constituted after such annexation) the question of increasing the special tax rate for the Community Facilities District (as constituted after such annexation), and the ballot proposition for use at such special election shall be as follows:

Shall the special tax rate for the Development Fee Financing Community Facilities District No. 95-01, City of Sacramento, County of Sacramento, State of California (as constituted after Annexation 1 thereto) be increased as provided in Resolution No. 98-164 adopted by the City Council of the City of Sacramento on May 7, 1998?

Section 7. The City Clerk of the City (the "City Clerk") is hereby designated as the official to conduct such special elections in accordance with and subject to the Act and applicable law and the following provisions of this resolution:

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

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

(a) Such special elections shall be held and conducted, and the votes thereat canvassed and the returns thereof made, and the results thereof ascertained and determined, as provided herein; and in all particulars not prescribed by this resolution such special elections shall be held and conducted and the votes received and canvassed in the manner provided by law for the holding of general elections in the City that are consistent with the Act.

(b) All landowners within the Territory upon the date of such special election herein called shall be qualified to vote upon the proposition to annex the Territory to the Community Facilities District to be submitted at such special election, and all landowners within the Community Facilities District and in the Territory upon the date of such special election herein called shall be qualified to vote upon the proposition to increase the special tax rate for the Community Facilities District (as constituted after such annexation) to be submitted at such special election.

(c) Such special elections shall be conducted as mailed ballot elections, in accordance with the provisions of Sections 1340 et seq. and Section 23511.1 of the Elections Code of the State of California, and there shall be no polling place for such special elections. All official ballots shall be mailed by the City Clerk to such landowners, and all voted ballots are

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required to be received at the office of the City Clerk not later than 8:00 o'clock P.M. on the day of the special elections in order to be counted.

(d) Each voter to vote for either proposition to be submitted at such special elections shall mark a cross (+) in the blank space opposite the word "YES" on the ballot to the right of such proposition, and to vote against such proposition shall mark a cross (+) in the blank space opposite the word "NO" on the ballot to the right of such proposition, which cross (+) may be marked with either pen or pencil.

(e) The City Clerk shall commence the canvass of the returns of such special elections at her office at the conclusion of such special elections, and at the conclusion of such canvass shall determine the results of such special elections; provided, that if all the qualified electors shall have voted on the propositions hereby submitted prior to 8:00 o'clock P.M. on the date of such special elections, the City Clerk shall close such special elections at such time and thereupon shall proceed to canvass the returns of such special elections and to determine the results thereof.

(f) The Council shall meet at its regular meeting on Tuesday, May 19, 1998, at the hour of 2:00 o'clock P.M. and declare the results of such special elections as determined by the City Clerk, and shall cause to be spread upon its minutes a statement of

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the results of such special elections as ascertained by such canvass.

Section 8. If two-thirds (2/3) or more of the votes cast upon the proposition to annex the Territory to the Community Facilities District are cast in favor thereof, as determined by the Council after reviewing the returns of such special annexation election, the Territory shall become annexed to the Community Facilities District, and if two-thirds (2/3) or more of the votes cast upon the proposition to increase the special tax rate for the Community Facilities District (as constituted after such annexation) are cast in favor thereof, as determined by the Council after reviewing the returns of such special tax rate increase election, the Council shall be authorized to levy such special tax as so increased within the Community Facilities District (as constituted after such annexation) in the amount and for the purposes specified in this resolution (except that such special tax may be levied at a rate lower than that specified herein); provided, that if either proposition fails to carry, both propositions shall be deemed to have failed to carry; and provided further, that such special tax shall be levied only so long as it is needed to pay for the acquisition and construction of the authorized facilities for the Community Facilities District or so long as it is needed to pay the principal of and interest on the bonded indebtedness incurred in order to finance the acquisition

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

and construction of such facilities (including the repayment of funds advanced for the Community Facilities District).

Section 9. The Special Districts Analyst, Department of Public Works, City of Sacramento, 1231 I Street, Room 300, Sacramento, California 95814 (telephone (916) 264-7113) will be responsible for preparing annually a current roll of special tax levy obligations by Sacramento County Assessor's parcel numbers, and will be responsible for estimating future special tax levies pursuant to Section 53340.1 of the Government Code of the State of California.

PASSED AND ADOPTED by the City Council of the City of Sacramento this 7th day of May, 1998, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

[SEAL]

\_\_\_\_\_  
Mayor of the City of Sacramento

ATTEST:

\_\_\_\_\_  
City Clerk of the City of Sacramento

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**EXHIBIT A**  
**DEVELOPMENT FEE FINANCING CFD NO. 95-01**  
**Special Tax Rate**

S:\TECHSVC\PROJECT\DISPEC\DISTKAREN\DATA\123\MELLO\DEV\FEE\DFFTX\FOR.WK

SHEET 3

13-Apr-98

ID #	Parcel #	Total Eligible Fees	Bond Costs(1)	Reserve Account(2)	Total Cost	Est. Annual Cost(3)	Annual Admin	Sp. Tax Levy	Max Annual Special Tax(4)
1	015-0041-015-0000	\$258,569	\$27,225	\$15,042	\$300,836	\$44,833	\$1,872	\$46,705	\$53,711
2	062-0050-059-0000	\$692,047	\$72,867	\$40,259	\$805,172	\$119,994	\$5,010	\$125,004	\$143,755
3	062-0140-007-0000	\$87,616	\$9,225	\$5,097	\$101,938	\$15,192	\$634	\$15,826	\$18,200
4	062-0140-012-0000	\$183,827	\$19,355	\$10,694	\$213,876	\$31,874	\$1,331	\$33,205	\$38,186
5	225-0160-070-0000	\$467,204	\$47,639	\$27,097	\$541,940	\$78,626	\$2,904	\$81,530	\$93,760
6	010-0242-019-0000	\$190,537	\$17,980	\$10,975	\$219,492	\$29,838	\$739	\$30,577	\$35,163
7	062-0140-013-0000	\$992,429	\$93,651	\$57,162	\$1,143,243	\$155,346	\$3,848	\$159,194	\$183,073
8	062-0150-012-0000	\$101,211	\$9,551	\$5,830	\$116,591	\$15,857	\$392	\$16,249	\$18,687
9	225-0070-081-0000	\$401,331	\$37,872	\$23,116	\$462,319	\$62,830	\$1,556	\$64,386	\$74,044
10	225-0160-069-0000	\$308,653	\$29,126	\$17,778	\$355,557	\$48,325	\$1,197	\$49,522	\$56,950
11	250-0025-062-0000	\$36,514	\$3,446	\$2,103	\$42,063	\$5,731	\$142	\$5,873	\$6,753
12	250-0025-063-0000	\$45,116	\$4,257	\$2,599	\$51,972	\$7,077	\$175	\$7,252	\$8,340
<b>TOTALS</b>		<b>\$3,765,054</b>	<b>\$372,196</b>	<b>\$217,750</b>	<b>\$4,355,000</b>	<b>\$615,523</b>	<b>\$19,800</b>	<b>\$635,323</b>	<b>\$730,621</b>

**NOTES:**

- (1) Bond costs for each parcel based on percentage of parcel eligible fees to total district eligible fee.
- (2) Reserve account is 5% of total district costs.
- (3) Annual Tax based on series A: 8% interest rate for 10 years, series B: 6% interest rate for 10 years. Actual annual tax based on debt service need.
- (4) Maximum Special Tax based on 115% of estimated special tax levy.

NOTICE OF PUBLIC HEARING  
ON THE RESOLUTION OF INTENTION TO ANNEX TERRITORY TO  
AND TO INCREASE THE SPECIAL TAX RATE FOR DEVELOPMENT  
FEE FINANCING COMMUNITY FACILITIES DISTRICT NO. 95-01,  
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

NOTICE IS HEREBY GIVEN that the City Council (the "Council") of the City of Sacramento (the "City") has duly adopted Resolution No. 98-103 (the "Resolution of Intention") on March 31, 1998, wherein the Council determined, under and 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"), that the public convenience and necessity require that it commence proceedings to annex certain territory (the "Territory") to Development Fee Financing Community Facilities District No. 95-01, City of Sacramento, County of Sacramento, State of California (the "Community Facilities District"), and that (in connection with such annexation), the public convenience and necessity require that it commence proceedings to increase the special tax rate for the Community Facilities District (as constituted after such annexation), and that for particulars as to the Territory proposed to be annexed to the Community Facilities District reference is hereby made to that certain map marked Exhibit A that is attached hereto and incorporated herein and made a part hereof, which map sets forth a description of the Territory, and for particulars as to the proposed increased special tax rate reference is hereby made to Exhibit B that is attached hereto and incorporated herein and made a part hereof, which sets forth the proposed increased special tax rate for the Community Facilities District (as constituted after such annexation).

NOTICE IS HEREBY FURTHER GIVEN that Thursday, the 7th day of May, 1998, at the hour of 2:00 o'clock P.M., at the regular meeting place of the Council, at the City Council Chambers, Sacramento City Hall, 915 I Street, Sacramento, California 95814, has been fixed by the Council as the time and place for a public hearing to be held by the Council to consider the proposed annexation of the Territory to the Community Facilities District and the levying of special taxes of the Community Facilities District within the Territory and the proposed increase in the special tax rate for the Community Facilities District (as constituted after such annexation) and all other matters set forth in the Resolution of Intention. At such public hearing any persons interested, including all taxpayers, property owners and registered voters within the

Community Facilities District and within the Territory, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the proposed annexation of the Territory to the Community Facilities District or the levying of special taxes of the Community Facilities District within the Territory or the proposed increase in the special tax rate for the Community Facilities District (as constituted after such annexation) or on any other matters set forth in the Resolution of Intention will be heard and considered. Any protests to the foregoing may be made orally or in writing by any such 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. Since there are no registered voters in the Community Facilities District or in the Territory, the Act provides that if the owners of one-half (1/2) or more of the area of land within the Community Facilities District, or the owners of one-half (1/2) or more of the area of land within the Territory, file written protests against the proposed annexation of the Territory to the Community Facilities District, or the owners of one-half (1/2) or more of the land included within the Community Facilities District (as constituted after such annexation) and not exempt from the special tax file written protests against the proposed special tax rate increase, and such protests are not withdrawn so as to reduce the value of the protests to less than a majority, then no further proceedings to annex the Territory to the Community Facilities District and to increase the special tax rate for the Community Facilities District (as constituted after such annexation) as proposed in the Resolution of Intention shall be taken for a period of one (1) year from the date of the decision by the Council on the issues discussed at such public hearing. At the conclusion of such public hearing, the Council may abandon the proceedings to annex the Territory to the Community Facilities District and to increase the special tax rate for the Community Facilities District (as constituted after such annexation) or may, after passing upon all protests, determine to proceed to call an election to submit to the qualified electors of the Territory the question of annexing the Territory to the Community Facilities District and to submit to the qualified electors of the Community Facilities District (as constituted after such annexation) the question of increasing the special tax rate of the Community Facilities District and authorizing the levy of special taxes of the Community Facilities District within the Territory; and if the Council determines at the conclusion of such public hearing to call such an election,

the voting procedure at such election shall be by landowners in the Community Facilities District and the Territory voting in accordance with the Act.

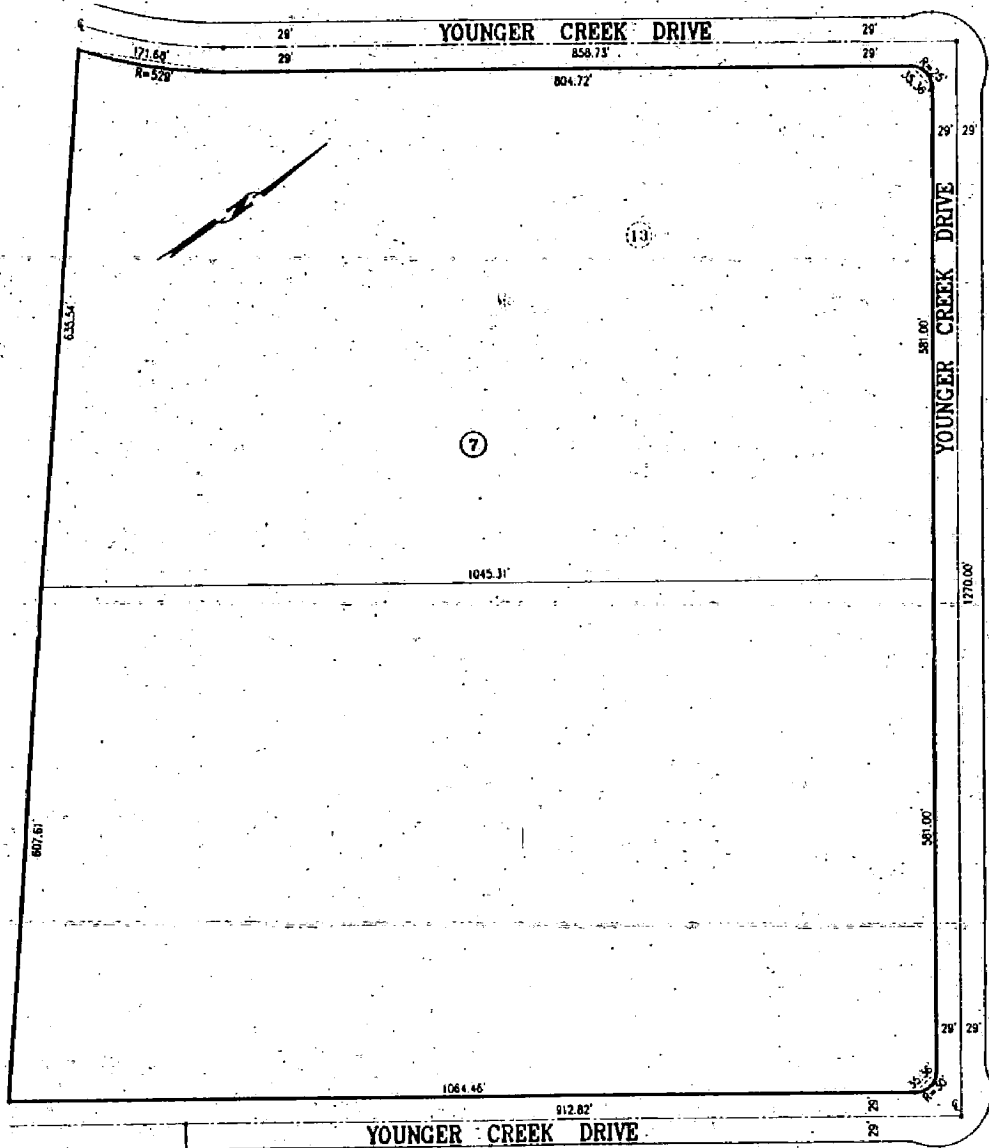
NOTICE IS HEREBY FURTHER GIVEN that such public hearing may be continued from time to time, but shall be completed within thirty (30) days.

NOTICE IS HEREBY FURTHER GIVEN that a copy of the Resolution of Intention and the boundary map of the Territory are on file with the City Clerk of the City, Sacramento City Hall, 915 I Street, Sacramento, California 95814, and are available for review there during business hours by any interested persons.

DATED: April 3, 1998.

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City Clerk of the City of Sacramento



**PROPOSED BOUNDARIES OF ANNEXATION 1 TO  
DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT No. 95-01**

CITY OF SACRAMENTO - COUNTY OF SACRAMENTO - STATE OF CALIFORNIA  
SHEET 1 OF 3 SHEETS  
SCALE: 1"=100'

**CLERK'S CERTIFICATE AND MAP FILING STATEMENT**

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1998.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF ANNEXATION TO DEVELOPMENT FEE FINANCING COMMUNITY FACILITIES DISTRICT NO. 95-01, 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 \_\_\_\_\_ DAY OF \_\_\_\_\_, 1998.

\_\_\_\_\_  
CITY CLERK, CITY OF SACRAMENTO, CALIFORNIA

**COUNTY RECORDER'S FILING STATEMENT**

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 1998 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 COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

\_\_\_\_\_  
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

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

LIGHT SKY CT.



**PROPOSED BOUNDARIES OF ANNEXATION 1 TO  
DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT No. 95-01**  
CITY OF SACRAMENTO - COUNTY OF SACRAMENTO - STATE OF CALIFORNIA  
SHEET 3 OF 3 SHEETS  
SCALE: 1"=100'

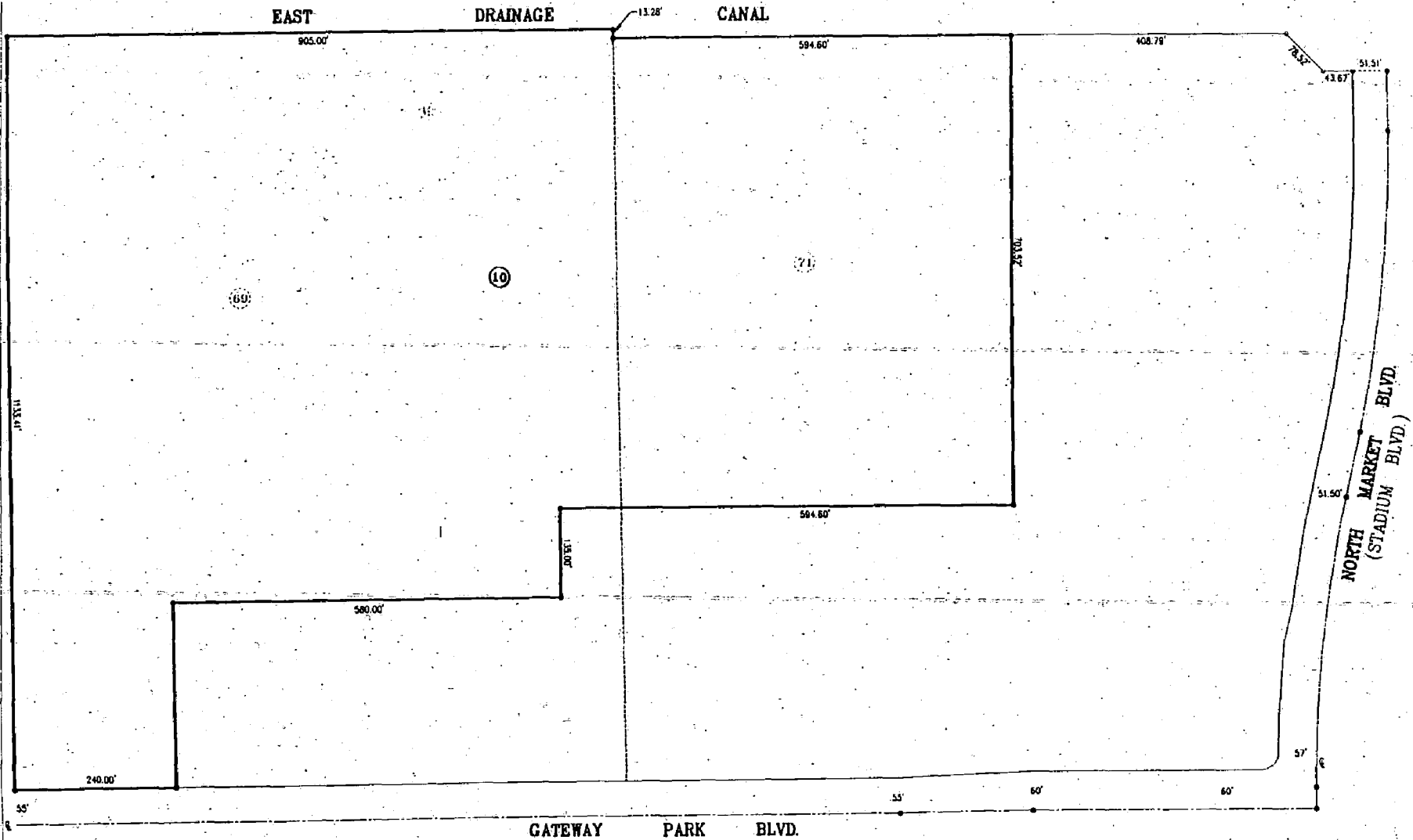


EXHIBIT B  
**DEVELOPMENT FEE FINANCING CFD NO. 95-01**  
**ANNEXATION NO. 1**  
**Increased Special Tax Rate**

ID #	Parcel #	Total Eligible Fees	Bond Costs(1)	Reserve Account(2)	Total Cost	Est. Annual Cost(3)	Annual Admin	Sp. Tax Levy	Max Annual Special Tax
5	225-0160-070-0000	\$467,204	\$47,639	\$27,097	\$541,940	\$78,626	\$2,904	\$81,530	\$93,760
6	010-0242-019-0000	\$190,537	\$17,980	\$10,975	\$219,492	\$29,838	\$739	\$30,577	\$35,163
7	062-0140-013-0000	\$992,429	\$93,651	\$57,162	\$1,143,243	\$155,346	\$3,848	\$159,194	\$183,073
8	062-0150-012-0000	\$101,211	\$9,551	\$5,830	\$116,591	\$15,857	\$392	\$16,249	\$18,687
9	225-0070-081-0000	\$401,331	\$37,872	\$23,116	\$462,319	\$62,830	\$1,556	\$64,386	\$74,044
10	225-0160-069-0000	\$308,653	\$29,126	\$17,778	\$355,557	\$48,325	\$1,197	\$49,522	\$56,950
11	250-0025-062-0000	\$36,514	\$3,446	\$2,103	\$42,063	\$5,731	\$142	\$5,873	\$6,753
12	250-0025-063-0000	\$45,116	\$4,257	\$2,599	\$51,972	\$7,077	\$175	\$7,252	\$8,340
<b>TOTALS</b>		<b>\$2,542,995</b>	<b>\$243,523</b>	<b>\$146,659</b>	<b>\$2,933,177</b>	<b>\$403,630</b>	<b>\$10,953</b>	<b>\$414,583</b>	<b>\$476,771</b>

S:\TECHSVC\PROJECTD\SPECIALDKAREN\DATA\123\MELLO\DEVFEE\DFFTXFOR.WK4  
 24-Mar-98

SACRAMENTO CITY COUNCIL  
 BY: VALERIE A. BURROWES  
 CITY CLERK

AD NO.: 8638  
 RUN 1 TIME: APRIL 3, 1998  
 3 PUB PROOFS

**CERTIFICATE OF ENGINEER**

**DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT NO. 95-01  
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
ANNEXATION NO. 1**

I, Gary Alm, declare:

I am familiar with the boundary map of the proposed Annexation No. 1 to Development Fee Financing Community Facilities District No. 95-01, City of Sacramento, County of Sacramento, State of California (CFD 95-01). I also prepared, from County records, the list of private property owners within Annexation No. 1 CFD 95-01 and within the original CFD 95-01, attached hereto. I also personally inspected the land in the district, and have noted the locations of all dwellings therein that might contain registered voters. I have cross-checked those addresses with the County Registrar of Voters as well as inquired directly of the County Registrar's records. I have done all this to determine the number of registered voters residing within the boundaries of Annexation No. 1 CFD 95-01 and within the original CFD 95-01.

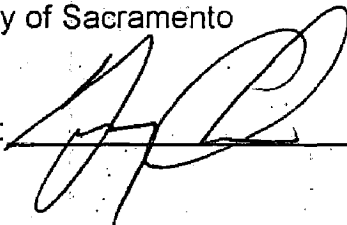
Based on the foregoing, I have determined that on March 31, 1998, there were 0 registered voters residing within Annexation No. 1 CFD 95-01 or within the original CFD 95-01.

Attached to this declaration is a list of those owning private property within Annexation No. 1 CFD 95-01 and within the original CFD 95-01 including the total number of acres each owns and the number of votes each will be entitled to cast in the election based upon the formula of one vote for each acre, or portion of an acre, owned.

I certify the foregoing to be true and correct as of May 7, 1998.

GARY ALM, Manager, Development Services  
City of Sacramento

By: \_\_\_\_\_



**DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT NO. 95-01  
ANNEXATION NO. 1  
CITY OF SACRAMENTO  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA**

List of Property Owners

ID #	OWNER/ADDRESS	PARCEL #	ACRES	VOTES
1	Buzz Oates Enterprises II O.K. & B General Partnership Oates Charitable Foundation 8615 Elder Creek Rd. Sacramento, CA 95828	015-0041-015-0000	5.095	6
2,3,4	Central Valley Limited Liability Co. c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0050-059-0000 062-0140-007-0000 062-0140-012-0000	16.14 2.64 5.28 )	24.06 25
5	Coca-Cola Bottling Co. (original) 4101 Gateway Park Bl. (annexation) Sacramento, CA 95833	225-0160-070-0000 225-0160-070-0000	21.971 21.971 )	43.942 44
6	Chin Revocable Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	010-0242-019-0000	1.707	2
7	Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0140-013-0000	29.12	30
8	Huisman Family Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0150-012-0000	2.16	3
9	Marvin L. Oates William & Patricia Cummings Anderson Family Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	225-0070-081-0000	9.324	10
10	Raley's 4061 Gateway Park Bl. Sacramento, CA 95833	225-0160-069-0000	29.152	30
11,12	OBF & Marvin L. Oates 8615 Elder Creek Rd. Sacramento, CA 95828	250-0025-062-0000 250-0025-063-0000	1.366 1.630 )	2.996 3

**TOTAL VOTES:**

**153**

# PUBLIC HEARING REPORT

## DEVELOPMENT FEE FINANCING COMMUNITY FACILITIES DISTRICT NO. 95-01 CITY OF SACRAMENTO ANNEXATION NO. 1 MAY 7, 1998

Purpose: The City Council has recognized the need to stimulate economic development within the City of Sacramento. The development fees imposed on commercial, industrial and residential development can be significant on individual projects. Lump sum payment of these fees at the time of building permit issuance can be a burden and sometimes a barrier to development. Community Facilities District ("CFD") No. 95-01 was established to defer payment of some of these fees by allowing the landowners to make payments over time.

Initial Formation: The property originally participating in the CFD 95-01 were three warehouse projects at 8825 Elder Creek, 8671 Younger Creek, and 8681 Younger Creek, developed by Buzz Oates Enterprises II; a two-story office building at 4900 Broadway also developed by Buzz Oates Enterprises II; and a light industrial building in North Natomas owned by the Sacramento Coca-Cola Bottling Company, Inc.

Proposed Annexations: The City proposes to annex seven properties to the district; four warehouse projects and two office projects being developed by Buzz Oates Enterprises II and a light industrial distribution center building in North Natomas owned by Raley's. The City has provided a bonding capacity for CFD 95-01 of \$25,000,000 to accommodate such annexations. Annexation No. 1 complies (as have the properties in the initial formation) with the City's "Development Fee Financing Program for Commercial, Industrial and Residential Development Projects," as updated by City Council on January 7, 1997 (Resolution No. 97-002), as it may be amended from time to time.

Eligible Fees: CFD 95-01 has been structured to provide financing of development fees which are directly related to the construction or provision of public capital improvements. Development fees related to non-public facilities and/or private property improvements, or which provide public agency working capital, are not included. The following are the fees included in CFD 95-01:

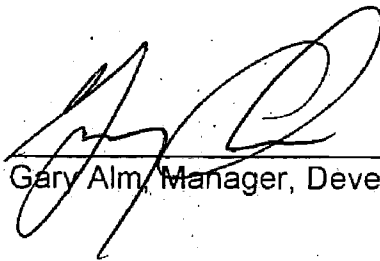
<u>Fee</u>	<u>Responsible Agency</u>
Construction Excise Tax (Major Street construction Tax)	City
Sewer Development Fee	City
Water Development Fee	City

Housing Trust Fund Fee	City
Water and Sewer Tap Fee	City
School Development Fee	Applicable School District
Regional Sanitation Fee	Sacramento Regional County Sanitation District
Sanitary Sewer Trunk Fee	Sacramento County Sanitation District #1
SMUD Fees	Sacramento Municipal Utility District
Special (Local Improvement) Developer Fees	City
Water Meter Fee	City
Quimby Park Fee (Residential Development only)	City

Ineligible Fees: Other development fees, not included in CFD 95-01, are building permit fees, plan check fees, seismic fees, City business operations tax, permit processing fees, grading and drainage fees, environmental fees, entitlement processing fees, and planning fees.

Exact Costs: The exact amounts of the fees proposed to be financed with respect to those properties contained in Annexation No. 1 to CFD 95-01 are shown on Attachment A-1, attached hereto.

May 7, 1998




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Gary Alm, Manager, Development Services

**ATTACHMENT A-1  
DEVELOPMENT FEE FINANCING CFD 95-01 ANNEXATION No. 1**

PARCEL ID #	#5	#6	#7	#8	#9	#10	#11	#12	TOTAL
DEVELOPER	COCA-COLA	BUZZ OATES	BUZZ OATES	BUZZ OATES	BUZZ OATES	RALEY'S	BUZZ OATES	BUZZ OATES	
PARCEL NUMBER	225-0160-070	010-0242-019	062-0140-013	062-0150-012	225-0070-081	225-0160-069	250-0025-062	250-0025-063	
ADDRESS	4101 Gateway Pk	2730 Broadway	8670 Younger Ck	8760 Younger Ck	2450 Del Paso	4061 Gateway Pk	180 Harris Av.	150 Harris Av.	
BUILDING SQUARE FOOTAGE	162,426 sf	66,744 sf	584,820 sf	50,400 sf	109,474 sf	339,245 sf	20,000 sf	30,000 sf	
<b>ELIGIBLE DEFERRAL COSTS:</b>									
Construction Excise Tax	\$0	\$36,667	\$136,621	\$12,342	\$47,471	\$3,148	\$5,133	\$7,229	\$248,611
Water Development Fee	0	3,558	100,059	12,477	39,523	0	10857	10049	\$176,523
Sewer Development Fee	0	2,077	County	County	County	0	283	283	\$2,643
Housing Trust Fund	0	66,077	157,952	13,415	88,724	24,358	6509	9210	\$366,245
Water & Sewer Tap Fees	0	1,207	10,369	7,922	8,519	0	4505	4505	\$37,027
Water meter fee	0	0	0	0	0	0	0	0	\$0
Regional Sanitation Fees	74,200	30,811	380,216	28,187	91,175	19,455	n/a	n/a	\$624,044
School Impact Fees	0	18,883	175,446	14,850	29,215	14,916	5600	8400	\$267,310
SMUD Fees	0	31,257	31,766	12,018	25,455	0	3627	5440	\$109,563
<b>North Natomas Fees:</b>									\$0
Drainage	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Public Facilities	0	0	0	0	0	0	0	0	\$0
Transit	6,335	0	0	0	25,617	12,252	0	0	\$44,204
Regional Park Fee	61,625	0	0	0	24,746	76,461	0	0	\$162,832
Land Acq. Fee (Full)	0	0	0	0	0	158,063	0	0	\$158,063
Habitat Conservation Fee	0	0	0	0	20,886	0	0	0	\$20,886
Subtotal	\$142,160	\$190,537	\$992,429	\$101,211	\$401,331	\$308,653	\$36,514	\$45,116	\$2,217,951
									\$0
<b>NON-DEFERRAL COSTS:</b>									\$0
Building Permit Fee	\$0	\$31,123	\$98,089	\$11,250	\$45,281	\$14,635	\$7,985	\$9,766	\$218,129
Plan Check Fee	0	27,324	100,308	9,281	36,584	\$15,655	8513	10005	\$207,670
S.M.I. Fee	0	994	3,586	324	1,225	\$397	126	183	\$6,835
Business Operations Tax	0	1,893	5,369	618	2,642	\$34	377	482	\$11,415
Permit Processing Fee	0	51	121	68	155	\$68	104	104	\$671
Technology Fee	0	2,168	7,134	818	3,307	\$1,082	580	710	\$15,799
Engineering Fee	0	2,400	1,500	600	2,400	\$300	900	900	\$9,000
Grading & Drainage Fee (Eng)	0	150	300	300	300	\$150	300	300	\$1,800
Driveway Permits	0	0	0	0	325	\$0	100	325	\$750
Landscape Fee	0	50	50	50	50	\$50	50	50	\$350
Fire Fee	0	1,820	11,696	990	2,190	\$1,133	400	600	\$18,829
Partial Permit Fee	0	0	0	0	0	\$0	0	0	\$0
N.N. Administration Fee	10,749	0	0	0	14,185	\$16,820	0	0	\$41,754
Subtotal	\$10,749	67,973	228,153	24,299	108,644	\$50,324	\$19,435	\$23,425	\$533,002
									\$0
<b>TOTAL ALL FEES</b>	<b>\$152,909</b>	<b>\$258,510</b>	<b>\$1,220,582</b>	<b>\$125,510</b>	<b>\$509,975</b>	<b>\$358,977</b>	<b>\$55,949</b>	<b>\$68,541</b>	<b>\$2,750,953</b>

file: DFF2COST

CLERK'S CERTIFICATE

I, Valerie A. Burrowes, City Clerk of the City of Sacramento, do hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted at a regular meeting of the City Council of said City duly and regularly held at the regular meeting place thereof on the 7th day of May, 1998, of which meeting all of the members of said Council had due notice and at which a majority thereof were present, and that at said meeting said resolution was adopted by the following vote:

AYES: Fargo, Hammond, Cohn, Waters, Yee

NOES: None

ABSENT: Kerth, Serna

ABSTAIN: Steinberg

An agenda for said meeting was posted at least seventy-two (72) hours before said meeting at the City Council Chambers, Sacramento City Hall, 915 I Street, Sacramento, California 95814, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: May 7, 1998.

Valerie A. Burrowes  
City Clerk of the City  
of Sacramento

[SEAL]

CITY OF SACRAMENTO

AFFIDAVIT OF DELIVERY OF BALLOTS  
FOR THE SPECIAL ELECTIONS TO ANNEX TERRITORY  
TO AND TO INCREASE THE SPECIAL TAX RATE FOR  
DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT NO. 95-01  
CITY OF SACRAMENTO  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
HELD ON MAY 12, 1998

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. 98-164 (the  
"Resolution") adopted by the City Council of the City of  
Sacramento on May 7, 1998, she complied with the requirements  
for delivering the ballots for the special elections to annex  
territory to and to increase the special tax rate for  
Development Fee Financing Community Facilities District No.  
95-01, City of Sacramento, County of Sacramento, State of  
California, held on May 12, 1998, as set forth in Section 7(c)  
of the Resolution, by mailing, on May 7, 1998, to each  
*or hand mailing*

landowner qualified to voter at said special elections the  
ballots therefor.

Valerie A. Burrows  
City Clerk of the City of Sacramento

Subscribed and sworn to before me  
this 11<sup>th</sup> day of May, 1998.

Virginia K. Henry  
NOTARY PUBLIC  
State of California



**DEVELOPMENT FEE FINANCING  
COMMUNITY FACILITIES DISTRICT NO. 95-01  
ANNEXATION NO. 1  
CITY OF SACRAMENTO  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA**

List of Property Owners

ID #	OWNER/ADDRESS	PARCEL #	ACRES	VOTES
1	Buzz Oates Enterprises II Oates Charitable Foundation 8615 Elder Creek Rd. Sacramento, CA 95828	015-0041-015-0000	5.095	6
2,3,4	Central Valley Limited Liability Co. c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0050-059-0000 062-0140-007-0000 062-0140-012-0000	16.14 2.64 5.28 )	24.06 25
5	Coca-Cola Bottling Co. (original) 4101 Gateway Park Bl. (annexation) Sacramento, CA 95833	225-0160-070-0000 225-0160-070-0000	21.971 21.971 )	43.942 44
6	Chin Revocable Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	010-0242-019-0000	1.707	2
7	Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0140-013-0000	29.12	30
8	Huisman Family Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	062-0150-012-0000	2.16	3
9	Marvin L. Oates William & Patricia Cummings Anderson Family Trust c/o Buzz Oates Enterprises II 8615 Elder Creek Rd. Sacramento, CA 95828	225-0070-081-0000	9.324	10
10	Raley's 4061 Gateway Park Bl. Sacramento, CA 95833	225-0160-069-0000	29.152	30
11,12	OBF & Marvin L. Oates 8615 Elder Creek Rd. Sacramento, CA 95828	250-0025-062-0000 250-0025-063-0000	1.366 1.630 )	2.996 3

**TOTAL VOTES:**

**153**