



1.2

CITY OF SACRAMENTO  
CALIFORNIA

DEPARTMENT OF  
PUBLIC WORKS

TECHNICAL SERVICES DIVISION

**APPROVED**  
BY THE CITY COUNCIL

June 16, 1998

**JUN 30 1998**

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

City Council  
Sacramento, California

OFFICE OF THE  
CITY CLERK

916-264-7474  
FAX 916-264-7480

Honorable Members in Session:

**SUBJECT: NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO. 2 - RESULTS  
OF MAIL BALLOT ELECTION**

**LOCATION AND COUNCIL DISTRICT:**

The proposed Community Facilities District (CFD) includes approximately 997 acres in North Natomas Community Plan area, located in Council District 1 (see map Exhibit A).

**RECOMMENDATION:**

This report recommends that the City Council adopt the Resolution Reciting the Facts of the Mailed-Ballot Election.

**CONTACT PERSON:**

Edward Williams, Associate Engineer, 264-5440

**FOR COUNCIL MEETING OF:** June 30, 1998

**SUMMARY:**

This report presents the results of the property owner special election to form a CFD pursuant to the Mello-Roos Community Facilities District Act of 1982. The CFD will fund internal drainage improvements specific to drainage basins 5 and 6 in Quadrant 1 (see Exhibit A).

**COMMITTEE/COMMISSION ACTION:**

None.

City Council  
North Natomas Community Facilities District No. 2  
June 15, 1998

### **BACKGROUND INFORMATION:**

In August 1994, City Council adopted the North Natomas Financing Plan that identified funding sources for backbone infrastructure and public facilities through buildout of the North Natomas Finance Plan area. CFD's were identified as a funding source for the various components of the Comprehensive Drainage Plan.

In April 28, 1998, City Council approved a Resolution of Intention to form the North Natomas CFD No. 2. On June 9, 1998 City Council approved formation of the District subject to the required landowner special election.

Passage of the special election is the final step in the CFD formation process. Special election ballots, sent to all affected property owners on June 10, 1998, were to be returned to the office of the City Clerk no later than 8:00 p.m. on June 23, 1998. On June 24, 1998, the ballots were opened and counted. The results of the election are to be entered on the attached resolution.

The proposed district will be formed under the Community Facilities District Act of 1982. As part of the proceedings, a special election is required. In a case where the vote is by landowners, rather than registered voters, each acre within the proposed district receives one vote. A 2/3 majority is required to finalize the CFD formation.

Improvements to be funded through the CFD are fully described in the Natomas Comprehensive Drainage Plan Pre-Design Report and the Hearing Report for CFD No. 2

### **FINANCIAL CONSIDERATIONS:**

The improvements are proposed to be constructed in three phases at a total cost of \$20.7 million and requiring an estimated \$29 million in special tax bonds with total bond authorization of \$32 million.

### **ENVIRONMENTAL CONSIDERATIONS:**

The City Council's action in reciting the findings of the special election of this district and calling the election is solely for the purpose of establishing a financing mechanism and is, therefore, not a project for purposes of the California Environmental Quality Act. The North Natomas Comprehensive Drainage Plan EIR was approved by City Council on May 20, 1997.

City Council  
North Natomas Community Facilities District No. 2  
June 15, 1998

**POLICY CONSIDERATIONS:**

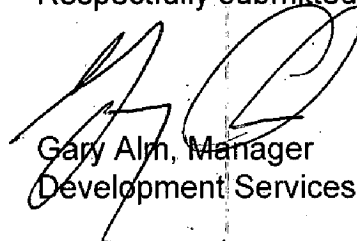
The procedures under which this district is being formed are set forth in Title 5 of the Government Code Sections 53311 - 53317.5 entitled, "The Mello-Roos Community Facilities Act of 1982."

This action does not authorize the sale of bonds. At the appropriate time, staff will return to City Council with its recommendations relating to bond issuance and sale.

**MBE/WBE:**

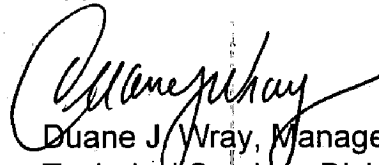
None. No goods or services are being purchased.

Respectfully submitted,



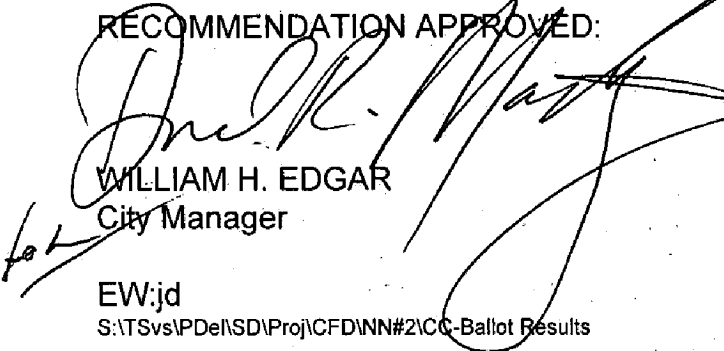
Gary Alm, Manager  
Development Services & Special Districts

Approved:



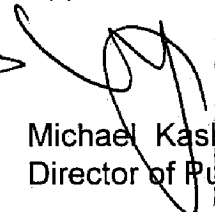
Duane J. Wray, Manager  
Technical Services Division

RECOMMENDATION APPROVED:



WILLIAM H. EDGAR  
City Manager

Approved:



Michael Kashiwagi  
Director of Public Works

EW:jd  
S:\TSvs\PD\SD\Proj\CFD\NN#2\CC-Ballot Results

MEMORANDUM OF PROCEEDINGS  
TO BE CONSIDERED BY  
THE CITY COUNCIL OF THE CITY OF SACRAMENTO  
ON TUESDAY, JUNE 30, 1998  
IN CONNECTION WITH THE CITY OF SACRAMENTO  
NORTH NATOMAS  
COMMUNITY FACILITIES DISTRICT NO. 2

On April 28, 1998, the City Council of the City of Sacramento initiated proceedings for the City of Sacramento North Natomas Drainage Community Facilities District No. 2 ("CFD No. 2").

On June 9, 1998, the City Council conducted the continued public hearings as scheduled and adopted its resolution establishing CFD No. 2 and its resolution declaring the necessity to incur a bonded indebtedness to finance the acquisition and construction of the public facilities in CFD No. 2. In said resolutions the City Council also called for a Special Election to be conducted on June 23, 1998 and directed the City Clerk to take actions in accordance with the legal requirements for such a Special Election. The following documents are on file with the City Clerk:

1. Affidavit of Delivery of Ballots for the Special Election [A-8].
2. Ballots returned by Property Owners.

On June 23, 1998, the City Clerk canvassed the ballots cast at the election, and it is in order for the City Council to consider the following items at this time:

A. City Council Action Item:

1. Resolution Determining the Result of the Special Mailed-Ballot Election Held in the City of Sacramento North Natomas Community Facilities District No. 2 on June 23, 1998 [R-7].

B. Items to be Filed with the City Clerk:

1. City Clerk's Certificate of Election Results [A-9].
2. Notice of Special Tax Lien.
3. Affidavit of Recording Notice of Special Tax Lien [A-10].

C. Additional Instructions for the City Clerk:

✓ 1. Resolution Determining Result of Special Mailed-Ballot Election [R-7]

- a. Please return two (2) certified copies to Orrick for the attention of Amy Wong, Legal Assistant.

✓ 2. City Clerk's Certificate of Election Results [A-9].

✓ 3. An original and two (2) copies of the City Clerk's Certificate of Election Results are enclosed herewith for completion and signature.

- a. Please keep the original in the City Clerk's file of proceedings and send two (2) executed copies to Orrick for the attention of Amy Wong, Legal Assistant.

4. Notice of Special Tax Lien.

✓ a. No later than fifteen (15) days after the adoption of the Resolution Determining the Result of the Special Election Held on June 23, 1998, the enclosed Notice of Special Tax Lien should be recorded in the office of the County Recorder of the County of Sacramento.

✓ b. An original and three (3) copies of the Notice of Special Tax Lien are enclosed herewith. Please attach to the original and each copy the Rate and Method of Apportionment of Special Tax as Exhibit A and a List of the parcel numbers and the names of the respective property owners as Exhibit B.

○ c. Date and sign the original and three (3) copies of the Notice of Special Tax Lien. Have the original recorded in the office of the County Recorder of the County of Sacramento and have the three (3) copies file-stamped with the recording date and Recorder's serial number. Keep one file-stamped copy in the City Clerk's file of proceedings and send two (2) file-stamped copies to Orrick for the attention of Amy Wong, Legal Assistant.

5. Affidavit of Recording Notice of Special Tax Lien [A-10].

✓ a. An original and two (2) copies of the Affidavit of Recording Notice of Special Tax Lien are enclosed herewith for the City Clerk's signature.

✓ b. Please keep the original in the City Clerk's file of proceedings and send two (2) executed copies to Orrick for the attention of Amy Wong, Legal Assistant.

If you have any questions, please call

Carlo Fowler, Bond Attorney (415) 773-5884

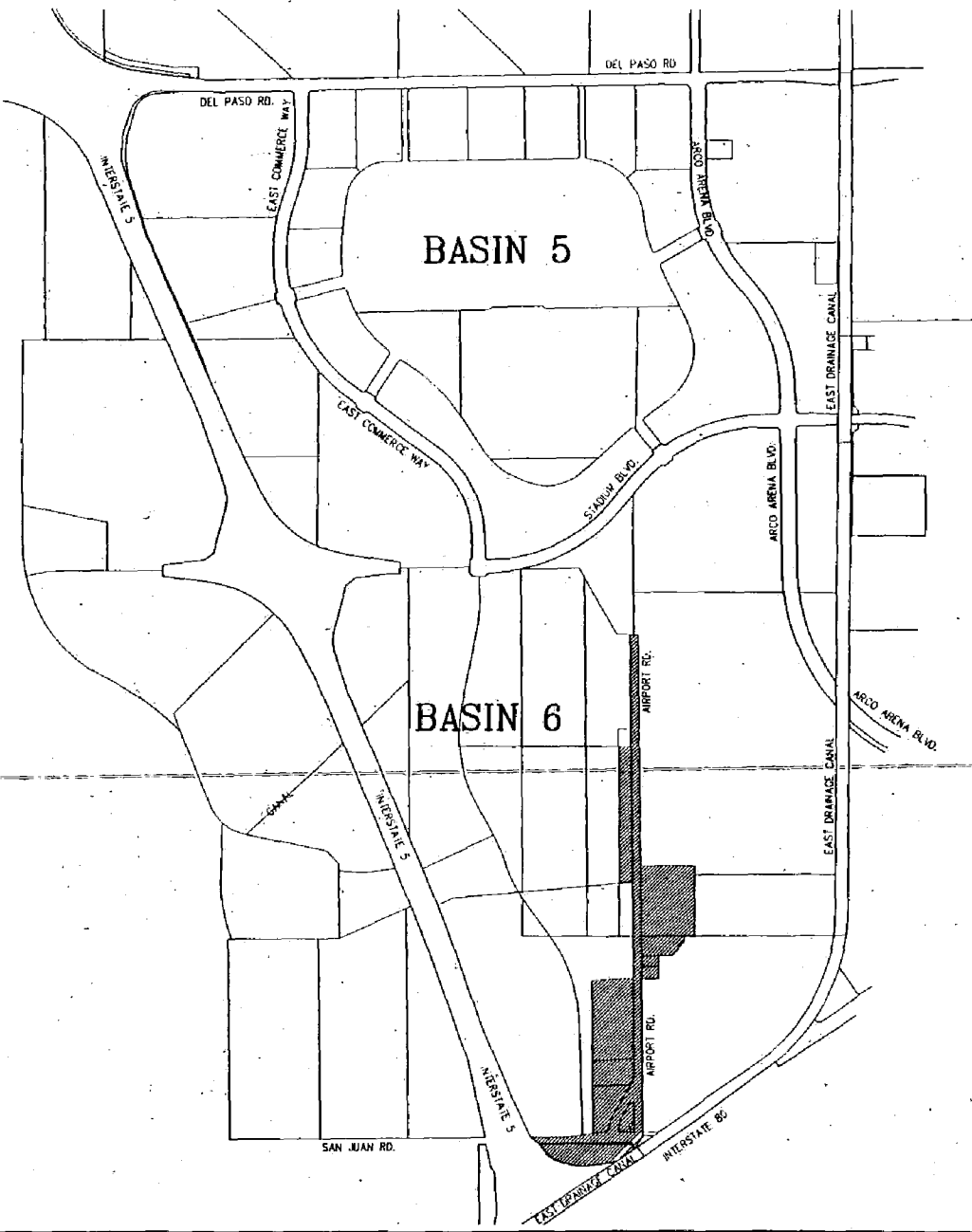
or

Amy Wong, Legal Assistant (415) 773-4262

at

ORRICK, HERRINGTON & SUTCLIFFE LLP

**AMENDED BOUNDARIES OF  
NORTH NATOMAS  
COMMUNITY FACILITIES DISTRICT No.2**  
CITY OF SACRAMENTO - COUNTY OF SACRAMENTO - STATE OF CALIFORNIA  
SHEET 1 OF 1 SHEETS



**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 NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO. 2, 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 BY ITS RESOLUTION No. \_\_\_\_



\_\_\_\_\_  
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

THIS MAP CROSS-REFERENCES THE MAP ENTITLED PROPOSED BOUNDARIES OF NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO.2, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WHICH WAS RECORDED APRIL 29, 1998, IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA IN BOOK B7 OF THE MAPS OF ASSESSMENTS AND COMMUNITY FACILITIES DISTRICT AT PAGE 30.

-  EXCLUDED FROM CFD
-  COMMUNITY FACILITIES DISTRICT BOUNDARY

**EXHIBIT A**

APPROVED  
BY THE CITY COUNCIL

JUN 30 1998

OFFICE OF THE  
CITY CLERK

# RESOLUTION NO. 98-314

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SACRAMENTO DETERMINING THE RESULT OF THE SPECIAL MAILED-BALLOT ELECTION HELD IN THE CITY OF SACRAMENTO NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO. 2 ON JUNE 23, 1998

WHEREAS, the City Clerk of the City of Sacramento has duly canvassed the votes cast in the City of Sacramento North Natomas Community Facilities District No. 2 (the "Community Facilities District") at the special mailed-ballot election held in the Community Facilities District on June 23, 1998, by the qualified electors of the Community Facilities District upon the proposition hereinafter set forth, and has certified to this City Council the result of the votes cast at such special mailed-ballot election upon said proposition, which said certification is now on file in the office of the City Clerk of the City of Sacramento;

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

Section 1. All of the above recitals are true and correct, and the City Council so finds and determines.

Section 2. The canvass of the votes cast in the Community Facilities District at the special mailed-ballot election held in the Community Facilities District on June 23, 1998, as shown by said certification, is hereby approved and confirmed.

Section 3. At such special mailed-ballot election in the Community Facilities District the following proposition was submitted to the qualified voters of the Community Facilities District and the number of votes cast in the Community Facilities District for and against such proposition, as set forth in said canvass, is determined to be as follows:

MEASURE (A): Shall the City of Sacramento North Natomas Drainage Community Facilities District No. 2 be authorized to finance the acquisition and construction of the public facilities which constitutes pipes, collection drains and channels, pump stations, detention basins and outfall drains by incurring a bonded indebtedness in the principal amount of thirty-two million dollars (\$32,000,000), and shall an appropriations limit in the amount of \$4,000,000 per fiscal year in connection therewith be established for the Community Facilities District, and shall a special tax with a maximum rate and

FOR CITY CLERK USE ONLY

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

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

method of apportionment as provided in Resolution No. 98-257 adopted by the City Council of the City of Sacramento on June 9, 1998, which is incorporated herein by reference, be levied to pay for the acquisition and construction of such facilities, including the payment of principal of and interest on such bonds and including the repayment of funds advanced for the Community Facilities District?

Section 4. The total number of votes cast in the Community Facilities District at such special mailed-ballot election for and against such proposition was and is set forth in said canvass.

Section 5. More than two-thirds (2/3) of all the votes cast at such special mailed-ballot election was cast in favor of such proposition, and such proposition carried.

Section 6. The City Clerk of the City of Sacramento is hereby directed to enter this resolution on the minutes of this City Council, which shall constitute the official declaration of the result of such special mailed-ballot election, and is hereby further authorized and directed to record a notice of special tax lien in accordance with the provisions of Section 3114.5 of the Streets and Highways Code of the State of California.

PASSED AND ADOPTED by the City Council of the City of Sacramento this \_\_\_\_\_ day of \_\_\_\_\_, 1998, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED:

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

ATTEST:

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

**FOR CITY CLERK USE ONLY**

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

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

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 30th day of June 1998, of which meeting all of the members of said City 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: Cohn, Fargo, Hammond, Kerth, Steinberg, Yee, Serna

NOES: None

ABSENT: Waters

An agenda for said meeting was posted at least seventy-two (72) hours before said meeting at the 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: 6/30, 1998.

---

City Clerk of the City of Sacramento

[SEAL]

**RESOLUTION No. 98-314**

**JUN 30 1998**

CITY OF SACRAMENTO

AFFIDAVIT OF DELIVERY OF BALLOTS  
FOR THE SPECIAL MAILED-BALLOT ELECTION TO BE HELD  
IN THE NORTH NATOMAS COMMUNITY FACILITIES  
DISTRICT NO. 2, CITY OF SACRAMENTO,  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
ON JUNE 23, 1998

STATE OF CALIFORNIA     )  
  ) ss.  
COUNTY OF SACRAMENTO )

*VIRGINIA K. HENRY*

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

That she is now and at all times herein mentioned was the <sup>ASST.</sup> City Clerk of the City of Sacramento;

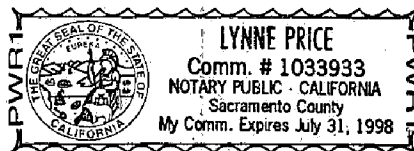
That, pursuant to Resolution No. 98-257 (The "Resolution") adopted by the City Council of the City of Sacramento on June 9, 1998, she complied with the requirements for delivering the ballots for the special mailed-ballot election to be held on June 23, 1998, in the North Natomas Community Facilities District No. 2, City of Sacramento, County of Sacramento, State of California, as set forth in Section 10 of the Resolution, by mailing or in person to each

of the landowners qualified to vote at said special mailed-ballot election on June 23, 1998. A copy of the form of the ballot is attached hereto as Exhibit A.

*Margaret K. Henning*  
Asst. City Clerk of the City of Sacramento

Subscribed and sworn to before me  
this 8<sup>th</sup> day of July 1998.

*Lynne Price*  
\_\_\_\_\_  
NOTARY PUBLIC  
State of California



[Notarial Seal]

**CITY OF SACRAMENTO  
NORTH NATOMAS COMMUNITY FACILITIES  
DISTRICT NO. 2**

**SPECIAL ELECTION BALLOT  
FOR THE MAILED-BALLOT ELECTION OF JUNE 23, 1998**

This ballot is for the use of \_\_\_\_\_, a landowner within the City of Sacramento North Natomas Community Facilities District No. 2.

According to the provisions of the Mello-Roos Community Facilities Act of 1982, and the resolutions of the City Council of the City of Sacramento, such landowner is entitled to cast \_\_\_\_\_ votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 8:00 p.m. on Tuesday, June 23, 1998, to:

Valerie A. Burrowes, City Clerk  
City of Sacramento  
Sacramento City Hall  
915 I Street, Room 304  
Sacramento, CA 95814

Mailing by that date will not be sufficient, as the ballot must be physically received by the City Clerk of the City of Sacramento prior to the deadline in order to be counted.

**AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.**

**BALLOT MEASURE**

Shall the City of Sacramento North Natomas Community Facilities District No. 2 be authorized to finance the acquisition and construction of the public facilities which constitute pipes, collection drains and channels, pump stations, detention basins and outfall drains by incurring a bonded indebtedness in the principal amount of Thirty-two Million Dollars (\$32,000,000), and shall an appropriations limit in the amount of \$4,000,000 per fiscal year in connection therewith be established for the Community Facilities District, and shall a special tax with a maximum rate and method of apportionment as provided in Resolution No. \_\_\_\_\_ adopted by the City Council of the City of Sacramento on June 9, 1998, which is incorporated herein by reference, be levied to pay for the acquisition and construction of such facilities, including the payment of principal of and interest on such bonds and including the repayment of funds advanced for the Community Facilities District?

Number of Votes  
**YES**  
\_\_\_\_\_

Number of Votes  
**NO**  
\_\_\_\_\_

**Certification**

The undersigned is the authorized representative of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on \_\_\_\_\_, 1998.

By \_\_\_\_\_

Authorized Representative



DEPARTMENT OF  
PUBLIC WORKS

TECHNICAL SERVICES  
DIVISION

SPECIAL DISTRICTS

CITY OF SACRAMENTO  
CALIFORNIA



111 ST. RM 300  
SACRAMENTO, CA  
95814

916-264-7113  
FAX 916-264-7480

June 10, 1998

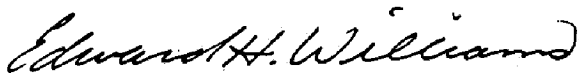
SUBJECT: NORTH NATOMAS COMMUNITY FACILITIES DISTRICT #2 BALLOT

Dear Property Owner:

Enclosed you will find a ballot package for the North Natomas Community Facilities District (CFD) #2. Included in the package an election ballot, a 6½ by 9½ inch brown manila envelope for the return of the ballot and a list of your properties. On the backside of the return envelope is a verification of ownership statement. Prior to returning the ballot, please take time to complete this statement. The statement **must** be signed for the ballot to be valid.

If you have questions, please contact me at 264-5440.

Sincerely,

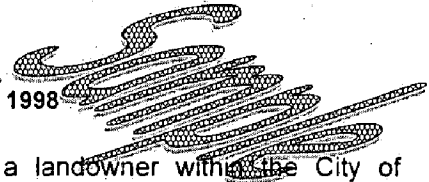


Edward Williams  
Associate Engineer

c: Valerie Burrowes, City Clerk  
Carlo Fowler  
Orrick, Herrington & Sutcliff  
400 Sansome Street  
San Francisco, CA 94111-3143

CITY OF SACRAMENTO  
NORTH NATOMAS COMMUNITY FACILITIES  
DISTRICT NO. 2

SPECIAL ELECTION BALLOT  
FOR THE MAILED-BALLOT ELECTION OF JUNE 23, 1998



This ballot is for the use of SACRAMENTO SPORTS ASSOC., a landowner within the City of Sacramento North Natomas Community Facilities District No. 2.

According to the provisions of the Mello-Roos Community Facilities Act of 1982, and the resolutions of the City Council of the City of Sacramento, such landowner is entitled to cast 4 votes on this ballot.

In order to be counted, this ballot must be certified below and be returned, either by mail or in person, before 8:00 p.m. on Tuesday, June 23, 1998, to:

Valerie A. Burrowes, City Clerk  
City of Sacramento  
Sacramento City Hall  
915 I Street, Room 304  
Sacramento, CA 95814

Mailing by that date will not be sufficient, as the ballot must be physically received by the City Clerk of the City of Sacramento prior to the deadline in order to be counted.

**AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT, OR THE VOTER MAY WRITE NUMBERS IN THE SPACES PROVIDED.**

**BALLOT MEASURE**

Shall the City of Sacramento North Natomas Community Facilities District No. 2 be authorized to finance the acquisition and construction of the public facilities which constitute pipes, collection drains and channels, pump stations, detention basins and outfall drains by incurring a bonded indebtedness in the principal amount of Thirty-two Million Dollars (\$32,000,000), and shall an appropriations limit in the amount of \$4,000,000 per fiscal year in connection therewith be established for the Community Facilities District, and shall a special tax with a maximum rate and method of apportionment as provided in Resolution No. 98-257 adopted by the City Council of the City of Sacramento on June 9, 1998, which is incorporated herein by reference, be levied to pay for the acquisition and construction of such facilities, including the payment of principal of and interest on such bonds and including the repayment of funds advanced for the Community Facilities District?

Number of Votes  
**YES**

\_\_\_\_\_

Number of Votes  
**NO**

\_\_\_\_\_

**Certification**

The undersigned is the authorized representative of the above-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the above-named landowner.

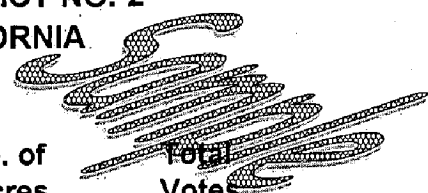
I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on \_\_\_\_\_, 1998.

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

Authorized Representative

CITY OF SACRAMENTO  
NORTH NATOMAS COMMUNITY FACILITIES DISTRICT NO. 2  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

LIST OF PROPERTY OWNERS



Parcel No.	Name of Property Owner	No. of Acres	Total Votes
22501500320000	SACRAMENTO SPORTS ASSOC.	3.85	
SUBTOTAL		3.85 ACRES	4

ON RETURN ENVELOPE

**THIS ENVELOPE CONTAINS AN OFFICIAL BALLOT  
TO BE OPENED ONLY BY THE CITY CLERK**

**NOTICE: THIS IS A BALLOT RETURN ENVELOPE**

CITY OF SACRAMENTO  
NORTH NATOMAS  
COMMUNITY FACILITIES DISTRICT NO. 2  
(Sacramento County, California)

SPECIAL ELECTION BALLOT  
(Mailed-Ballot Election)

**VERIFICATION**

I(We), \_\_\_\_\_, declare:

As of \_\_\_\_\_, 1998, I was(we were) the owner(s) of record (or I am the authorized representative of the owner(s) of record as of \_\_\_\_\_, 98, whose name(s) is(are) printed here: \_\_\_\_\_, of the property described below, which property is within the boundaries of the proposed City of Sacramento North Natomas Community Facilities District No. 2 (CFD 2), and am(are) entitled to cast the votes attributable to the property described below in the landowner, mailed-ballot election called for in CFD 2. The assessor's parcel number(s) of the property is(are):

\_\_\_\_\_  
\_\_\_\_\_

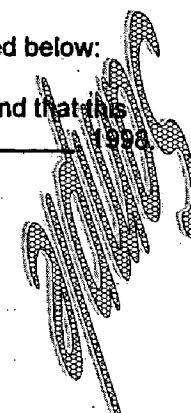
I am(we are) the person(s) whose name(s) is(are) printed and signed below, and whose correct address is printed below:

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is made in \_\_\_\_\_, California, on \_\_\_\_\_, 1998.

[signature]: \_\_\_\_\_

[name legibly printed]: \_\_\_\_\_

[address legibly printed]: \_\_\_\_\_  
\_\_\_\_\_



CITY CLERK'S CERTIFICATE OF ELECTION RESULTS  
FOR THE SPECIAL MAILED-BALLOT ELECTION HELD  
IN THE NORTH NATOMAS COMMUNITY FACILITIES  
DISTRICT NO. 2, CITY OF SACRAMENTO,  
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA  
ON JUNE 23, 1998

*VIRGINIA K. HENRY ASST.*  
I, ~~Valerie A. Burrowes~~, City Clerk of the City of Sacramento, certify that:

I personally counted the ballots cast at the special mailed-ballot, landowner election called by the City Council in its Resolutions Nos. 98-257 and 98-258, both adopted on June 9, 1998, and I hereby certify the result of that count to be as follows:

TOTAL VOTES CAST "YES":	<u>890</u>
TOTAL VOTES CAST "NO":	<u>0</u>
TOTAL VOTES CAST:	<u>890</u>
THE VOTES CAST "YES" EQUAL	<u>100</u> % OF THE TOTAL

VOTES CAST.

I make this Certification on June 30<sup>th</sup>, 1998.

*for Virginia K. Henry*  
\_\_\_\_\_  
VALERIE A. BURROWES, City Clerk of the City  
of Sacramento

CITY OF SACRAMENTO

AFFIDAVIT OF RECORDING NOTICE OF SPECIAL  
TAX LIEN FOR THE NORTH NATOMAS  
COMMUNITY FACILITIES DISTRICT NO. 2,  
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO,  
STATE OF CALIFORNIA

STATE OF CALIFORNIA     )  
  )    ss.  
COUNTY OF SACRAMENTO )

VIRGINIA K. HENRY

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

ASSISTANT

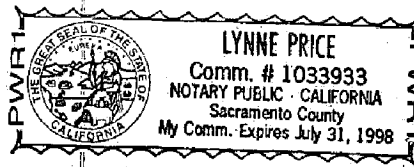
That she is now and at all times herein mentioned was the Assistant City Clerk of the City of Sacramento;

That pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, she recorded a notice entitled "Notice of Special Tax Lien" for the North Natomas Community Facilities District No. 2, City of Sacramento, County of Sacramento, State of California, in the office of the County Recorder of Sacramento County on July 13, 1998, as required by law.

Virginia K. Henry  
City Clerk of the City of Sacramento

Subscribed and sworn to before me  
this 8<sup>th</sup> day of July, 1998.

Lynne Price  
NOTARY PUBLIC, State of California  
[Notarial Seal]



RECORDING REQUESTED BY:

Valerie A. Burrowes, City Clerk  
CITY OF SACRAMENTO

WHEN RECORDED, PLEASE RETURN TO:

Valerie A. Burrowes, City Clerk  
CITY OF SACRAMENTO  
915 I Street, Room 304  
Sacramento, CA 95814  
Telephone: (916) 264-5426

Recorded in the County of Sacramento  
John Dark, Clerk/Recorder  
No Fee  
199807130664 10:36am 07/13/98  
605 80000227 08 17  
R01 20 7.00 57.00 4.00 0.00 0.00 0.00 0.00  
2.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF SPECIAL TAX LIEN

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned City Clerk of the City of Sacramento, County of Sacramento, State of California, hereby gives notice that a lien to secure payment of a special tax is hereby imposed by the City Council of the City of Sacramento, County of Sacramento, State of California. The special tax secured by this lien is authorized to be levied for the purpose of: (1) paying principal and interest on bonds, the proceeds of which are being used to finance the acquisition and construction of those certain public facilities which constitute pipes, collection drains and channels, pump stations, detention basins and outfall drains in and for the City of Sacramento North Natomas Community Facilities District No. 2; and (2) providing such public facilities.

The special tax is authorized to be levied within the City of Sacramento North Natomas Community Facilities District No. 2 which has now been officially formed and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is prepaid, permanently

satisfied, and cancelled in accordance with law or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment and manner of collection of the authorized special tax is set forth in Exhibit A attached hereto and incorporated herein and made a part hereof. Conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied and the lien of the special tax cancelled are set forth in Exhibit A attached hereto and incorporated herein and made a part hereof.

Notice is further given that upon the recording of this notice in the office of the County Recorder of the County of Sacramento, State of California, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the City of Sacramento North Natomas Community Facilities District No. 2 in accordance with Section 3115.5 of the Streets and Highways Code.

The names of the owners and the assessor's tax parcel numbers of the real property included within the City of Sacramento North Natomas Community Facilities District No. 2 and not exempt from the special tax, as of the date of recording this notice, are as set forth in Exhibit B attached hereto and incorporated herein and made a part hereof.

Reference is hereby made to the amended boundary map of the City of Sacramento North Natomas Community Facilities District No. 2 recorded on June 15, 1998, at Book 88 of Maps of Assessment and Community Facilities Districts at Page 1, in the office of the County Recorder of the County of Sacramento, State of California, which map is now the final boundary map of the City of Sacramento North Natomas Community Facilities District No. 2.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact Ed Williams, Associate Engineer, in the office of the Director of Public Works of the City of Sacramento, at 1231 I Street, Room 300, Sacramento, California 95814 (telephone 916/264-5440).

Dated: July 1, 1998.

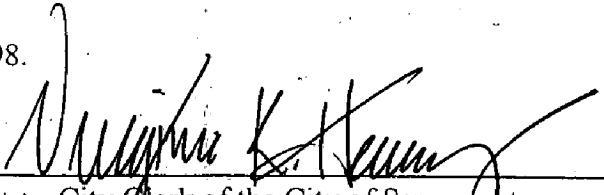
  
\_\_\_\_\_  
Asst. City Clerk of the City of Sacramento

EXHIBIT A:

RATE AND APPORTIONMENT OF SPECIAL TAX

# Exhibit A

## City of Sacramento, California North Natomas Drainage Basins 5 & 6 Community Facilities District No. 2

### 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 Drainage Basins 5 & 6 Community Facilities District No. 2 (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 determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants, legal counsel, corporate bond-paying agents, fiscal agents, and bond trustees; the costs of collecting installments of the Special Taxes upon the general tax rolls; cost of arbitrage calculation and arbitrage rebates; preparation of required reports; and any other costs required to administer the CFD as determined by the City.

"Annexation Parcel" means a Parcel that was not included within the boundaries of the CFD at the time of formation. Later participation in the CFD requires annexation proceedings.

"Annual Costs" means, for any Fiscal Year, the total of (i) Debt Service for the Calendar Year commencing January 1 of such Fiscal Year through December 31 of the following Fiscal Year; (ii) Administrative Expenses for such Fiscal Year; (iii) any amounts needed to replenish any bond reserve fund for bonds of the City issued for the CFD to the level required under the documents pursuant to which such bonds were issued; (iv) an amount equal to the amount of delinquencies in payments of Special Taxes levied in the previous Fiscal Year and an amount for anticipated delinquencies for the current Fiscal Year; (v) pay-as-you-go expenditures for Authorized Facilities to be constructed or acquired by the CFD, less any credit from earnings on the bond reserve fund, less any reimbursements, less any grants/other project funding and/or less the application of any funds available from

Prepayments as described in Section 6. The total Annual Costs shall be limited to those necessary to provide the Authorized Facilities.

**"Arena Parcel"** means the Parcels with Assessor Parcel Numbers 225-0070-059, 225-0070-060, 225-0070-063, and 225-0070-067 that is owned by the City at the formation of the CFD. This Parcel is leased to a nonexempt leasehold interest and is subject to levy of the Maximum Annual Special Tax in the same manner as any other Taxable Parcel pursuant to Section 53340.1 of the Act.

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

**"Authorized Facilities"** means those improvements, as listed in the Resolution forming the CFD.

**"Base Fiscal Year"** means the Fiscal Year beginning July 1, 1998 and ending June 30, 1999.

**"Bond Year"** means the 12-month period ending on the second bond payment date of each calendar year as defined in the resolution authorizing the issuance of bonds.

**"Catch-up Special Tax"** means a one-time special tax assigned to Annexation Parcels as described in Section 4.

**"CFD"** means the North Natomas Drainage Basins 5 & 6 Community Facilities District No. 2 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.

**"Debt Service"** means for each Fiscal Year or Bond Year, the total amount of principal and interest for any bonds, notes or certificates of participation of the City for the CFD during that Fiscal Year or Bond Year, less any applicable credits that may be available from any other sources available to the City to pay principal and interest for the previous or current Fiscal Year or Bond Year.

**"Developable Parcel"** means a Parcel that is developable as a result of the construction of drainage improvements funded by outstanding bonds of the CFD.

**"Development-Restricted Parcel"** means a Parcel that is not developable until additional drainage improvements are funded by the CFD. The Maximum Annual Special Tax Rate for a Development-Restricted Parcel is set at fifty percent (50%) of a Developable Parcel's Maximum Annual Special Tax Rate for the given Parcel. (Note: The CFD Financing Plan

assumes a series of bond issues and some parcels may not be have adequate drainage until facilities are constructed in a later bond issue.)

**"Drainage Shed 5 Parcel"** means a Parcel located within Drainage Shed 5 as shown in Attachment 3.

**"Drainage Shed 6 Parcel"** means a Parcel located within Drainage Shed 6 as shown in Attachment 3.

**"Estimated Net Acres"** means the actual Net Acre of a Parcel(s) or an approximation of the Net Acres based upon the total Gross Developable Acres less an allowance for minor streets as indicated in the North Natomas Community Plan.

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

**"Gross Acre"** means the entire area of a Parcel prior to dedication of major streets, schools, parks, open space and other public right-of-way.

**"Gross Developable Acre"** means the area of a Parcel associated with residential and non-residential uses after dedication of major streets, but prior to dedication of minor streets.

**"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 acres (Gross, Gross Developable, or Net) or units of the parcel.

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

**"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.

**"Net Acre"** is the area of a Parcel associated with residential and non-residential uses after dedication of all public uses and rights-of-way.

**"Non-Residential Development"** means a Taxable Parcel designated for commercial, office, light industrial, sports complex, or similar use as defined in the North Natomas Community Plan.

**"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 January 1 of each Fiscal Year.

**"Prepayment"** means the permanent satisfaction of all of the Special Tax obligation for one or more Parcels by a cash settlement with the City as permitted under Government Code Section 53344 and described in Section 6. Prepayment may occur before or after the initial bond sale, with differing criteria.

**"Prepayment Parcel"** means a Parcel that has permanently satisfied all of the Special Tax obligation by a cash settlement with the City as permitted under Government Code Section 53344 and described in Section 6.

**"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. The Arena and Stadium Parcels are not defined as Public Parcels. These Parcels have separate definitions.

**"Reimbursement Parcel"** means a Parcel for which the Parcel owner has advance-funded all of the Parcel's allocated CFD drainage improvement costs, as determined by the City, but has not received any reimbursement from CFD bond proceeds. Once a reimbursement has been made, the Parcel shall be reclassified as a Developable Parcel or a Development-Restricted Parcel.

**"Remediation Parcel"** means a Parcel within Assessor Parcel Numbers (APN) 225-015-14, 225-015-15, 225-015-18, 225-015-28, 225-015-30 and 225-015-032 that contain toxics and therefore require cleanup and abatement. A Remediation Parcel shall remain non-taxable until the City declares it to have been remediated. Once declared remediated, that Parcel shall become a Taxable Parcel.

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

**"Stadium Parcel"** means the Parcel with Assessor Parcel Number 225-0070-076 that is owned by the City at the formation of the CFD. This Parcel will remain a Tax-Exempt Parcel until it is transferred to private ownership, through sale or lease; or when there a funding mechanism to pay Special Taxes that is acceptable to the City Council is identified.

**"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 not a Tax-Exempt Parcel or a Remediation Parcel.

**"Tax-Exempt Parcel"** means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (i) Public Parcels (subject to the limitations set forth in Section 4, below), (ii) any Prepayment Parcel, and the (iii) the Stadium Parcel (subject to the limitations set-forth

above and in Section 4). Certain non-developable privately owned Parcels, such as common areas, wetlands, and open space, may also be exempt from the levy of Special Taxes as determined by the City.

### 3. Termination of the Special Tax

The Special Tax will be levied and collected from Taxable Parcels in the CFD for as long as needed to pay the principal and interest on debt for the Bonds issued to fund Authorized Facilities. However, in no event shall the Special Tax be levied after Fiscal Year 2039-2040.

When all of the bonds issued to pay for Authorized Facilities have been retired, the Special Tax shall cease to be levied. The City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished.

### 4. Assignment of Maximum Annual Special Tax

A. Classification of Parcels. By May 1 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, Remediation Parcel, Reimbursement Parcel, or a Taxable Parcel;

However, Taxable Parcels that are acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of the Government Code. An exception to this may be made if Public Parcels, such as a school site, are relocated and the previously Tax-Exempt Parcels of comparable acreage become Taxable Parcels. This trading of Parcels will be permitted to the extent that there is no net loss in maximum Special Tax revenue.

2. Each Taxable Parcel to be further classified as a Drainage Shed 5 Parcel or a Drainage Shed 6 Parcel.
3. Then each Taxable Parcel to be further classified as a Developable Parcel, Development-Restricted Parcel, or Prepayment Parcel. Once classified as a Developable Parcel, no Parcel shall be removed from that classification unless the Parcel becomes a Prepayment Parcel.

B. Assignment of Maximum Annual Special Tax. The City shall assign the appropriate Maximum Annual Special Tax for the Fiscal Year of the tax levy to each Taxable Parcel as follows:

1. Developable Parcels

**Attachment 1** shows the Maximum Special Tax Rates for Developable Parcels for each Land Use Category within each Drainage Shed by Fiscal Year.

2. Development-Restricted Parcels

The Maximum Special Tax Rates of Development-Restricted Parcels shall be 50% of the Maximum Special Tax Rates for Developable Parcels as shown on **Attachment 1**.

3. Reimbursement Parcels

The Maximum Special Tax Rate for a Reimbursement Parcel shall be set to zero until it is reclassified as a Developable Parcel or a Development-Restricted Parcel.

4. Residential Parcels

The Maximum Special Tax Rate for a single-family residential, duplex, and condominium Parcel shall be calculated by the following steps:

- a) calculate the total Maximum Special Tax Revenue for the Net Acres of the Final Map or Parcel Map creating the single-family, duplex, or condominium Parcels; and,
- b) divide the Maximum Special Tax Revenue from a) by the total number of Parcels created in the Final Map or Parcel Map.

5. Stadium Parcel

The Maximum Special Tax Rate for the Stadium Parcel shall be set to zero until it is transferred to private ownership through a sale, is controlled by a private entity through a lease, or a funding mechanism acceptable to the City Council is identified to pay the Special Taxes. Once one of these events occurs, the Stadium Parcel shall be treated as a Developed Parcel for purposes of setting the Maximum Annual Special Tax.

6. Arena Parcel

The Arena Parcel will be treated as any other Taxable Parcel for purposes of setting the Maximum Annual Special Tax.

C. Annexation Parcels. Parcels annexing to the CFD shall have their Maximum Special Tax Rate assigned by following the procedures in Section 4.B above. In addition, a Catch-up special tax shall be charged to the annexing Parcel. The Catch-up Special Tax will be set equal to sum of the Special Taxes levied for Development-Restricted Parcels within the

same Drainage Shed for the prior ten Fiscal Years in which the special tax was levied times the gross acres of the annexing Parcel. The Catch-up Special Tax shall be paid prior to or concurrent with annexation.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and is converted to a taxable use, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to the 4.A and 4.B above and excluded from the provisions of Section 4.C. The catch-up tax provisions described in Section 4.C.1 will not apply to a Parcel converted to a Taxable Parcel under this section.

## 5. Calculating Annual Special Taxes

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

- A. Computes the Annual Cost using the definition in Section 2 for the Fiscal Year.
- B. Calculate the Special Tax for each Taxable Parcel by the following steps:
  - Determine if sufficient special tax revenues are available by taxing each Developable Parcel at 100% of its Maximum Annual Special Tax. If revenues are greater than the Annual Costs, the tax is reduced proportionately until the tax levy is set at an amount sufficient to cover Annual Costs.
  - If revenues from taxing Developable Parcels at 100% of their Maximum Annual Special Tax are not sufficient, the City will then proportionately levy the tax on Development-Restricted Parcels up to 100% of their Maximum Annual Special Tax (50% of their Maximum Annual Special Tax as Developable Parcels) until the tax levy is set at an amount sufficient to cover Annual Costs.
- C. Levy on each Taxable Parcel the amount calculated above.
- D. Prepare the Tax Collection Schedule listing the Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor-Controller for such inclusion.

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

## 6. Prepayment of Special Tax Obligation

With a Prepayment, a landowner may permanently satisfy the Special Tax obligation for one or more Parcels. By exercising the right to Prepayment, a landowner can eliminate the future annual Special Tax liability for one or more Parcels.

Prepayment is permitted only under the following conditions:

- The City determines that the Prepayment does not jeopardize the ability to make timely payments of Debt Service on outstanding bonds.
- Any landowner who wishes to exercise the right to a Prepayment for a Parcel must pay any and all delinquent Special Taxes and penalties, and any Catch-up Special Taxes attributable to that Parcel.
- Prepayment shall be made on or before June 1 in order to prevent the levy of special taxes due during the Fiscal Year beginning July 1.

The total Prepayment amount will include the Parcel's proportionate share of all estimated costs necessary to construct the Authorized Facilities (the "base Prepayment amount") plus any additional administrative and financing costs necessary to redeem bonds and calculate the prepayment. These calculations are described below.

### CALCULATE BASE PREPAYMENT AMOUNT (for Attachment 2)

The base Prepayment amount will vary each year depending upon whether or not bonds have been issued and whether any bonds have been redeemed. The base Prepayment amount will be recalculated with each bond issue and on an annual basis at the time that the CFD's annual report is prepared. The annual base Prepayment amount shall be calculated using the following steps.

- Step 1: Determine the total number of acres within the CFD in each of the following categories: Gross Acres, Gross Developable Acres, and Net Acres. The acreage of all prior Prepayment Parcels will be excluded from the calculation of total acres.
- Gross Acres equal the original Gross Acres at the formation of the CFD plus any acreage that has been annexed into the CFD.
  - If the acreage in the Gross Developable Acreage category is not known, it will be set by multiplying Gross Acres by a factor of 0.729.
  - If the acreage in the Net Acreage category is not known, it will be set by multiplying Gross Developable Acres by a factor of 0.857.
- Step 2: Determine the amount of the facility construction cost including CFD formation costs; total bond authorization; or total outstanding bonds, if all bonds have been issued. The facility construction cost will be based on the cost of facilities that

have been constructed or bid plus the estimated cost of facilities yet to be constructed or bid with inflation to date.

- Step 3: Calculate the base Prepayment amount per acre based on the location of the Prepayment Parcel:

Drainage Shed 5 Parcels: Divide the appropriate cost basis (construction cost, bond authorization, or total outstanding bonds) by the acreage from each of the three acreage categories. Where the cost basis is the bond authorization or outstanding bonds, multiply the product of the previous calculation by a factor of 0.925 (to account for the Parcel's share of the Reserve Fund). Multiply the Parcel's total acreage by the appropriate cost per acre (e.g., per Gross Acre, Gross Developable Acre, or Net Acre) to arrive at the base Prepayment amount.

Drainage Shed 6 Parcels: Divide the appropriate cost basis (construction cost, bond authorization, or total outstanding bonds) by the acreage from each of the three acreage categories. Where the cost basis is the bond authorization or outstanding bonds, multiply the product of the previous calculation by a factor of 0.925 (to account for the Parcel's share of the Reserve Fund). Multiply the Parcel's total acreage by the appropriate cost per acre (e.g., per Gross Acre, Gross Developable Acre, or Net Acre) to arrive at the base Prepayment amount.

- Step 4: Update **Attachment 2** based on the above calculations to reflect the base Prepayment amount per acre for the upcoming Fiscal Year. The **Attachment 2** included in this document is as of the formation of the CFD based on the current estimated acreage, by category, and estimated costs.

#### DETERMINE TOTAL PREPAYMENT AMOUNT FOR PREPAYING PARCEL

The following steps will be used to determine a Parcel's total Prepayment Amount.

- Step 5: Determine whether the acreage of the Parcel making a Prepayment is Gross Acres, Gross Developable Acres, or Net Acres and determine whether the Parcel is a Drainage Shed 5 Parcel or a Drainage Shed 6 Parcel.

**Prior to First Bond Sale (skip to Step 8 if bonds have been sold)**

- Step 6: If the Prepayment is made prior to the first bond sale, the City will determine the Parcel's base Prepayment amount by multiplying the base Prepayment Amount per acre from column 1 of **Attachment 2**--for the appropriate acreage and location category--by the Parcel's total acreage.

- Step 7: Determine the total Prepayment amount for a Parcel by adding to the base Prepayment amount calculated in Step 5 and the City's administrative cost for calculating these amounts.

### Subsequent to the Initial Sale of Bonds

- Step 8: Determine if all bonds have been sold or if the District is between the first and land bond sale. This will determine the bond issuance category for the base Prepayment amount. If the District is between the first and last bond sale, column 2 of **Attachment 2** will be used. If all bonds have been sold, column 3 of **Attachment 2** will be used.
- Step 9: Determine the Parcel's base Prepayment amount by multiplying the base Prepayment Amount per acre from either column 2 or 3 of **Attachment 2**--for the appropriate acreage, location, and bond issuance category--by the Parcel's total acreage.
- Step 10: Determine the total Prepayment amount for a Parcel by adding to the base Prepayment amount calculated in Step 9 any fees, call premiums, amounts necessary to cover negative arbitrage from the date of the prepayment to first call date on the bonds, early call penalties, and other expenses incurred by the City in connection with the prepayment calculation or the application of the proceeds of the prepayment.

## 7. 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 (gross, gross developable or net);
- the Maximum Annual Special Taxes which applied in each Fiscal Year; and
- the authorized Special Taxes levied in each Fiscal Year.

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

## 8. Appeals

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

**Attachment 1**  
**North Natomas Drainage CFD No. 2**  
**Maximum Special Tax Rates for Developable Parcels [1]**

Fiscal Year Ending	Maximum Special Tax					
	Drainage Shed 5 Parcels			Drainage Shed 6 Parcels		
	Per Gross Acre	Per Gross Developable Acre	Per Net Acre	Per Gross Acre	Per Gross Developable Acre	Per Net Acre
<i>June 30</i>						
1999	\$2,180	\$2,520	\$2,770	\$2,680	\$3,090	\$3,400
2000	\$2,224	\$2,571	\$2,825	\$2,734	\$3,152	\$3,468
2001	\$2,268	\$2,622	\$2,882	\$2,788	\$3,215	\$3,537
2002	\$2,313	\$2,674	\$2,940	\$2,844	\$3,279	\$3,608
2003	\$2,360	\$2,728	\$2,998	\$2,901	\$3,345	\$3,680
2004	\$2,407	\$2,782	\$3,058	\$2,959	\$3,412	\$3,754
2005	\$2,455	\$2,838	\$3,119	\$3,018	\$3,480	\$3,829
2006	\$2,504	\$2,895	\$3,182	\$3,079	\$3,549	\$3,905
2007	\$2,554	\$2,953	\$3,245	\$3,140	\$3,620	\$3,984
2008	\$2,605	\$3,012	\$3,310	\$3,203	\$3,693	\$4,063
2009	\$2,657	\$3,072	\$3,377	\$3,267	\$3,767	\$4,145
2010	\$2,711	\$3,133	\$3,444	\$3,332	\$3,842	\$4,227
2011	\$2,765	\$3,196	\$3,513	\$3,399	\$3,919	\$4,312
2012	\$2,820	\$3,260	\$3,583	\$3,467	\$3,997	\$4,398
2013	\$2,876	\$3,325	\$3,655	\$3,536	\$4,077	\$4,486
2014	\$2,934	\$3,392	\$3,728	\$3,607	\$4,159	\$4,576
2015	\$2,993	\$3,460	\$3,803	\$3,679	\$4,242	\$4,667
2016	\$3,053	\$3,529	\$3,879	\$3,753	\$4,327	\$4,761
2017	\$3,114	\$3,599	\$3,956	\$3,828	\$4,413	\$4,856
2018	\$3,176	\$3,671	\$4,035	\$3,904	\$4,502	\$4,953
2019	\$3,239	\$3,745	\$4,116	\$3,983	\$4,592	\$5,052
2020	\$3,304	\$3,820	\$4,198	\$4,062	\$4,683	\$5,153
2021	\$3,370	\$3,896	\$4,282	\$4,143	\$4,777	\$5,256
2022	\$3,438	\$3,974	\$4,368	\$4,226	\$4,873	\$5,361
2023	\$3,506	\$4,053	\$4,455	\$4,311	\$4,970	\$5,469
2024	\$3,577	\$4,135	\$4,544	\$4,397	\$5,069	\$5,578
2025	\$3,648	\$4,217	\$4,635	\$4,485	\$5,171	\$5,690
2026	\$3,721	\$4,302	\$4,728	\$4,575	\$5,274	\$5,803
2027	\$3,795	\$4,388	\$4,823	\$4,666	\$5,380	\$5,919
2028	\$3,871	\$4,475	\$4,919	\$4,760	\$5,487	\$6,038
2029	\$3,949	\$4,565	\$5,017	\$4,855	\$5,597	\$6,159
2030	\$4,028	\$4,656	\$5,118	\$4,952	\$5,709	\$6,282
2031	\$4,108	\$4,749	\$5,220	\$5,051	\$5,823	\$6,407
2032	\$4,190	\$4,844	\$5,324	\$5,152	\$5,940	\$6,536
2033	\$4,274	\$4,941	\$5,431	\$5,255	\$6,058	\$6,666
2034	\$4,360	\$5,040	\$5,540	\$5,360	\$6,180	\$6,800
2035	\$4,447	\$5,141	\$5,650	\$5,467	\$6,303	\$6,936
2036	\$4,536	\$5,244	\$5,763	\$5,577	\$6,429	\$7,074
2037	\$4,627	\$5,348	\$5,879	\$5,688	\$6,558	\$7,216
2038	\$4,719	\$5,455	\$5,996	\$5,802	\$6,689	\$7,360
2039	\$4,814	\$5,565	\$6,116	\$5,918	\$6,823	\$7,507
2040	\$4,910	\$5,676	\$6,238	\$6,036	\$6,959	\$7,657

"attachment\_1"

[1] The Maximum Annual Special Tax for Development-Restricted Parcels is set at 50 percent of the Maximum Annual Special Tax for Developable Parcels shown above.

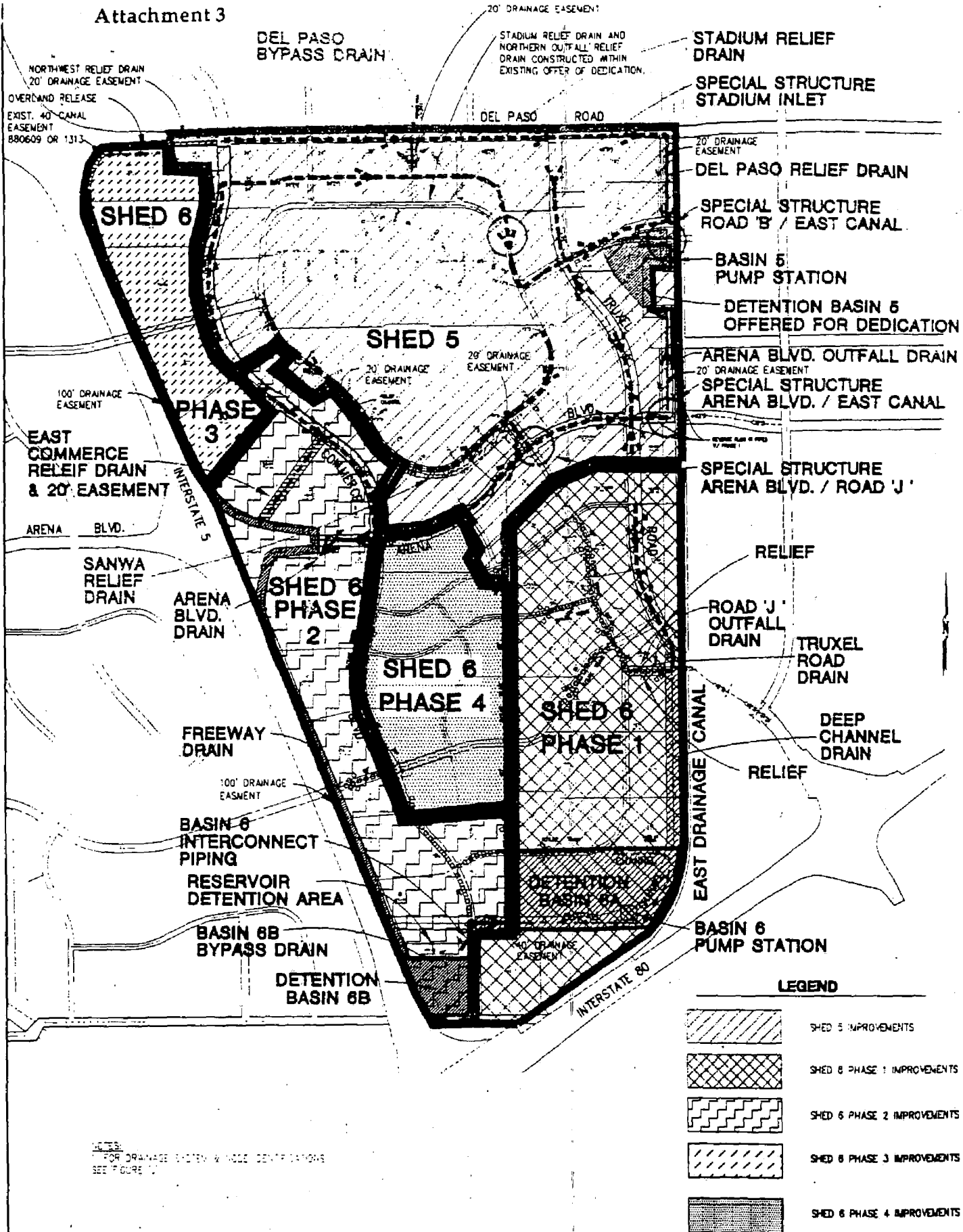
**Attachment 2**  
**North Natomas Drainage CFD No. 2**  
**Estimated Base Prepayment Amount**  
(Amounts shown are subject to change annually)

	Column 1	Column 2	Column 3
	Prior to 1st Bond Sale	Between 1st & Last Bond Sale	After Last Bond Sale
	1998\$	Inflated \$	Inflated \$
Construction and Formation Cost - 1998	\$19,590,771	\$20,690,345	\$20,690,345
Estimated Bonds - Inflated \$ [1]	n/a	\$32,000,000 authorization	\$28,966,483 estimated
<b>Shed 5 Parcels Prepayment</b>			
<i>Share of Facilities Cost</i>	40.99%	40.99%	40.99%
Gross Acre	\$15,437	\$25,215	\$22,824
Gross Developable Acre	\$17,643	\$28,819	\$26,087
Net Acre	\$19,590	\$31,999	\$28,965
<b>Shed 6 Parcels Prepayment</b>			
<i>Share of Facilities Cost</i>	59.01%	59.01%	59.01%
Gross Acre	\$18,956	\$30,963	\$28,028
Gross Developable Acre	\$21,665	\$35,389	\$32,034
Net Acre	\$24,056	\$39,293	\$35,569
<b>Initial Estimated CFD Acreage</b>			
	<u>Shed 5</u>	<u>Shed 6</u>	<u>Total</u>
Gross Acres [3]	520.2	609.9	1,130.1
Gross Developable Acres [3]	455.1	533.6	988.7
Net Acres [3]	409.9	480.6	890.5

Notes: Assumes 7.5% reserve fund credit.

"prepayment"

- [1] Determined annually under Step 2 of the Prepayment formula described in Section 6.
- [2] Determined annually under Step 3 of the Prepayment formula described in Section 6. Add to these amounts the additional costs described under Steps 6 and 9 of Section 6 to arrive at the total Prepayment Amount.
- [3] Determined annually under Step 1 of the Prepayment formula described in Section 6.



NOTES:  
 FOR DRAINAGE SYSTEM & BASIN IDENTIFICATIONS  
 SEE FIGURE 10

**LEGEND**

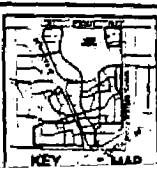
	SHED 5 IMPROVEMENTS
	SHED 6 PHASE 1 IMPROVEMENTS
	SHED 6 PHASE 2 IMPROVEMENTS
	SHED 6 PHASE 3 IMPROVEMENTS
	SHED 6 PHASE 4 IMPROVEMENTS

**VAIL**  
 ENGINEERING CORPORATION  
 10000 W. 10th Ave., Suite 100  
 Denver, CO 80202  
 (303) 751-2000

**FIGURE K**  
**FACILITY PHASING EXHIBIT**  
 PROPOSED FACILITIES  
 FOR SHEDS 5 AND 6



DATE:	10/15/2011
SCALE:	AS SHOWN
PROJECT:	STADIUM
DRAWN BY:	...
CHECKED BY:	...



Revision	Date	Description
1		
2		
3		
4		
5		

**EXHIBIT B**  
**NORTH NATOMAS CFD No. 2**  
**LISTING OF OWNERSHIPS**

<b>LANDOWNER</b>	<b>ASSESSORS' PARCEL NUMBER</b>
<u>ALLEGHANY PROPERTIES</u>	22500700430000
	22500700490000
	22500700740000
	22500700750000
	22501400160000
	22501400170000
	22501500310000
	22501500330000
	22501500380000
	22501500430000
	22501500440000
	22501500450000
	22501500460000
	22501500470000
	22501500480000
	22501500490000
	22501500500000
	22501800380000
	22501800390000
	22503100130000
	22503100140000
<u>B &amp; B &amp; SONS ENTERPRISES INC.</u>	22501500140000
	22501500250000
	22501500270000
	22501500280000
<u>BUZZ OATES ENTERPRISES II.</u>	22500700770000
	22500700780000
	22500700790000
	22500700800000