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6/8/99



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DEPARTMENT OF  
PUBLIC WORKS

TECHNICAL SERVICES  
DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

SPECIAL DISTRICTS  
1231 I STREET, ROOM 300  
SACRAMENTO, CA 95814

PH 916-264-7113  
FAX 916-264-7480

May 10, 1999

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT: NORTH NATOMAS TMA (TRANSPORTATION MANAGEMENT ASSOCIATION) COMMUNITY FACILITIES DISTRICT NO. 99-01 – INITIATION ACTION**

**LOCATION AND COUNCIL DISTRICT:**

The proposed North Natomas TMA Community Facilities District (CFD) No. 99-01 is located in Council District 1 in the North Natomas Community Plan Area (see map, Attachment A).

**RECOMMENDATION:**

This report recommends that the City Council adopt the following:

- Resolution of Intention to Establish the North Natomas TMA Community Facilities District (CFD) No. 99-01 for Transportation and Air Quality Mitigation Services, and also setting a time and place for a Public Hearing (June 29, 1999); and
- Resolution Approving Participation by the City of Sacramento in North Natomas TMA CFD No. 99-01.

**CONTACT PERSON:** Rita Goolkasian, Special Districts Analyst, 264-5236  
Carol Shearly, Associate Planner, 264-5893

**FOR COUNCIL MEETING OF:** May 25, 1999

**SUMMARY:**

This report presents a proposal to form a Mello-Roos CFD to fund transportation and air quality mitigation services in North Natomas that will levy taxes on all developed properties. The recommended Council action will set a public hearing for June 29, 1999. (See Attachment B for the district formation schedule.)

**COMMITTEE/COMMISSION ACTION:** None

**BACKGROUND INFORMATION:**

The North Natomas Community Plan, adopted by City Council on May 3, 1994, envisioned a transportation systems management plan that would address transportation and air quality goals required of the area. To coordinate these efforts, a community based TMA would be formed to assist the community in meeting its trip and emission reduction goals. Consequently, the North Natomas TMA was incorporated in December 1998 as a non-profit organization and formed in February 1999.

Through a contractual agreement between the City and TMA, the proposed CFD will provide a permanent funding mechanism for the TMA. The proposed transportation and air quality mitigation services will benefit both residents and employees in North Natomas.

In brief, the services include:

- Transportation services, such as transit pass subsidies, guaranteed ride home programs, and rideshare matching
- Air quality mitigation services, including electric equipment rebate programs, low emission appliance rebate programs
- Bicycle racks and lockers
- Promotional events and advertising

In addition, the CFD will fund district formation costs and annual administration for both the TMA and City staff. (A complete list of the services is included in Exhibit A to the Resolution of Intention.)

**FINANCIAL CONSIDERATIONS:**

There is no impact to the General Fund. Tax rates have been set up to be levied on developed property only. With regard to the City's share, only the Sports Complex parcels will participate through fee ownership or lease. Arco Arena will be paid by the lessee and the 100-acre stadium parcel will pay at time of development.

City Council  
North Natomas TMA No. 99-01  
April 26, 1999

The maximum tax rate has been set at \$14 per year for multi-family dwellings, while a single dwelling residential unit would be assessed \$18 per year. Non-residential units will be assessed by building square footage with the Sports Complex participating at \$200/net acre. Included is a maximum rate escalation of 4% per year based on the Consumer Price Index. The special tax rate schedule is shown on Attachment C.

**ENVIRONMENTAL CONSIDERATIONS:**

Council action in initiating this CFD is exempt from CEQA because it will not cause any physical effects on the environment.

**POLICY CONSIDERATIONS:**

The procedures under which this CFD is being initiated are set forth in Title 5 of the Government Code, Sections 53311-5331715 entitled "The Mello-Roos Community Facilities Act of 1982" and Title 81 of the City Code. City Council recently amended Title 81 of the Sacramento City Code to include transportation services in the establishment of maintenance assessment districts and community facilities districts for maintenance services.

**ESBD CONSIDERATIONS:**

Not Applicable. No goods or services are being purchased.

Respectfully submitted,



Gary Alm  
Manager, Special Districts

Approved:



Duane Wray  
Manager, Technical Services

RECOMMENDATION APPROVED:



ROBERT P. THOMAS  
City Manager

APPROVED:



Michael Kashiwagi  
Director of Public Works

**PROPOSED BOUNDARIES OF  
NORTH NATOMAS TMA  
COMMUNITY FACILITIES DISTRICT No.99-01  
CITY OF SACRAMENTO - COUNTY OF SACRAMENTO - STATE OF CALIFORNIA  
SHEET 1 OF 1 SHEETS**

**CLERK'S 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.

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

**CLERK'S CERTIFICATE:**

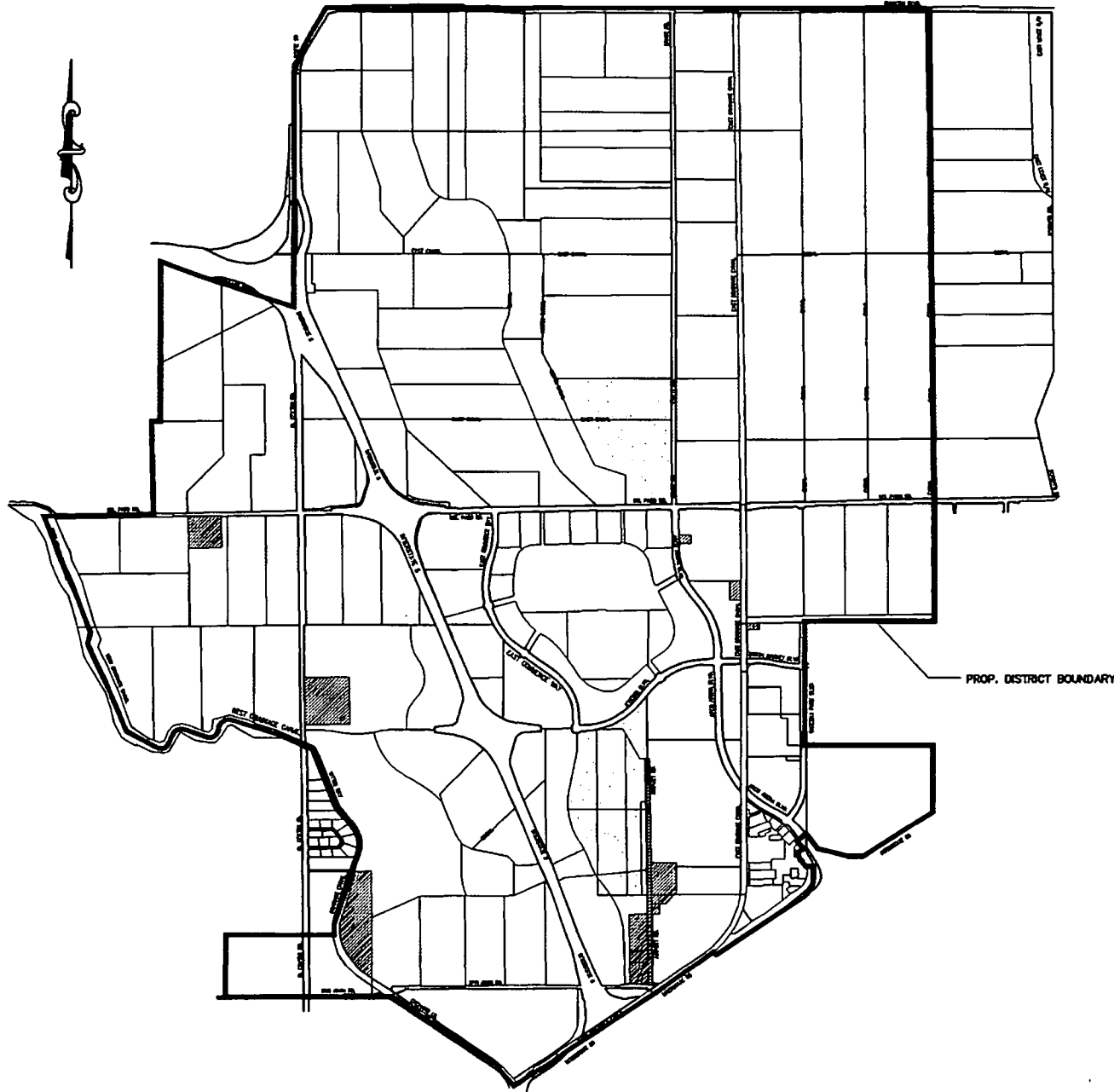
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF NORTH NATOMAS TMA COMMUNITY FACILITIES DISTRICT NO. 99-01, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT A MEETING THEREOF HELD ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 1998 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



 EXCLUDED FROM CFD

 COMMUNITY FACILITIES DISTRICT BOUNDARY

**ATTACHMENT A**

**NORTH NATOMAS TMA CFD #99-01 FOR  
TRANSPORTATION AND AIR QUALITY MITIGATION SERVICES**

**SCHEDULE**

April 30 – May 21, 1999 Various Meetings to brief Landowners and Sport Complex principals on proposed TMA Mello-Roos CFD

<b>May 25, 1999</b>	<b>City Council – Resolution of Intention</b>
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May 27, 1999 Mail the Notice of Hearing

June 22, 1999 File the Mello-Roos Public Hearing Report with City Clerk

**June 29, 1999 City Council – Hearing, Call for special election**

June 30, 1999 Mail Ballots

July 12, 1999 Ballots Due

**July 20, 1999 City Council – Election Results**

**July 20, 1999 City Council – Pass for Publication Ordinance to levy Tax**

**July 27, 1999 City Council – Adopt Ordinance to levy Tax**

July 30, 1999 Tax Role submitted to County

NORTH NATOMAS TMA (TRANSPORTATION MANAGEMENT ASSOCIATION)  
 COMMUNITY FACILITIES DISTRICT NO. 99-01  
 (Transportation and Air Quality Mitigation Services)

MAXIMUM SPECIAL TAX RATES FOR BASE YEAR 1999-2000<sup>(1)</sup>

Land Use	Special Tax Calculated Per	Base year maximum tax rate <sup>(1)</sup>
<b><u>Developed Residential parcels</u></b>		
Detached Single Family Units	unit	\$ 18
Multi-Family and Condominiums	unit	\$ 14
<b><u>Developed Non-Residential Parcels</u></b>		
Office	Bldg. Sq. Ft.	\$0.06
Commercial	Bldg. Sq. Ft.	\$0.10
Industrial	Bldg. Sq. Ft.	\$0.03
Sports Complex <sup>-(2)</sup> Arena (84.20 acres) Stadium Parcel (100 acres- undeveloped)	Net Acre	\$200

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

(2) The sports complex parcels are owned by the City of Sacramento and therefore exempt under the law. The city has by ordinance determined that its properties known as the "Sports Complex" may, upon council approval, be subject to the tax formula. The Arena, is the only developed property at this time.

APPROVED  
BY THE CITY COUNCIL

MAY 25 1999

OFFICE OF THE  
CITY CLERK

**RESOLUTION NO. 99-263**

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

**A RESOLUTION OF THE CITY OF SACRAMENTO  
DECLARING ITS INTENTION TO ESTABLISH THE  
NORTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION  
COMMUNITY FACILITIES DISTRICT NO. 99-01,  
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO,  
STATE OF CALIFORNIA, AND TO LEVY A SPECIAL  
TAX THEREIN TO FINANCE TRANSPORTATION  
AND AIR QUALITY MITIGATION AND RELATED SERVICES  
TO BE PROVIDED WITHIN SAID DISTRICT**

**WHEREAS**, the City Council (the "Council") of the City of Sacramento (the "City") has duly considered the advisability and necessity of establishing a community facilities district in the area of the City commonly known as North Natomas within the North Natomas Community Plan Area and levying a special tax therein to pay for transportation and air quality mitigation and related services as specified in Sacramento City Code Section 81.03.302(d) to be provided within the district, under and pursuant to the provisions of Title 81 of the Sacramento City Code and the Act, as defined below; and

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

**WHEREAS**, the Council is fully advised in this matter;

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

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

Section 2. It is the intention of the Council and the Council hereby proposes to establish a community facilities district ("District") under the terms of the Mello-Roos Community Facilities Act of 1982 (Section 53311 et seq. of the California Government

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

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

Code, hereafter "Act"). The boundaries of the territory proposed for inclusion in the District are shown on the map entitled "Proposed Boundaries of the North Natomas Transportation Management Association Community Facilities District No. 99-01, City of Sacramento, County of Sacramento, State of California" ("Boundary Map"). The Boundary Map is on file in the office of the City Clerk, is in the form required by Section 3110 of the Streets and Highways Code, and is hereby approved. The City Clerk is directed to file a copy of the Boundary Map with the County Recorder of the County of Sacramento within fifteen (15) days hereafter for placement in the Book of Maps of Assessment and Community Facilities Districts, in accordance with the provisions of Section 3111 of the Streets and Highways Code of the State of California.

Section 3. The name proposed for the District is North Natomas Transportation Management Association Community Facilities District No. 99-01.

Section 4. The District is being formed solely for transportation and air quality mitigation services and related purposes, and will not finance capital improvements or issue bonds. The services proposed to be financed by the District are set forth in Exhibit A, attached hereto and incorporated herein by this reference, all of which are as authorized by the Act and by Title 81 of the Sacramento City Code. The District shall also finance all costs and expenses normally incidental to the provision of the transportation and air quality mitigation and related services as specified in Sacramento City Code Section 81.03.302(d), including without limitation election costs; design fees and costs; contract supervision; and City administrative and legal costs.

Section 5. Except where funds are otherwise available, a special tax sufficient to pay for said transportation and air quality mitigation and related services as specified in Sacramento City Code Section 81.03.302(d), secured by recordation of a continuing lien against all nonexempt real property in the District, will be levied annually within the District. Pursuant to Title 81 of the Sacramento City Code, certain City-owned property within the District will be subjected to the lien of the special tax. The tax is proposed to be collected as a separately-stated item on the county property tax bill, but the City Council reserves the right to change the method of collection at any time. The special tax shall be apportioned according to the use and state of development of the land, at the per annum tax rates specified in Exhibit B, attached hereto and incorporated herein by this reference, the Rate and Method of Apportionment of Special Tax. The rates shown are maximum rates. The special tax levied on all parcels may be increased prorata, but not more than ten percent (10%), on account of the default or delinquency of the owner of any parcel. The rates may also be escalated for inflation pursuant to Title 81 of the Sacramento City Code, as specified in Exhibit B. If tax collections at the stated rates exceed the amount required to pay the Annual Costs, the rates may be reduced in accordance with the formulae set forth in Exhibit B. The special tax levied and to be collected hereunder shall be in perpetuity, unless and until the need for the transportation and air quality mitigation and

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



related services as specified in Sacramento City Code Sec. 81.03.302(d) no longer exists.

Section 6. It is the intention of the Council, pursuant to Section 53317.3 of the Act, to continue to levy the special tax on property (that is not otherwise exempt from the special tax) that is acquired by a public entity through a negotiated transaction, by gift or devise; provided, however, that the Council may annually determine whether or not public property shall be subject to this tax or be tax exempt.

Section 7. It is the intention of the Council, pursuant to Section 53317.5 of the Act, to treat the obligation to pay the special tax levied against property that is acquired by a public entity through eminent domain proceedings as if it were a special annual assessment; provided, however, that the Council may annually determine whether or not public property shall be subject to this tax or be tax exempt.

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

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

Section 10. Notice is given that the City Council hereby fixes 2:00 p.m. on June 29, 1999 in the chambers of the City Council, City Hall, 915 I Street, Sacramento, California 95814 as the time and place for a public hearing on the establishment of the District, the proposed rate, method of apportionment and manner of collection of the special tax and all other matters as set forth in this resolution. At such public hearing, any persons interested, including all taxpayers, property owners and registered voters within the District, may appear and be heard, and the testimony of all interested persons or taxpayers for or against the establishment of the District and the levy of the special tax, or the extent of the District, or the transportation and air quality mitigation and related services as specified in Sacramento City Code Section 81.03.302(d) to be provided, or any other matters set forth herein, will be heard and considered. Any protests to the foregoing may be made orally or in writing by any interested persons or taxpayers, except that protests pertaining to the regularity or sufficiency of such proceedings shall be in writing and shall clearly set forth the irregularities and defects to which the objection is made; and the Council may waive any irregularities in the form or content of any written protest and at such public hearing may correct minor defects in such proceedings. All written protests shall be filed with the City Clerk on or before the time fixed for such public hearing, and any written protest may be withdrawn in writing at any time before the conclusion of such public hearing. If, at the conclusion of the hearing, the City Council determines to proceed with the establishment

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

of the District, the levy of special taxes will be submitted to the electors of the District in an election pursuant to Section 53326 of the Act, to be held not less than ninety (90) days thereafter, unless appropriate waivers pursuant to said Section have been filed with the City Clerk. The special tax may be levied if two-thirds of those voting approve the measure.

Section 11. In the opinion of the Council, the public interest will not be served by allowing the property owners in the District to enter into a contract pursuant to Section 53329.5(a) of the Act, to perform the transportation and air quality mitigation and related services as specified in Sacramento City Code Section 81.03.302(d) to be financed under Title 81 of the City Code and the Act.

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

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

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

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

ATTEST:

\_\_\_\_\_  
MAYOR

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

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

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

# Exhibit A

## North Natomas TMA CFD No. 99-01 (Transportation and Air Quality Services)

### List of Authorized Services

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Sacramento City Council Ordinance 99-008 provides that a Community Facilities District formed under the Act may provide within an area transportation services and air quality mitigation services, to assist in achievement of transportation management and air quality goals expressed in any applicable General Plan or Community Plan.

The authorized services for CFD No. 99-01 include:

1. Transportation services, including transit pass subsidies, bus shuttle service, guaranteed ride home programs, ridesharing matching, distribution of transit information such as routes, schedules, fares and related information, alternative mode allowances, parking reduction credits, carshare programs, transit service advocacy, transportation fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
2. Air quality mitigation services, including electric equipment rebate programs, electric vehicle support services, vehicle tune-up rebate programs, low emission appliance rebate programs, air quality fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
3. Bicycle services, including bicycle racks and lockers at public civic uses, bicycle racks on transit vehicles, bikeshare programs, electrified bicycle promotion, bicycle fairs and similar promotional events, and services related to any one or more of the matters specified in this subsection.
4. Funding of costs of formation and ongoing operation of the North Natomas TMA, costs of Community Facilities District (CFD) formation and annual administration, and any miscellaneous costs related to any of the matters described in this list of services including planning costs, engineering costs, legal costs, and administration costs.
5. Any other services that serve to advance the goals and objectives specified in the above and which the board of the TMA has approved and which are included within the transportation management plan adopted by the board.

The special taxes may also be levied to accumulate funds for the above authorized services.

# Exhibit B

City of Sacramento, California  
North Natomas TMA Community Facilities District No. 99-01  
(Transportation and Air Quality Services)

## RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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### 1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in the North Natomas Community Facilities District No. 99-01 (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, and further amended by City of Sacramento Ordinance No. 99-008, an ordinance amending Title 81 of the Sacramento City Code.

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

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

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

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

"**Authorized Services**" mean those services, as listed in the Resolution forming CFD 99-01.

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

**"Building Square Feet"** means the square feet of any floor area used for sales as determined by the City at building permit issuance or special use permit issuance.

**"CFD"** means the North Natomas TMA Community Facilities District No. 99-01 of the City of Sacramento, California.

**"City"** means City of Sacramento, California.

**"Condominiums"** means a Developed Residential Parcel with an approved land use for condominiums (more than two attached dwelling units that are owned individually). Parcels that are open space, recreation, clubhouse etc, owned by a Condominium Association or Homeowners Association, are Tax-Exempt Parcels.

**"Commercial"** means the land uses classified under 'Retail-Commercial' in the North Natomas Community Plan as may be amended, including Neighborhood Convenience Commercial, Village Commercial, Community Commercial, Transit Commercial, Highway Commercial, and Regional Commercial.

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

**"County"** means the County of Sacramento, California.

**"Detached Residential Unit"** means a Developed Residential Parcel with an approved land use for a single family, detached residential dwelling unit, or a duplex (two units per lot).

**"Developed Residential Parcel"** means a residential Parcel, which has:

- A recorded final small lot map for residential uses permitting up to 2 units per lot, or
- A special use permit for development of Multi-Family Units or Condominiums.

**"Developed Non-Residential Parcel"** means a Parcel which has a special use permit or building permit for development of Office, Industrial, Commercial land uses, or Sports Complex.

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

**"Industrial"** means a Parcel that is designated for Light Industrial, or Manufacturing, Research, and Development, as described in the North Natomas Community Plan, as may be amended.

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

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

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

**"Multi-Family Units"** means a Developed Residential Parcel with an approved land use for three or more attached residential units owned in common.

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

**"Office"** means a Parcel designated for office use.

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

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

**"Public Parcel"** means any Parcel, in its entirety, that is or is intended to be publicly owned in the North Natomas Community Plan as adopted by the City--or as subsequently designated by the City--that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes under the Mello-Roos Act. The City has determined that its properties known as the "Sports Complex" may, upon Council approval, be subject to the tax formula.

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

**"Sports Complex"** means the City-owned parcels designated in the Community Plan as Sports Complex with Assessor's Parcel Numbers 225-0070-076, 225-0070-059, 225-0070-063, 225-0070-067, 225-0070-060, and their successors. The City has determined that these Parcels may, upon Council approval, be classified as Taxable Parcels through private party fee ownership, lease, or other similar arrangements. The classification decision as to Taxable or Tax-Exempt status may be made annually. If a land use entitlement is granted for other than a permitted Sports Complex, parcel(s) receiving such entitlement will revert to Developed Residential or Developed Non-Residential Parcels. If transferred to a private owner, these Parcels will be treated like any other Taxable Parcel.

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

**"Taxable Parcel"** means any Parcel that is classified as a Developed Residential Parcel or Developed Non-Residential Parcel.

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

**"Tax-Exempt Parcel"** means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (i) Public Parcels (subject to the limitations set forth in Section 4, below); (ii) Sports Complex Parcels while owned and operated by the City, and (iii) all other Parcels not defined as Developed Residential Parcels or Developed Non-Residential Parcels.

### 3. Duration of the Special Tax

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

### 4. Assignment of Maximum Annual Special Tax

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

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel.
2. Each Parcel further classified as a Detached Residential Unit, Multi-Family Units, Condominiums, Office, Commercial, Industrial, or Sports Complex.

B. Assignment of Maximum Annual Special Tax.

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

C. Annexation Parcels. Parcels annexing to the CFD shall have their Maximum Special Tax rate assigned by following the procedures in Sections 4.A and 4.B. above.

D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and/or is converted to Developed Residential Parcel, Developed Non-Residential Parcel, or Taxable Parcel upon Council approval, it shall become subject to the Special Tax. The Maximum Annual Special Tax for such a Parcel shall be assigned according to 4.A and 4.B above. Conversely, if a Taxable Parcel is converted to a Parcel that meets the definition of a Public Parcel, it shall become Tax-Exempt.

### 5. Calculating Annual Special Taxes

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

- A. Compute 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:
  - Calculate the Maximum Annual Special Tax Revenues by setting the tax rate for each Taxable Parcel at 100% of its Maximum Annual Special Tax shown in **Attachment 1**. Proportionately reduce the special tax for each Taxable Parcel until the tax levy is set at an amount sufficient to fund the Annual Costs.
- C. Prepare the Tax Collection Schedule listing the Special Tax levy for each Taxable Parcel and send it to the County Auditor-Controller requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor-Controller for such inclusion.

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

## 6. Records Maintained for the CFD

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

- The current Parcel Number;
- The Parcel acreage (gross, gross developable or net); and
- Number of residential units per parcel.
- Square feet of building space for non-residential parcels that have a recorded special use permit.

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

## 7. Appeals

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

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



**Attachment 1  
City of Sacramento CFD No. 99-01  
Maximum Special Tax Rates for Base Year 1999-2000 (1)**

Land Use	Special Tax Calculated Per	Base Year Maximum Special Tax Rate
		(1)
<b><u>Developed Residential Parcels</u></b>		
Detached Single Family Units	Unit	\$18
Multi-Family Units and Condominiums	Unit	\$14
<b><u>Developed Non-Residential Parcels</u></b>		
Office	Bldg. Sq. Ft.	\$0.06
Commercial	Bldg. Sq. Ft.	\$0.10
Industrial	Bldg. Sq. Ft.	\$0.03
Sports Complex (2) - Arena (84.2 acres) - Stadium Parcel (100 acres - undeveloped)	Net Acre	\$200

"tax\_rates"

- (1) Following the Base Year 1999-2000, the Maximum Special Tax Rates will escalate annually based upon the Consumer Price Index (CPI) prior year average, San Francisco, All Urban Consumers, (CPI-U), not to exceed 4%.
- (2) The Sports Complex parcels are owned by the City and exempt under the Mello-Roos Act. The City has by ordinance determined that its properties known as the "Sports Complex" may, upon council approval, be subject to the tax formula. The Arena is the only developed property at this time.

CONTINUED  
TO 6/8/99

## RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

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

**A RESOLUTION OF THE CITY OF SACRAMENTO  
DECLARING ITS INTENTION TO PARTICIPATE IN THE  
NORTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION  
COMMUNITY FACILITIES DISTRICT NO. 99-01,  
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO,  
STATE OF CALIFORNIA**

**WHEREAS:**

1. The City of Sacramento ("City") is the owner of certain parcels of property ("Property") located within the boundary of the proposed North Natomas Transportation Management Association Community Facilities District No. 99-01 ("District"); and
2. The District will, upon its formation, provide certain transportation and air quality mitigation and related services as specified in City Code Section 81.03.302(d) within the boundaries of the District; and
3. The City Property which lies within the boundary of the District consists of those parcels identified on Exhibit A, attached hereto and incorporated herein by this reference; and
4. The City Property will derive direct benefit from the said services; and
5. A special tax will not be placed on the City Property until it becomes taxable according to the tax formula contained in the Rate and Method of Apportionment; and
6. The City Council desires that it retain the flexibility to remove the City Property from the District in the future by resolution, so that the special tax would, upon taking such action no longer apply to the City property.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO** that the City Property shall be included in the District, and shall become taxable in accordance with the tax formula specified in the Tax Rate and Method

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FOR CITY CLERK USE ONLY

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

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

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of Apportionment; provided, however, that the City Council expressly reserves the discretion to remove the City Property from the District at any time in the future by resolution so that the City Property would no longer be subject to the special tax from and after adoption of such resolution. The Tax Rate and Method of Apportionment shall recognize the City Council's reservation of discretion, and shall provide a methodology for adjusting the special tax accordingly.

ATTEST:

\_\_\_\_\_  
MAYOR

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

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**FOR CITY CLERK USE ONLY**

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

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

CITY OWNED "SPORTS COMPLEX " PROPERTIES  
(NORTH NATOMAS TMA CFD NO. 99-01)

<u>Parcel Name</u>	<u>APN #</u>
Arco Arena	225-007-0059-0000 225-007-0060-0000 225-007-0063-0000 225-007-0067-0000
The Stadium Parcel	225-007-0076-0000