

Resolution No. 2006-250

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
DECLARING THE RESULTS OF THE SPECIAL ELECTION
HELD ON SEPTEMBER 27, 2006, AND ORDERING THE
ANNEXATION OF TERRITORY TO
COMMUNITY FACILITIES DISTRICT NO. 2003-2 (POLICE SERVICES)
(ANNEXATION NO. 12)**

WHEREAS, in proceedings heretofore conducted by the City Council (the "City Council") of the City of Elk Grove (the "City"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), the City Council on September 27, 2006, adopted Resolution No. 2006-249, which resolution called a special election within the territory proposed to be annexed to the City's Community Facilities District No. 2003-2 (Police Services) (the "CFD");

WHEREAS, pursuant to the terms of the resolution, the special election was held on September 27, 2006, and the City Clerk has duly canvassed the returns of the election and has filed with the City Council a statement of all votes cast at the election showing the whole number of votes cast within such territory and the whole number of votes cast for and against the measure in such territory and also filed, attached to the statement, her certificate as to the correctness of the statement (the "Statement of Election Results"), a copy of which is attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Elk Grove that:

Section 1. Approval of Canvass. The canvass by the City Clerk, as shown by the Statement of Election Results is hereby ratified, confirmed, approved, and entered upon the minutes of this meeting.

Section 2. Statement of the Measure. At the election, the following measure was submitted to the qualified electors of the territory proposed to be annexed to the CFD and the number of votes cast for and against the measure was as follows:

BALLOT MEASURE

Shall the City of Elk Grove be authorized to levy a special tax at the rates and apportioned as described in Exhibit A to the Resolution Declaring its Intention to Annex Territory to Community Facilities District No. 2003-2 (Police Services) adopted by the City Council on August 9, 2006 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Annexation Map No. 12 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, County of Sacramento," to finance certain services as set forth in Section 3 to the Resolution?

Total Votes	
YES:	NO:
36	0

Section 3. Votes Cast. The total number of votes cast in the territory proposed to be annexed to the CFD at the election was 36.

Section 4. Measure Passed. More than two-thirds of all the votes cast at the election on the measure were in favor of the measure and the measure passed.

Section 5. Validity of Procedures. The City Council hereby finds and determines that all prior proceedings and actions taken by the City Council pursuant to the Act were and are valid and in conformity with the Act.

Section 6. Order of Annexation. The City Council hereby determines and orders that the territory proposed to be annexed to the CFD is added to and part of the CFD with full legal effect.

Section 7. Amendment to Notice of Special Tax Lien. The City Clerk is hereby directed to record an amendment to the Notice of Special Tax Lien with the Sacramento County Recorder, in accordance with the provisions of Sections 3114.5 and 3117.5 of the California Streets and Highways Code within fifteen (15) days of the adoption of this resolution.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 27th day of September, 2006.



RICK SOARES, MAYOR of the
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK



APPROVED AS TO FORM:

ANTHONY B. MANZANETTI,
CITY ATTORNEY

EXHIBIT A

STATEMENT OF ELECTION RESULTS

I, Peggy E. Jackson, City Clerk of the City of Elk Grove (the "City"), hereby certify that:

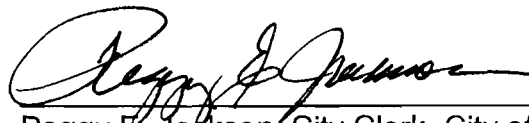
1. On September 27, 2006, at City Hall, 8400 Laguna Palms Way, Elk Grove, California, I canvassed the returns of the election called for September 27, 2006, in the territory proposed to be annexed to Community Facilities District No. 2003-2 (Police Services) on the following measure:

Shall the City of Elk Grove be authorized to levy a special tax at the rates and apportioned as described in Exhibit A to the Resolution Declaring its Intention to Annex Territory to Community Facilities District No. 2003-2 (Police Services) adopted by the City Council on August 9, 2006 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Annexation Map No. 12 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, County of Sacramento," to finance certain services as set forth in Section 3 to the Resolution?

2. The total number of qualified landowner votes eligible to be cast, the total number of votes actually cast at the election, and the total number of votes cast for and against the measure are set forth below. The totals as shown for and against the measure are full, true, and correct. More than two-thirds of all the votes cast at the election on the measure were in favor of the measure and the measure passed.

Qualified Landowner Votes	Votes Cast	YES	NO
36	36	36	0

Dated: September 27, 2006.



Peggy E. Jackson, City Clerk, City of Elk Grove

EXHIBIT B

CITY OF ELK GROVE COMMUNITY FACILITIES DISTRICT NO. 2003-2 (Police Services) RATE AND METHOD OF APPORTIONMENT

A Special Tax of Community Facilities District No. 2003-2 (Police Services) of the City of Elk Grove ("CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year commencing in Fiscal Year 2004-05 in an amount determined by the City through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or estimated costs incurred by the City as administrator of the CFD to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants, 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.

"Assessor's Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

"CFD" means Community Facilities District No. 2003-2 (Police Services) of the City of Elk Grove.

"City" means the City of Elk Grove.

"Council" means the City Council of the City of Elk Grove, acting as the legislative body of the CFD.

"County" means the County of Sacramento, California.

"Developed Property" means all Taxable Property, exclusive of Property Owner Association Property, or Public Property, for which a building permit was issued after January 1, 2003, and prior to May 1st preceding the Fiscal Year in which the Special Tax is being levied.

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

"Land Use Class" means any of the classes listed in Table 1.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C below, that can be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

"Multi-Family Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for a residential structure consisting of two or more residential units that share common walls, including, but not limited to, duplexes, triplexes, townhomes, condominiums, and apartment units.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for a non-residential use and does not contain any residential units as defined under Residential Property or Multi-Family Property.

"Property Owner Association Property" means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association.

"Proportionately" means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

"Public Property" means any property within the boundaries of the CFD that is, at the time of the CFD formation, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County, the City or any other public agency. Once an Assessor's Parcel has been designated as Public Property, it shall retain such status permanently, unless transferred in accordance with the transfer provisions provided in Section G below.

"Public Safety Costs" means the estimated and reasonable costs of providing police protection services, including but not limited to the costs of contracting services, the salaries and benefits of City staff if the City directly provides police protection services and City overhead costs, associated with providing such

services within the CFD. The Public Safety Special Tax provides only partial funding for police protection services.

"Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for purposes of constructing one residential dwelling unit.

"Special Tax" means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

"Special Tax Requirement" means that amount required in any Fiscal Year for the CFD to: (a) (i) pay for Public Safety Costs; (ii) pay reasonable Administrative Expenses; (iii) pay any amounts required to establish or replenish any reserve funds; and (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (b) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or as defined below.

"Tax-Exempt Property" means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, (ii) Non-Residential Property, and (iii) Property Owner Association Property.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

"Unit" means any residence in which a person or persons may live, and is not considered to be for commercial or industrial use.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year using the definitions above, all Taxable Property within the CFD shall be classified as Developed Property or Undeveloped Property. Developed Property shall be further assigned to a Land Use Class as specified in Table 1 and shall be subject to Special Taxes pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

**TABLE 1
Maximum Special Tax for Developed Property
Community Facilities District No. 2003-2**

Land Use Class	Description	Maximum Special Tax Per Unit
1	Residential Property	\$325 per Unit
2	Multi-Family Property	\$230 per Unit

On each July 1, commencing on July 1, 2004, the Maximum Public Safety Special Tax shall be increased by the lesser of Local Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose Area for All Urban Consumers or 5% of the amount in effect for the previous Fiscal Year. The CPI used shall be as determined by the Bureau of Labor Statistics from April to April beginning with the period from April 2003 through April 2004.

2. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Classes located on that Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

3. Undeveloped Property; Tax-Exempt Property

No Special Tax shall be levied on Undeveloped Property or Tax-Exempt Property.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-05, and for each following Fiscal Year, the Council shall levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year on each Assessor's Parcel of Developed Property Proportionately up to 100% of the applicable Maximum Special Tax.

E. APPEALS

Any taxpayer that believes that the amount of the Special Tax assigned to a Parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax. This notice is required to be filed with the CFD

Administrator during the Fiscal Year the error is believed to have occurred. The CFD Administrator or designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator verifies that the tax should be changed the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

F. MANNER OF COLLECTION

Special Tax as levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the CFD Administrator.

G. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity.

EXHIBIT C

OFFICIAL BALLOT

**SPECIAL TAX ELECTION
CITY OF ELK GROVE
ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT
NO. 2003-2 (POLICE SERVICES)
(September 27, 2006)**

Number of votes entitled to cast:

INSTRUCTIONS TO VOTERS: To vote on the measure, mark an (X) or a check mark in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear or deface this ballot, return it to the City Clerk, City of Elk Grove, 8380 Laguna Palms Way, Elk Grove, California 95758, to obtain another.

MEASURE SUBMITTED TO VOTE OF VOTERS

Ballot Measure: Shall the City of Elk Grove be authorized to levy a special tax at the rates and apportioned as described in Exhibit A to the Resolution Declaring its Intention to Annex Territory to Community Facilities District No. 2003-2 (Police Services) adopted by the City Council on August 9, 2006 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Annexation Map No. 12 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, County of Sacramento," to finance certain services as set forth in Section 3 to the Resolution?

YES

NO

NOTE: This is a special landowner election. You must return this ballot to the City Clerk, City of Elk Grove, either (i) to her office at City Hall, 8380 Laguna Palms Way, Elk Grove, California 95758, by 4:00 p.m. on September 27, 2006 or (ii) thereafter, to the regular meeting place of the Council at 8400 Laguna Palms Way on September 27, 2006, by five minutes following the adoption of the resolution calling the election (the City Council meeting convenes at 6:30 p.m. on September 27, 2006).


**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2006-250**

STATE OF CALIFORNIA)
COUNTY OF SACRAMENTO) ss
CITY OF ELK GROVE)

I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on September 27, 2006 by the following vote:

AYES : **COUNCILMEMBERS:** **Soares, Scherman, Briggs**
NOES : **COUNCILMEMBERS:** **None**
ABSTAIN : **COUNCILMEMBERS:** **Cooper, Leary**
ABSENT: **COUNCILMEMBERS:** **None**





**Peggy E. Jackson, City Clerk
City of Elk Grove, California**