

RESOLUTION NO. 2005-249

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
DECLARING ITS INTENTION TO ANNEX TERRITORY
TO COMMUNITY FACILITIES DISTRICT
No. 2003-2 (POLICE SERVICES)
AND TO LEVY A SPECIAL TAX TO PAY FOR
CERTAIN POLICE SERVICES
(Annexation No. 8)**

WHEREAS, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), the City Council (the "City Council") of the City of Elk Grove (the "City"), on November 5, 2003, approved Resolution No. 2003-214 establishing the City of Elk Grove Community Facilities District No. 2003-2 (Police Services) (the "CFD");

WHEREAS, the City Council called a special election for November 5, 2003, at which the questions of levying a special tax and establishing an appropriations limit with respect to the CFD were submitted to the qualified electors within the CFD;

WHEREAS, on November 5, 2003, the City Council adopted Resolution No. 2003-215 determining the results of the special election and finding that more than two-thirds (2/3) of all votes cast at the special election were cast in favor of the proposition presented, and such proposition passed;

WHEREAS, the City Council has determined, because of the proposed development of certain property within the City, to initiate proceedings for the annexation of such property to the CFD in accordance with the Act.

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

Section 1. Description of Territory to be Annexed. Public convenience and necessity require, and this City Council proposes and intends, that the City Council annex certain territory to the CFD. The territory to be annexed is described in a map entitled "Annexation Map No. 8 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, County of Sacramento" which is on file with the City Clerk. The City Clerk is hereby authorized and directed to endorse the certificates set forth on the map and to record the map in accordance with the provisions of Section 3111 of the Streets and Highways Code of the State of California.

Section 2. Description of Territory Included in Existing CFD. The boundaries of the territory currently included in the CFD are described in a map entitled "Amended Map of District Boundaries, Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California," recorded on November 18, 2003, in Book 97 of Maps of Assessment and Community Facilities Districts at page 7 in the office of the Sacramento County Recorder; a map entitled "Annexation Map No. 1 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove,

Sacramento County, State of California,” recorded on March 15, 2004, in Book 98 of Maps of Assessment and Community Facilities Districts at Page 12 in the office of the Sacramento County Recorder; a map entitled “Annexation Map No. 2 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California,” recorded on May 24, 2004, in Book 98 of Maps of Assessment and Community Facilities Districts at Page 19 in the office of the Sacramento County Recorder; a map entitled “Annexation Map No. 3 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California,” recorded on August 11, 2004 in Book 99 of Maps of Assessment and Community Facilities Districts at Page 11 in the office of the Sacramento County Recorder; a map entitled “Annexation Map No. 4 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California” recorded on November 15, 2004 in Book 99 of Maps of Assessment and Community Facilities Districts at Page 22 in the office of the Sacramento County Recorder; a map entitled Annexation Map No. 5 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California,” recorded on March 25, 2005, in Book 100 of Maps of Assessment and Community Facilities Districts at Page 45 in the office of the Sacramento County Recorder; a map entitled Annexation Map No. 6 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California,” recorded on May 24, 2005, in Book 100 of Maps of Assessment and Community Facilities Districts at Page 20 in the office of the Sacramento County Recorder; and a map entitled Annexation Map No. 7 of Community Facilities District No. 2003-2 (Police Services), City of Elk Grove, Sacramento County, State of California,” recorded in the office of the Sacramento County Recorder.

Section 3. Specification of the Type of Services Provided. The type of services to be provided in the territory proposed to be annexed to the CFD is the same as that provided in the existing CFD. The authorized services are police protection services. Eligible costs of the services include, but are 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 services authorized to be financed by the CFD are in addition to those currently provided in the territory of the CFD and do not supplant services already available within that territory.

Section 4. Plan for Providing Services. The public services that are financed by taxes collected in the CFD will be provided to residents of the current CFD and residents of the territory proposed to be annexed on the same basis.

Section 5. Specification of Special Taxes to be Levied. Except where funds are otherwise available, a special tax sufficient to pay for all services to be provided in or for the territory to be annexed and secured by a continuing lien against all nonexempt real property in the CFD, will be annually levied within the territory proposed to be annexed to the CFD. The rate, method of apportionment, and manner of collection of such special tax is set forth in Exhibit A hereto.

Section 6. No Alteration of the Special Tax Levied in the Existing Community Facilities District. The City Council does not propose to alter the special tax rate levied within the existing CFD as a result of the proposed annexation.

Section 7. Public Hearing. The City Council hereby fixes 6:30 p.m., or as soon thereafter as practicable, on Wednesday, October 12, 2005, at the regular meeting place of the City Council, City Council Chambers, 8400 Laguna Palms Way, Elk Grove, California, as the time and place for a public hearing on the annexation of territory to the CFD.

Section 8. Notice of Hearing. The City Council directs the City Clerk to publish a notice of the hearing, in substantially the form attached hereto as Exhibit B, once not later than seven days prior to the date fixed for the hearing, in *The Elk Grove Citizen*, a newspaper of general circulation published in the area of the CFD.

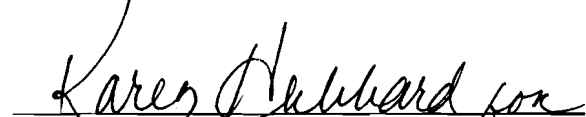
Section 9. Mailing Ballots. In anticipation of its action on October 12, 2005, to call the election on the annexation for the same date, pursuant to waiver of election time limits from the landowners, the City Council hereby authorizes the City Clerk to mail to each landowner in the territory proposed to be annexed to the CFD a ballot in substantially the form set forth in Exhibit C hereto.

Section 10. Effective Date. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the City Council of the City of Elk Grove on this 24th day of August 2005.


DANIEL BRIGGS, MAYOR of the
CITY OF ELK GROVE

ATTEST:


PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:


ANTHONY B. MANZANETTI,
CITY ATTORNEY

"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 B

**NOTICE OF PUBLIC HEARING ON RESOLUTION OF INTENTION TO ANNEX
TERRITORY TO AN EXISTING COMMUNITY FACILITIES DISTRICT**

NOTICE IS HEREBY GIVEN that the City Council of the City of Elk Grove on August 24, 2005, adopted its Resolution No. 2005-_____, in which it declared its intention to annex territory to existing Community Facilities District No. 2003-2 (Police Services) (the "CFD"), and to levy a special tax to pay for certain police services, all pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5, Part 1, Division 2, Title 5 of the California Government Code. The resolution describes the territory to be annexed, specifies the type of services to be financed, and describes the rate and method of apportionment of the proposed special tax. No change in the tax levied in the existing CFD is proposed. For further details, the resolution is available at the office of the City Clerk, 8380 Laguna Palms Way, Elk Grove, California.

NOTICE IS HEREBY FURTHER GIVEN that the City Council has fixed Wednesday, October 12, 2005, at the hour of 6:30 p.m., or as soon thereafter as the matter may be heard, at the regular meeting place of the City Council, Council Chambers, 8400 Laguna Palms Way, Elk Grove, California, as the time and place when and where the City Council will hold a public hearing to consider the annexation. At the hearing, the testimony of all interested persons for or against the annexation of the territory or the levying of the special taxes will be heard.

DATED: _____, 2005

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

EXHIBIT C

OFFICIAL BALLOT

**SPECIAL TAX ELECTION
CITY OF ELK GROVE
ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT
NO. 2003-2 (POLICE SERVICES)
(October 12, 2005)**

Number of votes entitled to cast:

INSTRUCTIONS TO VOTERS: To vote on the measure, mark an (X) 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 QUALIFIED ELECTORS

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 24, 2005 (the "Resolution"), which is incorporated herein by this reference, within the territory identified on the map entitled "Annexation Map No. 8 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 <input type="checkbox"/>
	NO <input type="checkbox"/>

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 October 12, 2005 or (ii) thereafter, to the regular meeting place of the Council at 8400 Laguna Palms Way on October 12, 2005, by five minutes following the adoption of the resolution calling the election (the City Council meeting convenes at 6:30 p.m. on October 12, 2005).

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2005-249

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

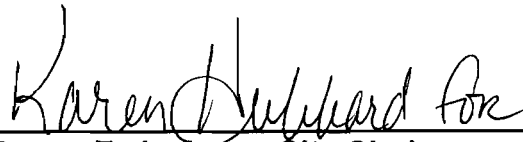
I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 24th day of August, 2005 by the following vote:

AYES 3: COUNCILMEMBERS: Scherman, Soares, Briggs

NOES 0: COUNCILMEMBERS:

ABSTAIN 1 COUNCILMEMBERS: Cooper

ABSENT 1: COUNCILMEMBERS: Leary



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