

RESOLUTION NO. 2018-014

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
DECLARING ITS INTENTION TO ANNEX TERRITORY TO STORM WATER
DRAINAGE FEE ZONE 2 (ANNEXATION NO. 21), AND TO LEVY STORM WATER
DRAINAGE ASSESSMENTS FOR CERTAIN PROPERTIES PURSUANT TO THE
BENEFIT ASSESSMENT ACT OF 1982 FOR THE DAVID HO, LENT RANCH, AND
STERLING MEADOWS (PHASES 1G THROUGH 2E) PROJECTS**

WHEREAS, California Health and Safety Code section 5471(a) provides the City of Elk Grove (the "City") with the authority to prescribe and collect fees for storm drainage systems provided the property is not classified as an exempt use; and

WHEREAS, the City Council (the "City Council") of the City has determined to undertake proceedings pursuant to the Benefit Assessment Act of 1982, being California Government Code sections 54703 *et seq.* (the "Act"), to levy assessments to finance the costs of storm water drainage and to equitably distribute the costs among benefited landowners in developing areas; and

WHEREAS, the City Council adopted Ordinance No. 30-2004 amending Chapter 15.10 of the Elk Grove Municipal Code adding a "Levy of Charge in South Elk Grove Storm Drainage Utility Fee Area" which established a storm drainage utility fee over the southern areas of the City, an area commonly referred to as Zone 2; and

WHEREAS, Pursuant to Elk Grove Municipal Code 15.10.030, in lieu of the fee described in Elk Grove Municipal Code Section 15.10.020, there is hereby levied by the City of Elk Grove on all parcels which are within Zone 2 on the map shown in Elk Grove Municipal Code Section 15.10.080, and on any other parcels for which the City of Elk Grove shall have complied with applicable laws governing the levying of such fees, other than those classified as an exempt use, a storm drainage service fee to be collected as set forth in this section. A single-family residential parcel shall pay a monthly charge equal to the administrative charge, \$2.43 per unit per month, as well as a per unit service charge of \$15.06 per month for each residential dwelling unit. Each multi-family and non-residential parcel shall pay a monthly charge equal to the administrative charge, \$2.43 per unit per month, as well as a per-acre charge of \$218.67, prior to the application of impervious factors. The current total monthly rate for the project for FY 2017-18 is \$5,553.89; and

WHEREAS, in accordance with the Act, the amount of assessments to be levied on certain additional property described therein (referred to herein as the "annexed property"), which would be deemed a part of Storm Water Drainage Fee Zone 2 if the assessments are levied; and

WHEREAS, the annexed property will be located within a zone of benefit referred to as "Storm Water Drainage Fee Zone 2 (Eastern Area)".

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

1. **Recitals**. The above recitals are true and correct.

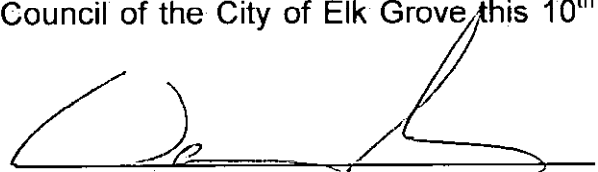
2. **Public Hearing**. On Wednesday, February 28, 2018, at 6:00 p.m. or as soon thereafter as the matter may be heard, at City Hall, 8400 Laguna Palms Way, Elk Grove, California, the City Council shall hold a public hearing on the question of the levy of the proposed assessments.

3. **Notice of Public Hearing**. The City Clerk is directed to give notice of the public hearing by:

- a. publishing a notice in the form attached hereto as Exhibit A once a week for two successive weeks in *The Elk Grove Citizen*. The first publication shall be no later than January 19, 2018, and publication shall be completed by February 2, 2018; and
- b. posting a notice in the form attached hereto as Exhibit A in at least three public places within the City; and
- c. mailing a notice and ballot in substantially the form attached hereto as Exhibit B to the record owners of each identified parcel within the annexed property. Mailing shall be completed by January 12, 2018.

4. **Effective Date**. This resolution shall take effect from and after the date of its passage.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 10th day of January 2018.


DARREN SUEN, VICE MAYOR of the
CITY OF ELK GROVE

ATTEST:


JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:



JONATHAN P. HOBBS
CITY ATTORNEY

Exhibit A

[Form of Published and Posted Notice]

CITY OF ELK GROVE

**NOTICE OF HEARING ON
ANNEXATION INTO STORM WATER DRAINAGE FEE ZONE 2
CONCERNING STORM WATER DRAINAGE FEE ZONE 2 ASSESSMENTS**

Notice is hereby given that on Wednesday, **February 28, 2018**, at **6:00 p.m.**, or as soon thereafter as the matter may be heard, at the City Hall, 8400 Laguna Palms Way, Elk Grove, California, the City Council of the City of Elk Grove shall hold a public hearing prepared and filed in connection with proposed Storm Water Drainage Fee Zone 2 assessments on property identified. The City has mailed a notice to each affected property owner specifying the amount of the proposed assessment on the owner's property. At the public hearing, the City Council shall hear and consider all protests.

Dated: _____

Jason Lindgren, City Clerk, City of Elk Grove

Exhibit B

[Form of mailed Notice]

Notice of Public Hearing

TO: David Ho and Xiaoming Wang
10292 Terry Way #3
Cupertino CA 95014

FROM: City Clerk
City of Elk Grove

DATE: January 10, 2018

SUBJECT: Storm Water Drainage Fee Zone 2 (Eastern Area) Ballot Proceeding

The purpose of this notice is to provide you with information about the assessment ballot proceeding being conducted by the City of Elk Grove and its effect on real property that you own. Please be advised of the following:

- A hearing will be held on February 28, 2017, at 6:00 p.m., or as soon thereafter as the matter may be heard at the City Hall, 8400 Laguna Palms Way, Elk Grove, California.
- The reason for the assessment is to fund the maintenance and operation of storm water drainage systems serving property proposed to be added to the City of Elk Grove Storm Water Drainage Fee Zone 2.

Your property is expected to have a parcel comprised of 2 single family residential units, which would result in an estimated assessment of \$34.98 per month (plus inflation adjustments) going forward from that time. The fee will adjust annually by a Consumer Price Index (CPI) at the beginning of each fiscal year. As this fee is billed bi-monthly the fee for every two months in FY 2017-18 is an estimated \$69.96; and

- Assessment duration: in perpetuity.
- How the assessment was calculated:

A single-family residential parcel shall pay a monthly charge equal to the administrative charge + (unit service charge (USC) x each residential dwelling unit). All other nonexempt parcels shall pay a monthly charge equal to the administrative charge + (USC x parcel area in square feet x the impervious factor ÷ number of drainage units per one (1) equivalent residential unit). The number of drainage units per one (1) equivalent residential unit shall be adopted by resolution of the City Council. The initial amount of the administrative charge (the maximum rate for fiscal year 2004 – 2005) is One and 74/100^{ths} (\$1.74) Dollars. The initial amount of the unit service charge (the maximum rate for Fiscal Year

2004 – 05) shall be Ten and 86/100^{ths} (\$10.86) Dollars. "Unit service charge," for purposes of this section, means the cost of storm drainage services attributable to storm drainage from one (1) equivalent residential unit. The impervious factors (IF) to be used in the calculations set forth in subsection (C) of this section shall be based on the following table:

Property Category	Impervious Factor
Commercial/office	0.80
Industrial	0.70
High density residential	0.60
Institutional/medium density residential	0.50
Low impervious development	0.10

For purposes of this section, the terms "high density residential" and "medium density residential" have the meanings specified in Elk Grove Municipal Code Title 23.

The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas. [Ord. 11, 2010 §3, eff. 6-25-2010]

Enclosed with this notice, you will find an assessment ballot. Please follow the directions on the assessment ballot to express your view on the proposed assessment.

1. Ballots may be mailed or delivered to the City Clerk at any time, but **MUST** be received not later than the conclusion of the public hearing described above. At any time prior to the conclusion of the public hearing, you may withdraw your ballot and submit a changed or new ballot in place of the ballot previously submitted.

2. At the conclusion of the public hearing, the City Clerk will tabulate the ballots received, including those received during the public hearing.

3. The City will not impose the assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. Ballots shall be weighted according to the proportional financial obligation of the affected property.

Official Ballot
City of Elk Grove Storm Water Drainage Fee Zone 2

Assessor's Parcel Number(s): 123-0170-007-0000
Name(s) of Property Owner(s): David Ho and Xiaoming Wang
Property Owner's Address: 10292 Terry Way #3
Cupertino CA 95014

Proposed Monthly Assessable Amount (2017-18 base year) (assessable after building permit applied for) \$34.98

Inflation Adjustment Formula: The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas [Ord. 11-2010 §3, eff. 6-25-2010]

Instructions For Completing and Delivering This Ballot

- To express your view on the proposed assessment and the proposed inflation adjustment, place a check mark in the space before the word "YES" or "NO," then sign and date the ballot.
- After completing your ballot, seal it in an envelope and mail or deliver this entire ballot to the City Clerk at 8401 Laguna Palms Way, Elk Grove, California, 95758.
- Ballots may be sent or delivered to the City Clerk at any time, but **MUST** be received not later than the conclusion of the public hearing on the proposed assessment and inflation adjustment limit set for February 28, 2018, at 6:00 p.m. or as soon thereafter as the matter may be heard, at the City Hall, 8400 Laguna Palms Way, Elk Grove, California.

PLEASE EXPRESS YOUR VIEW BY MARKING AND SIGNING BELOW

- Yes**, I/we approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.
- No**, I/we do not approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.

I/we hereby declare under penalty of perjury that I am/we are the record owner(s) of the parcel listed above.

Signature of Record Owner

Date

Exhibit B

[Form of mailed Notice]

Notice of Public Hearing

TO: Derek Spaulding
VTL Sterling Meadows LLC
110 Blue Ravine Road Suite 209
Folsom CA 95630

FROM: City Clerk
City of Elk Grove

DATE: January 10, 2018

SUBJECT: Storm Water Drainage Fee Zone 2 (Eastern Area) Ballot Proceeding

The purpose of this notice is to provide you with information about the assessment ballot proceeding being conducted by the City of Elk Grove and its effect on real property that you own. Please be advised of the following:

- A hearing will be held on February 28, 2017, at 6:00 p.m., or as soon thereafter as the matter may be heard at the City Hall, 8400 Laguna Palms Way, Elk Grove, California.
- The reason for the assessment is to fund the maintenance and operation of storm water drainage systems serving property proposed to be added to the City of Elk Grove Storm Water Drainage Fee Zone 2.

Your property is expected to have a parcel comprised of 342 single-family residential units, which would result in an estimated assessment of \$5,981.58 per month (plus inflation adjustments) going forward from that time. The fee will adjust annually by a Consumer Price Index (CPI) at the beginning of each fiscal year. As this fee is billed bi-monthly the fee for every two months in FY 2017-18 is an estimated \$11,963.16; and

- Assessment duration: in perpetuity.
- How the assessment was calculated:

A single-family residential parcel shall pay a monthly charge equal to the administrative charge + (unit service charge (USC) x each residential dwelling unit). All other nonexempt parcels shall pay a monthly charge equal to the administrative charge + (USC x parcel area in square feet x the impervious factor ÷ number of drainage units per one (1) equivalent residential unit). The number of drainage units per one (1) equivalent residential unit shall be adopted by resolution of the City Council. The initial amount of the administrative charge (the maximum rate for fiscal

year 2004 – 2005) is One and 74/100^{ths} (\$1.74) Dollars. The initial amount of the unit service charge (the maximum rate for Fiscal Year 2004 – 05) shall be Ten and 86/100^{ths} (\$10.86) Dollars. "Unit service charge," for purposes of this section, means the cost of storm drainage services attributable to storm drainage from one (1) equivalent residential unit. The impervious factors (IF) to be used in the calculations set forth in subsection (C) of this section shall be based on the following table:

Property Category	Impervious Factor
Commercial/office	0.80
Industrial	0.70
High density residential	0.60
Institutional/medium density residential	0.50
Low impervious development	0.10

For purposes of this section, the terms "high density residential" and "medium density residential" have the meanings specified in Elk Grove Municipal Code Title 23.

The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas. [Ord. 11, 2010 §3, eff. 6-25-2010]

Enclosed with this notice, you will find an assessment ballot. Please follow the directions on the assessment ballot to express your view on the proposed assessment.

1. Ballots may be mailed or delivered to the City Clerk at any time, but **MUST** be received not later than the conclusion of the public hearing described above. At any time prior to the conclusion of the public hearing, you may withdraw your ballot and submit a changed or new ballot in place of the ballot previously submitted.

2. At the conclusion of the public hearing, the City Clerk will tabulate the ballots received, including those received during the public hearing.

3. The City will not impose the assessment if there is a majority protest. A majority protest exists if, upon the conclusion of the hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. Ballots shall be weighted according to the proportional financial obligation of the affected property.

Official Ballot
City of Elk Grove Storm Water Drainage Fee Zone 2

Assessor's Parcel Number(s): 132-2390-001-0000, 132-2390-002-0000
132-2390-003-0000

Name(s) of Property Owner(s): VTL Sterling Meadows, LLC

Property Owner's Address: 110 Blue Ravine Road Suite 209
Folsom CA 95630

Proposed Monthly Assessable Amount (2017-18 base year) (assessable after building permit applied for) \$5,981.58

Inflation Adjustment Formula: The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas [Ord. 11-2010 §3, eff. 6-25-2010]

Instructions For Completing and Delivering This Ballot

- To express your view on the proposed assessment and the proposed inflation adjustment, place a check mark in the space before the word "YES" or "NO," then sign and date the ballot.
- After completing your ballot, seal it in an envelope and mail or deliver this entire ballot to the City Clerk at 8401 Laguna Palms Way, Elk Grove, California, 95758.
- Ballots may be sent or delivered to the City Clerk at any time, but **MUST** be received not later than the conclusion of the public hearing on the proposed assessment and inflation adjustment limit set for February 28, 2018, at 6:00 p.m. or as soon thereafter as the matter may be heard, at the City Hall, 8400 Laguna Palms Way, Elk Grove, California.

PLEASE EXPRESS YOUR VIEW BY MARKING AND SIGNING BELOW

_____ **Yes**, I/we approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.

_____ **No**, I/we do not approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.

I/we hereby declare under penalty of perjury that I am/we are the record owner(s) of the parcel listed above.

Signature of Record Owner

Date

Exhibit B

[Form of mailed Notice]

Notice of Public Hearing

TO: Martin Feletto
c/o Jim Gillum
Gillum Consulting, Inc.
11356 Amalgam Way, No. 9
Gold River CA 95670

FROM: City Clerk
City of Elk Grove

DATE: January 10, 2018

SUBJECT: Storm Water Drainage Fee Zone 2 (Eastern Area) Ballot Proceeding

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- The reason for the assessment is to fund the maintenance and operation of storm water drainage systems serving property proposed to be added to the City of Elk Grove Storm Water Drainage Fee Zone 2.

Your property is expected to have a parcel comprised of 4.87 non-residential acres, which would result in an estimated assessment of \$766.91 per month (plus inflation adjustments) going forward from that time. The fee will adjust annually by a Consumer Price Index (CPI) at the beginning of each fiscal year. As this fee is billed bi-monthly the fee for every two months in FY 2017-18 is an estimated \$1,533.81; and

- Assessment duration: in perpetuity.
- How the assessment was calculated:

A single-family residential parcel shall pay a monthly charge equal to the administrative charge + (unit service charge (USC) x each residential dwelling unit). All other nonexempt parcels shall pay a monthly charge equal to the administrative charge + (USC x parcel area in square feet x the impervious factor ÷ number of drainage units per one (1) equivalent residential unit). The number of drainage units per one (1) equivalent residential unit shall be adopted by resolution of the City Council. The initial amount of the administrative charge (the maximum rate for fiscal

year 2004 – 2005) is One and 74/100^{ths} (\$1.74) Dollars. The initial amount of the unit service charge (the maximum rate for Fiscal Year 2004 – 05) shall be Ten and 86/100^{ths} (\$10.86) Dollars. “Unit service charge,” for purposes of this section, means the cost of storm drainage services attributable to storm drainage from one (1) equivalent residential unit. The impervious factors (IF) to be used in the calculations set forth in subsection (C) of this section shall be based on the following table:

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The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas. [Ord. 11, 2010 §3, eff. 6-25-2010]

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Official Ballot
City of Elk Grove Storm Water Drainage Fee Zone 2

Assessor's Parcel Number(s): 134-1010-014-0000, 134-1010-015-0000
134-1010-016-0000, 134-1010-017-0000

Name(s) of Property Owner(s): Feletto Development, LLC

Property Owner's Address: P.O. Box 19928
Sacramento CA 95819

Proposed Monthly Assessable Amount (2017-18 base year) (assessable after building permit applied for) \$766.91

Inflation Adjustment Formula: The maximum administrative charge and unit service charge (USC) will be increased annually as of July 1st, commencing July 1, 2005, by the percentage change in the Consumer Price Index (CPI) – All Urban Consumers for the San Francisco-Oakland-San Jose areas [Ord. 11-2010 §3, eff. 6-25-2010]

Instructions For Completing and Delivering This Ballot

- To express your view on the proposed assessment and the proposed inflation adjustment, place a check mark in the space before the word "YES" or "NO," then sign and date the ballot.
- After completing your ballot, seal it in an envelope and mail or deliver this entire ballot to the City Clerk at 8401 Laguna Palms Way, Elk Grove, California, 95758.
- Ballots may be sent or delivered to the City Clerk at any time, but **MUST** be received not later than the conclusion of the public hearing on the proposed assessment and inflation adjustment limit set for February 28, 2018, at 6:00 p.m. or as soon thereafter as the matter may be heard, at the City Hall, 8400 Laguna Palms Way, Elk Grove, California.

PLEASE EXPRESS YOUR VIEW BY MARKING AND SIGNING BELOW

- Yes**, I/we approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.
- No**, I/we do not approve the proposed assessment and the proposed inflation adjustment limit described above for the parcel identified in this ballot.

I/we hereby declare under penalty of perjury that I am/we are the record owner(s) of the parcel listed above.

Signature of Record Owner

Date

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2018-014

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

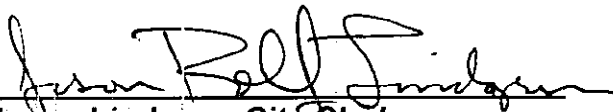
I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on January 10, 2018 by the following vote:

AYES: **COUNCILMEMBERS:** *Suen, Detrick, Hume, Nguyen*

NOES: **COUNCILMEMBERS:** *None*

ABSTAIN: **COUNCILMEMBERS:** *None*

ABSENT: **COUNCILMEMBERS:** *Ly*



Jason Lindgren, City Clerk
City of Elk Grove, California