

RESOLUTION NO. 2005-381

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
DETERMINING TO PROCEED WITH ESTABLISHING
COMMUNITY FACILITIES DISTRICT NO. 2005-1 (LAGUNA RIDGE)**

WHEREAS, the City Council, on November 9, 2005, adopted its Resolution No. 2005-346 (the "Resolution of Intention") (i) declaring its intention to establish Community Facilities District No. 2005-1 (Laguna Ridge) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the California Government Code) (the "Act"), (ii) proposing to levy a special tax therein for the purpose of providing for the financing of certain services (the "Services") and the financing of the design, construction, and acquisition of certain public facilities (the "Facilities") described in Exhibit A hereto, (iii) declaring the necessity of incurring a bonded indebtedness to finance the acquisition and construction costs of the Facilities and the incidental expenses thereof, and (iv) calling a public hearing on the establishment of the District and the incurrence of bonded indebtedness;

WHEREAS, the owner of the 10-acre parcel identified on the map of proposed boundaries of the District by APN 132-0270-079 has requested that the property not be included within the District at this time and the Council has decided to accede to that request;

WHEREAS, before the time for the hearing, as directed in the Resolution of Intention, the Public Works Director filed with the City Council the report required by California Government Code section 53321.5 (the "Hearing Report");

WHEREAS, a notice of the hearing was duly published as required by the Act, as evidenced by the affidavit of publication on file with the City Clerk;

WHEREAS, pursuant to the Act and the Resolution of Intention, a noticed public hearing was convened by the Council on December 14, 2005, at the hour of 6:30 p.m. at the City Hall, 8400 Laguna Palms Way, Elk Grove, California, relative to the establishment of the District;

WHEREAS, at the hearing, the testimony of all interested persons, including all taxpayers, property owners, and registered voters within the District, desiring to be heard on the establishment of the District, the extent thereof, the furnishing of specified types of services, the proposed special tax, the incurrence of bonded indebtedness, the establishment of an appropriations limit for the District, or any other matters set forth in the Resolution of Intention was heard and a full and fair hearing was conducted thereon;

WHEREAS, written protests against the establishment of the District, the furnishing of specified type or types of facilities within the District as listed in the Hearing Report, or the levying of the special tax have not been filed by six registered voters residing within the territory proposed to be included in the District or by the owners of one-half or more of the area of land in the territory proposed to be included in the District and not exempt from this special tax;


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

1. **Recitals.** The foregoing recitals are true and correct.
2. **Hearing Report.** The City Council hereby makes the Hearing Report a part of the record of the hearing.
3. **Description of Revised Boundaries and Territory Proposed to Be Annexed in the Future.** The revised proposed boundaries of the community facilities district and the territory proposed to be annexed in the future are shown on an amended map on file in the office of the City Clerk. (Parcels within the territory proposed to be annexed in the future may be annexed only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed.) The City Council hereby directs the City Clerk to endorse the certificates set forth on the amended map indicating its filing in the office of the City Clerk and evidencing the date and adoption of this resolution. The City Council further directs the City Clerk to record a copy of the map with the Sacramento County Recorder within 10 days after the adoption of this resolution, in accordance with the provisions of Section 3113 of the California Streets and Highways Code.
4. **No Majority Protest.** The proposed special tax to be levied in the District has not been precluded by majority protest pursuant to Section 53324 of the Act.
5. **Determination to Proceed.** On the basis of all of the foregoing, the City Council hereby determines to proceed with establishing the District and directs staff to submit a resolution of formation for consideration at a later City Council meeting.
6. **CEQA Exemption.** The environmental impacts of construction of the public facilities that will be needed to serve development in the Laguna Ridge Specific Plan area, including the Facilities, which is a "project" within the meaning of the California Environmental Quality Act ("CEQA"), were analyzed in the environmental impact reports prepared for the City's General Plan and the Laguna Ridge Specific Plan prior to their approval by the City Council, as required by CEQA. The City Council hereby determines that its formation of the District is not a "project" as defined in CEQA (see CEQA Guidelines section 15378(c)).

PASSED AND ADOPTED by the Elk Grove City Council on December 14, 2005


DANIEL BRIGGS, Mayor

ATTEST:


PEGGY JACKSON, City Clerk

APPROVED AS TO FORM:


ANTHONY MANZANETTI, City Attorney

**CITY OF ELK GROVE
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAGUNA RIDGE)**

COMMUNITY FACILITIES DISTRICT REPORT

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Exhibit B - Cost Estimates

**CITY OF ELK GROVE
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAGUNA RIDGE)**

INTRODUCTION. The City Council (the "Council") of the City of Elk Grove (the "City") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, on November 9, 2005, adopt a resolution entitled, "A Resolution of the City Council of the City of Elk Grove Declaring its Intention to Establish Community Facilities District No. 2005-1 (Laguna Ridge), to Levy a Special Tax to Pay for Certain Public Facilities and Services, and to Incur a Bonded Indebtedness to Pay for Certain Public Facilities and to Provide for Future Annexation of Territory". In the Resolution of Intention, the Council expressly ordered the preparation of a written Community Facilities District Report (the "Report") for the proposed Community Facilities District (the "CFD").

The Resolution of Intention ordering the Report did direct that the Report generally contain the following:

1. A brief description of the facilities and services to be funded by the CFD; and
2. An estimate of the cost of providing the facilities and services, including the incidental expenses to be paid or repaid for the CFD.

For particulars, reference is made to the Resolution of Intention for the CFD, as previously approved and adopted by the Council.

NOW, THEREFORE, the following data is submitted pursuant to the direction of the Council:

A. DESCRIPTION OF FACILITIES AND SERVICES. A description of the facilities and services eligible to be funded by the CFD is provided in Exhibit "A" attached hereto and hereby made a part hereof. It is not expected that the maximum special tax revenues will be sufficient for all facilities listed in Exhibit A to be funded by the CFD.

B. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. The proposed boundaries of the CFD are those parcels on which special taxes may be levied to pay for the costs of the services. The proposed boundaries of the CFD, including future annexation areas, are described in the map of the CFD recorded in Book 101 on Page 26 of Maps of Assessment and Community Facilities Districts in the office of the County Recorder for the County of Sacramento, a copy of which map is on file with the City Clerk. Additional property is expected to be annexed into the CFD in future years; an amended boundary map will be recorded after each annexation.

C. COST ESTIMATES. The cost estimates for funding the facilities and services are set forth in Exhibit "B" attached hereto and hereby made a part hereof.

These facilities include, but are not limited to: gravity sewer lines; force mains; lift stations; odor-control facilities; and related wastewater improvements.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site water facilities designed to meet the needs of development within the CFD. These facilities include, but are not limited to: wells and well facilities, potable and non-potable water transmission and distribution facilities (including fire hydrants); water treatment and storage facilities; pressure reducing stations; pumps; flow meters; and related potable and non-potable water system improvements.

Drainage System Improvements

Authorized facilities include any and all on- and off-site drainage and storm water conveyance improvements designed to serve the needs of development within the CFD. These facilities include, but are not limited to: pipelines and appurtenances; drainage channels; detention basins; water quality improvements (including basins); and related drainage system improvements.

Landscaping Improvements

Authorized facilities include any and all landscaping improvements designed to serve the needs of development within the CFD. These facilities include, but are not limited to: grading; turf and irrigation; trees and shrubs; sidewalks, pathways, and trails; masonry soundwalls; entry monumentation and signage; and other related hard and soft-scape improvements along roadways and adjacent to or within parks, open space, drainage channels, and detention basins.

Parks and Parkways

Authorized facilities include any and all park and parkway improvements designed to serve the needs of development within the CFD. These facilities include, but are not limited to: grading, turf and irrigation, trees and shrubs, sports fields/courts, playground equipment, signage, and other related hard and soft-scape improvements within parks and parkways.

Other Public Facility Improvements or Costs

Authorized facilities also include a funding share of a community center, recreation center, sports (including aquatics) facilities, cultural arts facilities, museum, and library.

EXHIBIT A

**CITY OF ELK GROVE
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAGUNA RIDGE)**

AUTHORIZED PUBLIC CAPITAL FACILITIES AND SERVICES

Authorized facilities, services, and costs that may be funded through the Community Facilities District (CFD) include the following public improvements, development impact fees, public services, and formation and administrative expenses. It is not expected that revenues available from the adopted maximum special tax rates will be sufficient to fund all of the items listed below.

Public Improvements

Transportation Improvements

Authorized facilities include the following transportation-related improvements:

- Bruceville Road;
- Bilby Road;
- Kammerer Road;
- Big Horn Boulevard;
- Whitelock Parkway;
- Old Poppy Ridge Road;
- Lotz Parkway;
- Laguna Springs Drive;
- West Stockton Boulevard;
- Civic Center Drive; and
- Other public roadway improvements required to meet the needs of the project.

Eligible transportation-related facility improvements include, but are not limited to: grading and paving; existing pavement removal; joint trenches; utility relocations and underground utilities; curbs; gutters; bridge and/or box culvert crossings; street lights and signalization; signage and striping; and median landscaping related thereto. Eligible improvements also include reconstruction of roads (wherever located) damaged during the development of the land within the CFD.

Wastewater System Improvements

Authorized facilities include any and all on- and off-site wastewater conveyance and collection facilities designed to meet the needs of development within the CFD.

These facilities include, but are not limited to: gravity sewer lines; force mains; lift stations; odor-control facilities; and related wastewater improvements.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site water facilities designed to meet the needs of development within the CFD. These facilities include, but are not limited to: wells and well facilities, potable and non-potable water transmission and distribution facilities (including fire hydrants); water treatment and storage facilities; pressure reducing stations; pumps; flow meters; and related potable and non-potable water system improvements.

Drainage System Improvements

Authorized facilities include any and all on- and off-site drainage and storm water conveyance improvements designed to serve the needs of development within the CFD. These facilities include, but are not limited to: pipelines and appurtenances; drainage channels; detention basins; water quality improvements (including basins); and related drainage system improvements.

Landscaping Improvements

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Other Public Facility Improvements or Costs

Authorized facilities also include a funding share of a community center, recreation center, sports (including aquatics) facilities, cultural arts facilities, museum, and library.

Development Impact Fees

Eligible expenditures include prepayment of development impact fees applicable to new development within the CFD. The following development impact fees will be eligible for prepayment:

- City of Elk Grove Roadway Fee;
- Proposed Laguna Ridge Park Development Fee;
- Sacramento County Zone 11A Drainage Fees;
- Sacramento County Zone 40 Water Fees; and
- Sacramento County Sanitation District No. 1 Fees.

Formation and Administrative Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to: the cost of planning, permitting, and designing the facilities (including the cost of environmental evaluation and environmental remediation/mitigation); land acquisition for authorized CFD facilities; project management, construction staking; utility relocation and demolition costs incident to the construction of the public facilities, cost associated with the creation of the Mello-Roos CFD; issuance of bonds; determination of the amount of taxes, collection of taxes; payment of taxes; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities serving development within the CFD; and any other expenses incidental to the construction, completion, and inspection of the facilities.

Public Services

Services to be funded by the collection of annual special taxes in the CFD are listed below.

- Maintenance of public parkways, public parks, open space, landscape setbacks, bike and other paths, and landscaped medians in and adjacent to roadways within the CFD, including tree, shrub, lawn, and ground cover care; mowing; weed control; pruning; fertilization; litter removal; tree and shrub well maintenance; irrigation system inspections; and repair and replacement of vegetation and other physical features and systems.
- Maintenance of environmental preserves, which are retained and used as open space recreational lands, to the extent allowed by, and fulfilling the requirements of, the U.S. Corp of Engineers 404 permit (e.g., passive recreation, informational signage, litter collection and other non-obtrusive activities) and the associated

performance and management of environmental mitigation monitoring and annual reporting necessary to assure proper maintenance of these lands.

- Maintenance of publicly-owned masonry soundwalls, barrier and property fencing, including but not limited to , enhanced wood or concrete fences, ornamental iron fences, post-and-cable fences, and pedestrian bridges constructed within or over public lands, easements or rights-of-way as specified in the Laguna Ridge Design Guidelines and/or required in the Laguna Ridge Specific Plan and subsequent tentative maps.
- Maintenance of entryway monumentation, enhanced stamped concrete and paver stone surface treatments, and landscaping within or over public lands, easements or public rights-of-way.
- Maintenance of landscaping and improvements to detention basins and drainage facilities, exclusive of repair and replacement of the detention and drainage facilities themselves which will remain the obligation of other public agencies, such as the City of Elk Grove.
- Autumn leaf cleanup, including street sweeping and drainage inlet cleaning, for public parkways, landscape setbacks, and landscaped medians in and adjacent to major roadways within the CFD.
- Maintenance and operation of a community center, recreation center, sports (including aquatic) facilities, cultural arts center, and water features.
- Repair and replacement of vandalism of District-maintained facilities, including graffiti, and direct damage related to wear-and-tear.

Costs of services

The costs of the services and incidental costs to be funded by annual special taxes in Community Facilities District No. 2005-1 (Laguna Ridge) include:

- Electric and water utility costs associated with the services.
- Contingency costs, including a contingency reserve, as required by the District.
- Funding of designated sinking funds to be used by the City to fund future repairs and replacement of landscaping, entry monuments and features, walls and fences, and other services as determined by the City.
- District costs associated with the setting, levy, and collection of the Special Taxes.

Excluded Services

Revenues from CFD No. 2005-1 special taxes will not be used to fund any of the following:

- Private fences and gates located within the public landscape corridor or open space right-of-way (except for graffiti removal which may be funded by the CFD).
- Any landscaping, fences, gates, or monuments located on private property.

EXHIBIT B

**CITY OF ELK GROVE
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(LAGUNA RIDGE)**

**ANNUAL FACILITIES COST ESTIMATES IN 2005 DOLLARS
(totals estimated for all four phases in Laguna Ridge)**

1. Roadways	\$74,302,432
2. Drainage Facilities	\$14,404,974
3. Sewer Facilities	\$14,338,260
4. Water	\$40,881,979
5. Non-Potable Water	\$7,665,482
6. Landscape Corridors	\$22,608,490
7. Parks, Parkways, Open Space	\$75,165,862
8. Community/Recreation/Aquatics Center	<u>\$25,000,000</u>
Total, Estimated Facilities Costs (Year 2005\$)	\$274,417,479

**ANNUAL SERVICES COST ESTIMATES IN 2005 DOLLARS *
(totals estimated for all four phases in Laguna Ridge)**

1. Maintenance of Parks, Open Space, Parkway	\$3,087,290
2. Maintenance of Landscape Corridors & Medians	\$992,389
3. Maintenance of Recreation Facilities & Water Features	\$412,000
4. Maintenance of Interchange Landscaping	<u>\$3,646</u>
Total, Estimated Annual Service Costs (Year 2005\$)	\$4,495,000

* Services costs include 3% for City administrative costs.

**CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2005-381**

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

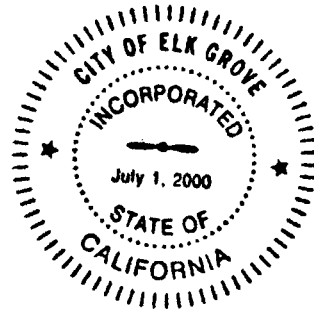
I, Peggy E. Jackson, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on the 14th day of December, 2005 by the following vote:

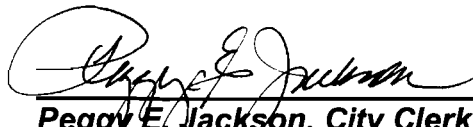
AYES 5: COUNCILMEMBERS: Soares, Scherman, Briggs, Cooper, Leary

NOES 0: COUNCILMEMBERS:

ABSTAIN 0: COUNCILMEMBERS:

ABSENT 0: COUNCILMEMBERS:





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