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FINAL HEARING REPORT

CROCKER RANCH CFD NO. 2 (SERVICES DISTRICT)

Prepared for:

City of Roseville

Prepared by:

Economic & Planning Systems, Inc.

September 24, 2001

EPS #10042

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I. INTRODUCTION

BACKGROUND

The Crocker Ranch Plan area encompasses approximately 250.5 gross acres of development located in the North Roseville Phase II Planning Area. The project is planned to be a primarily residential project, with approximately 1,098 units on approximately 241.5 acres. As shown in **Map 1**, the CFD is primarily accessed by its western boundary, Fiddymont Road.

Currently, there are two phases of development planned – Crocker Ranch South or “Zone 1” (referring to parcels south of Pleasant Grove Creek) and Crocker Ranch North or “Zone 2” (referring to parcels north of Pleasant Grove Creek).

PURPOSE OF THE ANALYSIS

The purpose of this report is to present a discussion of the Crocker Ranch Services District CFD No. 2 that will be used to fund the maintenance and facility costs needed to serve the Crocker Ranch development project.

This report serves as the Hearing Report required by the Mello-Roos Act. It discusses the public services and facilities to be funded, the structure of the CFD, and the Maximum Annual Special Taxes.

ORGANIZATION OF THE REPORT

Chapter II describes the land uses within the CFD along with the services and facilities to be provided by the CFD. **Chapter III** describes the annual maintenance, service, and facility costs and the proposed maximum special tax for the land uses within the project. **Chapter IV** describes the structure of the proposed CFD and the Rate and Method of Apportionment of Special Tax (“Special Tax Formula”).

Two exhibits are attached to this report. **Exhibit A** is the Rate and Method of Apportionment (the “Tax Formula”). The maps at the end of this exhibit show the general boundaries of the CFD. **Exhibit B** is the list of eligible services and facilities to be funded by the CFD.

II. LAND USE AND ANNUAL CFD COSTS

LAND USE

The Crocker Ranch development project is planned to be primarily residential with a neighborhood park, open space, and greenbelt areas. There are approximately 1,098 residential units planned within Crocker Ranch at buildout. **Figure 1** provides a summary of the planned land uses for Crocker Ranch.

Map 1 shows the proposed boundaries for the Crocker Ranch CFD No. 2. Development of Crocker Ranch is planned to occur in two phases – Crocker Ranch South will be developed first and those parcels in Crocker Ranch North will be developed second.

Map 1 also shows the boundaries for these areas that are also referred to as Zone 1 and Zone 2 for purposes of the Special Tax Formula.

ANNUAL CFD COSTS

This section will describe the annual costs to be funded by the CFD as well as describe how these costs have been allocated throughout the project area. This section describes the annual costs for Crocker Ranch a summary of which is provided in **Figure 2**. **Figure 3** shows the annual costs attributable to Crocker Ranch South and **Figure 4** shows the annual costs attributable to Crocker Ranch North.

Total annual costs for Crocker Ranch are estimated to be \$245,000 (2001 dollars) at buildout. Annual costs for Crocker Ranch South are estimated at \$37,000 (2001 dollars) and \$208,000 (2001 dollars) for Crocker Ranch North.

The annual costs include funding for on-site landscape maintenance and services as well as construction of authorized facilities and are summarized as follows:

- Maintenance of Landscape Corridors and Medians
- Construction and Maintenance of 9.0 Acre Park
- Entry Landscaping & Signage
- Maintenance of Open Space

Sinking Funds:

- Masonry Soundwalls
- Post and Cable
- Vandalism
- Repair/Replacement

Other service costs included in the annual cost estimate are as follows:

- Water/Electric Costs
- Park Staff Contract Administration
- City Administrative Costs
- County Administrative Costs

Some of the cost items described herein will require a lump sum expenditure; however, the City will collect special taxes on an annual basis and place these revenues in a sinking fund to accommodate future costs. A City administrative cost equal to 6 percent of the above costs is also included in the total project cost estimate. The County of Placer charges 1 percent to place the annual special tax on the tax rolls. This charge is also included in the annual costs.

All of the costs reported in this document are in 2001 dollars. The annual costs can be adjusted each year after the Base Year by up to 4 percent, pursuant to the Special Tax Formula.

LANDSCAPE CORRIDOR MAINTENANCE

Landscape maintenance will occur on the landscape corridors adjacent to the low-density residential units and contiguous to and within the right-of-way of Fiddymont Road, Opal Drive, Casa Sedona Drive, Blue Oaks Boulevard, and Crocker Ranch Boulevard. Maintenance costs will include the following:

- Mowing
- Repair and Replacement
- Associated electric and water utility costs
- Autumn leaf clean up

The total annual costs for the maintenance of the landscape corridors for Crocker Ranch is estimated to be \$78,617 and the electric/water costs are estimated to be \$19,612.

COMMUNITY ENTRY AREAS

There are two planned community entry areas. For Crocker Ranch South, the entry area will be at the intersection of Blue Oaks Boulevard and Crocker Ranch Road. The entry area for Crocker Ranch North will be at Fiddymont Road and Casa Sedona Drive.

For each area, the annual cost estimated is \$2,000. This includes approximately \$1,000 to cover the cost of annual flower arrangements at the entry points on the left and right side of the road, as well as the median strip if applicable. It is anticipated that the annual flower arrangements will be re-planted each year.

Figure 1
Crocker Ranch CFD No. 2 (Services)
Summary of Land Use

Parcel	Land Use	Acres	Units
Crocker Ranch South (Zone 1)			
Crocker Ranch			
W-4	LDR	29.2	116
W-5	LDR	12.1	48
Subtotal		41.3	164
Crocker Ranch North (Zone 2)			
M-8	LDR	7.4	33
M-9	LDR	32.6	119
M-10	LDR	18.3	71
D-1	LDR	7.4	45
D-2	LDR	21.6	136
D-3	LDR	27.6	158
D-4	LDR	22.4	96
D-5	LDR	26.9	118
D-6	LDR	21.4	91
D-7	LDR	14.7	67
DR-50	PARK	9.0	0
Subtotal		209.2	934
Total - Crocker Ranch		250.5	1,098

"land_use"

Figure 2
Crocker Ranch CFD No. 2 (Services)
Summary of Landscape & Maintenance Costs

	Crocker Ranch		Total
	South	North	
Landscape Corridor			
Crocker Ranch Blvd.	\$14,400	\$17,640	\$32,040
Blue Oaks Blvd.	\$2,250	-	\$2,250
Fiddymment Road --			
North of Casa Sedona Dr.	-	\$12,834	\$12,834
South of Casa Sedona Dr.	-	\$9,173	\$9,173
Casa Sedona Dr.	-	\$17,100	\$17,100
Opal Drive	-	\$5,220	\$5,220
Subtotal	\$16,650	\$61,967	\$78,617
Community Entry Areas	\$2,000	\$2,000	\$4,000
Open Space			
Parcel 80	\$3,625	-	\$3,625
Parcel 81	\$2,976	-	\$2,976
Parcel 82	\$1,136	-	\$1,136
Subtotal	\$7,738	\$0	\$7,738
Park Construction/Maintenance	-	\$108,000	\$108,000
Sinking Funds			
Masonry Walls	\$500	-	\$500
Post and Cable	\$200	-	\$200
Vandalism	\$1,000	\$1,000	\$2,000
Repair/Replacement	\$1,000	\$2,500	\$3,500
Subtotal	\$2,700	\$3,500	\$6,200
Water/Electric Costs [1]	\$4,154	\$15,459	\$19,612
Subtotal Costs	\$33,241	\$190,926	\$224,167
Park Staff Contract Administration	\$1,500	\$3,500	\$5,000
City Administrative Costs	\$1,994	\$11,456	\$13,450
County Administrative Costs	\$332	\$1,909	\$2,242
Total Costs	\$37,068	\$207,790	\$244,858
Total Costs Rounded	\$37,000	\$208,000	\$245,000

"cost_summary"

Figure 3
Crocker Ranch CFD (Services) No. 2
Estimated On-Site Annual Landscape Maintenance Costs

Crocker Ranch South

	Unit	Annual Cost Per Unit	Annual Cost	Assumptions Based on
Landscape Corridor [1]				
Crocker Ranch Blvd.	80,000 Sqft	\$0.18 per Sqft	\$14,400	Stoneridge Serv. CFD
Blue Oaks Blvd.	12,500 Sqft	\$0.18 per Sqft	\$2,250	Stoneridge Serv. CFD
Subtotal	92,500 Sqft		\$16,650	
Community Entry Areas	Lump Sum		\$2,000	Includes landscaping and signage
Open Space				
Parcel 80	17.43 Acres	\$208 per Acre	\$3,625	Assumed
Parcel 81	14.31 Acres	\$208 per Acre	\$2,976	Assumed
Parcel 82	5.46 Acres	\$208 per Acre	\$1,136	Assumed
Subtotal	37.20 Acres		\$7,738	
Sinking Funds				
Masonry Walls	Lump Sum		\$500	Stoneridge Serv. CFD
Post and Cable	Lump Sum		\$200	Stoneridge Serv. CFD
Vandalism	Lump Sum		\$1,000	Stoneridge Serv. CFD
Repair/Replacement	Lump Sum		\$1,000	Stoneridge Serv. CFD
Subtotal			\$2,700	
Water/Electric Costs [2]	Lump Sum		\$4,154	City of Roseville
Subtotal Costs			\$33,241	
Park Staff Contract Administration	Lump Sum		\$1,500	Assumed
City Administrative Costs		6% of Costs	\$1,994	
County Administrative Costs		1% of Costs	\$332	
Total Costs			\$37,068	

"Alt 1"

[1] The \$0.18 per sqft cost estimate reflects lower historical average costs. In 2000 the City of Roseville was receiving bids ranging from \$0.21 to \$0.27 per sqft.

[2] Based on \$163 per landscaped acre per month times 2.1 acres. Cost provided by City Finance Dept.

Figure 4
Crocker Ranch CFD (Services) No. 2
Estimated On-Site Annual Landscape Maintenance Costs

Crocker Ranch North

	Unit	Annual Cost Per Unit	Annual Cost	Assumptions Based on
Landscape Corridor [1]				
Crocker Ranch Blvd.	98,000 Sqft	\$0.18 per Sqft	\$17,640	Stoneridge Serv. CFD
Fiddymment Road --				
North of Casa Sedona Dr.	71,300 Sqft	\$0.18 per Sqft	\$12,834	Stoneridge Serv. CFD
South of Casa Sedona Dr.	50,961 Sqft	\$0.18 per Sqft	\$9,173	Stoneridge Serv. CFD
Opal Drive	95,000 Sqft	\$0.18 per Sqft	\$17,100	Stoneridge Serv. CFD
Casa Sedona Dr.	29,000 Sqft	\$0.18 per Sqft	\$5,220	Stoneridge Serv. CFD
Subtotal	344,261 Sqft		\$61,967	
Community Entry Area	Lump Sum		\$2,000	Includes landscaping and signage
Park Construction/Maintenance	Lump Sum		\$108,000	per Dev. Agreement
Sinking Funds				
Vandalism	Lump Sum		\$1,000	Stoneridge Serv. CFD
Repair/Replacement	Lump Sum		\$2,500	Stoneridge Serv. CFD
Subtotal			\$3,500	
Water/Electric Costs [2]	Lump Sum		\$15,459	City of Roseville
Subtotal Costs			\$190,926	
Park Staff Contract Administration	Lump Sum		\$3,500	Assumed
City Administrative Costs		6% of Costs	\$11,456	
County Administrative Costs		1% of Costs	\$1,909	
Total Costs			\$207,790	

"Alt 2"

[1] The \$0.18 per sqft cost estimate reflects lower historical average costs. In 2000 the City of Roseville was receiving bids ranging from \$0.21 to \$0.27 per sqft.

[2] Based on \$163 per landscaped acre per month times 7.9 acres. Cost provided by City Finance Dept.

The remaining cost for each entry area is budgeted to cover the cost of electricity for the lighted entrance signs and, if necessary, any repair or replacement associated with each sign.

PARK CONSTRUCTION & MAINTENANCE

CFD No. 2 will fund maintenance for the park as required by the Development Agreement (for Doctors Ranch, Section 3.2.2). The park is located through the Casa Sedona Drive entrance near the center of the Doctor Ranch portion of the project at the intersection of Opal Drive and Crocker Ranch Road. Park maintenance is estimated to be \$108,000 per year. This will include maintenance of turf, landscaping, and irrigation.

OPEN SPACE

Crocker Ranch South includes three open space parcels, 80, 81, and 82, which will be maintained by the CFD. These three parcels total 37.2 acres and the cost to maintain these acres is assumed to be \$208 per acre, or \$7,738 per year. These costs assume annual litter removal and periodic mowing around the perimeters of the parcels.

No open space parcels are included in Crocker Ranch North.

SINKING FUND ITEMS

The CFD will allow for sinking fund payments for maintenance of masonry walls, post and cable fencing, vandalism, and other repair and replacement. These costs on an annual basis are estimated to be \$6,200 for the total project area.

OTHER COSTS

Water/electric costs and park staff contract administration costs are lump sum costs. The water/electric costs are based on a per acre cost of \$163 and a service area of 2.1 acres of landscape corridor for Crocker Ranch South and 7.9 acres for Crocker Ranch North. The costs are estimated to be \$19,612, as mentioned above.

Administrative costs are also included in the annual costs. Costs are allocated for park staff contract administration, City administration, and County administration charges as shown in **Figure 2**.

COST ALLOCATION

Crocker Ranch is a low-density residential development. As shown in **Figure 1**, there are approximately 1,098 single-family residences planned in Crocker Ranch on a total of approximately 241.5 acres.

Because there are two phases of development planned for Crocker Ranch, EPS analyzed the cost per single family unit for both Crocker Ranch South and Crocker Ranch North. As shown in **Figure 5**, the cost per unit is \$2 more for Crocker Ranch North than for Crocker Ranch South.

To insure that there is sufficient revenue collected to cover the annual costs for both Crocker Ranch South and North, the Maximum Annual Special Tax is proposed to be **\$226 per Planned Unit** for both Crocker Ranch South and Crocker Ranch North parcels. This is a conservative approach and allows for a small contingency of approximately 1.3 percent once all parcels develop (shown in **Figure 6**).

Figure 5
Crocker Ranch CFD No. 2 (Services)
Comparison of Per Unit Cost for Landscape and Maintenance Services
Annual Cost Allocation by EDUs vs. Allocation by Schedule of Improvements

	Number of Residential Units	Distribution of Units	Cost Allocation by Units (EDUs)		Actual Annual Cost [1]	Cost per Unit	Difference	
			Total Annual Costs	Allocation of Annual Costs			in Annual Cost	Cost per Unit
Total Annual Costs (2001\$)			<i>Rounded</i> \$245,000		\$245,000			
Crocker Ranch South	164	15%		\$36,594	\$37,000	\$226.00	\$406	\$2
Crocker Ranch North	934	85%		\$208,406	\$208,000	\$223.00	(\$406)	(\$0)
Total	1,098	100%		\$245,000	\$245,000	\$223		

"cost_alloc_comp"

[1] Reflects the schedule of improvements required for Crocker Ranch South and Crocker Ranch North.

Figure 6
Crocker Ranch CFD No. 2 (Services District)
Proposed Maximum Special Tax
Per Planned Unit for Residential Land Uses

Parcel	Land Use	Acres	Units	Maximum Annual Special Tax Per Planned Unit	Total Special Tax Revenue
M-10	LDR	18.3	71	\$226	\$16,046
M-8	LDR	7.4	35	\$226	\$7,910
M-9	LDR	32.6	112	\$226	\$25,312
W-4	LDR	29.2	116	\$226	\$26,216
W-5	LDR	12.1	48	\$226	\$10,848
DR-1	LDR	7.4	45	\$226	\$10,170
DR-2	LDR	21.6	136	\$226	\$30,736
DR-3	LDR	27.6	158	\$226	\$35,708
DR-4	LDR	22.4	96	\$226	\$21,696
DR-5	LDR	26.9	118	\$226	\$26,668
DR-6	LDR	21.4	91	\$226	\$20,566
DR-7	LDR	14.7	72	\$226	\$16,272
DR-50	PARK	9.0			
TOTAL		250.5	1,098		\$248,148
Crocker Ranch CFD No.2 Annual Costs					\$245,000
Contingency Amount					\$3,148
Contingency as % of Total Annual Costs					1.3%

"special_tax_rev"

III. PROPOSED ANNUAL COSTS AND MAXIMUM SPECIAL TAX

The CFD's annual maintenance and services costs will be funded through the collection of special taxes levied against the property within the CFD. Special taxes will be collected from each unit or acre based on the land uses within the District.

The maximum annual cost of CFD services funded by special taxes was calculated assuming direct service costs and a City administrative expense. Total annual costs were calculated to be \$245,000 in 2001 dollars, including 6 percent City administrative expense and a 1 percent County administrative expense.

The Maximum Annual Special Tax is based on a tax per Planned Unit of \$226. There are 1,098 planned units within the CFD and, therefore, the Maximum Annual Special Tax Revenue is \$248,148 in the Base Year.

The special tax levy must provide for annual payments of the costs. In years when less than maximum revenues are needed, the tax levy will be less than the maximum authorized rates.

IV. STRUCTURE OF THE PROPOSED CFD

DESCRIPTION OF THE COMMUNITY FACILITIES DISTRICT

Special taxes within the CFD will be levied according to the Rate and Method of Apportionment of Special Tax (the "Tax Formula"). The attached exhibits contain the formation documents for Crocker Ranch CFD No. 2 (Services District). **Exhibit A** contains the Tax Formula and **Exhibit B** is the list of authorized services to be funded by CFD No. 2. The purpose of CFD No. 2 is to provide funding for the annual maintenance and facility costs as authorized by the CFD.

DEFINITION OF ANNUAL COSTS

Each year the City will approve the costs for CFD No. 2 for the upcoming fiscal year. The annual costs will include the following items:

- Costs to maintain authorized CFD services;
- Sinking fund set-aside for authorized services; and,
- Administration of the CFD.

The City will then apply the Tax Formula to determine the tax levy for each unit.

DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX

The City shall prepare a list of parcels subject to the Special Tax using the records of the City of Roseville and the County Assessor. The City will tax all parcels within CFD No. 2 except those that are declared tax-exempt. Taxable parcels that are acquired by a public agency after CFD No. 2 is formed will remain subject to the special tax unless a "trade" resulting in no loss of tax revenue can be made, as described in Section 3 of the Tax Formula. Public parcels created by subdivision of a taxable parcel will not be subject to a special tax levy.

TERMINATION OF THE SPECIAL TAX

The special tax will be levied and collected in perpetuity.

ASSIGNMENT OF MAXIMUM SPECIAL TAX

The maximum annual special tax is set at a base rate of \$226 per Planned Unit for single family residential units. The maximum annual special tax will escalate no more than 4 percent each year to cover actual or anticipated increases in the annual costs.

The Maximum Annual Special Tax will be assigned to parcels as follows:

1. Large Lot Parcels – The Maximum Annual Special Tax for a Large Lot Parcel shall be determined by multiplying the Maximum Annual Special Tax per Planned Unit by the number of Single Family Units assigned to the Large Lot Parcel or as otherwise designated by the City.
2. Developed Parcels – The Maximum Annual Special Tax for each Developed Parcel is equivalent to the number of Single Family Units times the Maximum Annual Special Tax per Planned Unit.
3. Conversion of a Tax-Exempt Parcel to a Taxable Parcel – if a Public Parcel is not needed for public use and is converted to private use, it shall become subject to the Special Tax.
4. Taxable Parcels Acquired by a Public Agency – A Taxable Parcel that is acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of Government Code. An exception to this may be made if a Public Parcel within the CFD is relocated to a Taxable Parcel, the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel, and the Maximum Annual Special Tax from the previously Taxable Parcel is transferred to the newly Taxable Parcel. This trading of Parcels will be permitted to the extent that there is no net loss in Maximum CFD Revenue.

SETTING THE ANNUAL SPECIAL TAX RATE

After computing the annual costs, the City will determine the Maximum Annual Special Tax rate for each parcel. To determine the annual special tax, the City will use the process presented in Section 6 of the Tax Formula. This process is summarized as follows:

The Special Tax will be levied *only* on Tax Zone 1 Parcels until a Final Subdivision Map is recorded in Tax Zone 2. The Special Tax levy for each Taxable Parcel will be established annually as follows:

1. Determine the Special Tax levy for each parcel as follows:
 - a. Calculate the Maximum Annual Special Tax Revenue from Developed Parcels.

- b. Compare the Annual Costs with the Maximum Annual Special Tax Revenue calculated in the previous step.
 - c. If the Annual Costs are less than or equal to the Maximum Annual Special Tax Revenue, apply the Special Tax levy proportionately for each Taxable Parcel until the Special Tax revenue equals the assigned Annual Cost.
2. If after performing the previous steps, Annual Costs are greater than Maximum Annual Special Tax Revenue from Developed Parcels, perform the following steps:
- a. If no Developed Parcels have been created by a Final Subdivision Map in Tax Zone 2, levy the Special Tax up to 100 percent of maximum for all Large Lot Parcels in Tax Zone 1 until the Maximum Annual Special Tax Revenue from Large Lot Parcels and Developed Parcels in Tax Zone 1 equal Annual Costs.
 - b. If Developed Parcels have been created by a Final Subdivision Map in Tax Zone 2, levy the Special Tax up to 100 percent of maximum for all Large Lot Parcels in Tax Zone 1 and Tax Zone 2 until the Maximum Annual Special Tax Revenue from Large Lot Parcels and Developed Parcels in all Tax Zones equal Annual Costs.

Once completed, the City will prepare the Tax Collection Schedule for each Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

PREPAYMENT OF SPECIAL TAX OBLIGATION

Prepayment of special taxes is not permitted.

MANNER OF COLLECTION

The special tax will be collected in the same manner and at the same time as *ad valorem* property taxes. At the City's option, the special taxes may be billed directly to property owners.



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EXHIBITS:

EXHIBIT A: RATE AND METHOD OF APPORTIONMENT

EXHIBIT B: LIST OF AUTHORIZED SERVICES

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EXHIBIT A:

RATE AND METHOD OF APPORTIONMENT

EXHIBIT A
CITY OF ROSEVILLE
CROCKER RANCH
COMMUNITY FACILITIES DISTRICT NO. 2
(Services District)
RATE AND METHOD OF APPORTIONMENT

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 Crocker Ranch Community Facilities District No. 2 (the "CFD") of the City of Roseville (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.

"**Administrative Expenses**" means the costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and 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 Finance Director.

"**Annual Cost(s)**" means for each Fiscal Year, the total of: 1) the estimated cost of authorized services; 2) Administrative Expenses, and 3) any amounts needed to cure actual or projected delinquencies in Special Taxes for the current or previous Fiscal Year.

"**Annual Tax Escalation Factor**" means an increase in the Maximum Annual Special Tax Rate following the Base Year in an amount not to exceed 4% annually.

"**Base Year**" means Fiscal Year ending June 30, 2002.

"**CFD**" means the Crocker Ranch Community Facilities District No. 2 of the City of Roseville.

"**City**" means the City of Roseville, California.

"**Council**" means the City Council of the City of Roseville as the legislative body for the CFD under the Act.

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

"**County Assessor's Parcel**" means the Parcel and Parcel number as recorded by the County Assessor on the equalized tax roll.

"**Crocker Ranch**" means Crocker Ranch South and Crocker Ranch North which include parcels from two project areas formerly known as Mourier 160 of Phase II of the North Roseville Specific Plan and Doctor's Ranch - Phase III of the NRSP.

"**Developed Parcel**" means a Parcel designated for single-family residential development which has a Final Subdivision Map, or a Parcel for all other uses which has a building permit.

"**Final Subdivision Map**" means a recorded map designating the final Parcel splits for individual single family residential Parcels.

"**Finance Director**" means the Finance Director for the City of Roseville or his or her designee.

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

"**Large Lot Parcel**" means the planned Large Lot Parcels by land use as identified in the North Roseville Specific Plan Phase II and Phase III.

"**Maximum Annual Special Tax**" means the greatest amount of Special Tax that can be levied against a Parcel in a given Fiscal Year.

"**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.

"**Parcel**" means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County.

"**Planned Unit**" means the number of single family residential lots or parcels estimated to be created by a Final Subdivision map for each Large Lot Parcel shown **Attachment 1**.

"**Public Parcel**" means any Parcel that is, or is intended to be, (1) publicly owned, and (2) 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, greenbelts, and public open space. These Public Parcels – so identified at the formation of CFD – are exempt from the levy of Special Taxes.

"**Single Family Unit**" means either a Final Use Parcel created by a Final Subdivision Map or a single family unit as assigned by the City to the applicable Parcel with zoning allowing for no more than two single family units per Parcel.

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

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

"**Tax Zone 1**" means that area so designated on Map 1, located in the CFD south of the North Branch of Pleasant Grove Creek.

"**Tax Zone 2**" means that area so designated on Map 1, located in the CFD north of North Branch of Pleasant Grove Creek.

"**Taxable Parcel**" means any Parcel that is not exempt from Special Taxes as defined below.

"**Tax-Exempt Parcel**" means all Public Parcels.

3. DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX

The Finance Director shall prepare a list of the Parcels for each Special Tax Group subject to the Special Tax using the records of the County Assessor and the City's own records. The City shall identify the Taxable Parcels from a list of all Parcels within the CFD using the procedure described below.

- 1) Exclude all Tax-Exempt Parcels.
- 2) The remaining Parcels are subject to the Special Tax according to the formula detailed below.

It shall be the burden of the taxpayer to timely correct any errors in the determination of the Parcels subject to the Special Tax and their Special Tax assignments.

4. DURATION OF THE SPECIAL TAX

Taxable Parcels in the CFD shall remain subject to the Special Tax in perpetuity.

5. ASSIGNMENT OF MAXIMUM ANNUAL SPECIAL TAXES

By August 1 of each Fiscal Year, using the Definitions from Section 2 and the Maximum Annual Special Tax rates from **Attachment 1**, the Finance Director shall assign the Maximum Annual Special Taxes to Parcels as follows:

Classify each Taxable Parcel as Large Lot Parcel, or a Developed Parcel. Taxable Parcels are further classified as being located in Tax Zone 1 or Tax Zone 2, as shown on **Map 1**.

The Maximum Annual Special Tax for the CFD is **\$226 per Planned Unit** for the Base Year. These Maximum Annual Special Taxes will be escalated in accordance with the Annual Tax Escalation Factor in each year following the Base Year. The Maximum Annual Special Tax will be assigned to parcels as follows:

1. Large Lot Parcels – The Maximum Annual Special Tax for a Large Lot Parcel shall be determined by multiplying the Maximum Annual Special Tax per Planned Unit by the number of Single Family Units assigned to the Large Lot Parcel or as otherwise designated by the City.
2. Developed Parcels – The Maximum Annual Special Tax for each Developed Parcel is equivalent to the number of Single Family Units times the Maximum Annual Special Tax per Planned Unit.
3. Conversion of a Tax-Exempt Parcel to a Taxable Parcel – if a Public Parcel is not needed for public use and is converted to private use, it shall become subject to the Special Tax.
4. Taxable Parcels Acquired by a Public Agency – A Taxable Parcel that is acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of Government Code. An exception to this may be made if a Public Parcel within the CFD is relocated to a Taxable Parcel, the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel, and the Maximum Annual Special Tax from the previously Taxable Parcel is transferred to the newly Taxable Parcel. This trading of Parcels will be permitted to the extent that there is no net loss in Maximum CFD Revenue.

6. SETTING THE ANNUAL SPECIAL TAX RATE

The Special Tax will be levied *only* on Tax Zone 1 Parcels until a Final Subdivision Map is recorded in Tax Zone 2. The Special Tax levy for each Taxable Parcel will be established annually as follows:

1. Compute the Annual Costs using the definitions in Section 2.
2. Determine the Special Tax levy for each parcel as follows:
 - a. Calculate the Maximum Annual Special Tax Revenue from Developed Parcels.
 - b. Compare the Annual Costs with the Maximum Annual Special Tax Revenue calculated in the previous step.
 - c. If the Annual Costs are less than or equal to the Maximum Annual Special Tax Revenue, apply the Special Tax levy proportionately for each Taxable Parcel until the Special Tax revenue equals the assigned Annual Cost.
3. If after performing the previous steps, Annual Costs are greater than Maximum Annual Special Tax Revenue from Developed Parcels, perform the following steps:
 - a. If no Developed Parcels have been created by a Final Subdivision Map in Tax Zone 2, levy the Special Tax up to 100 percent of maximum for all Large Lot Parcels in Tax Zone 1 until the Maximum Annual Special Tax Revenue from Large Lot Parcels and Developed Parcels in Tax Zone 1 equal Annual Costs.
 - b. If Developed Parcels have been created by a Final Subdivision Map in Tax Zone 2, levy the Special Tax up to 100 percent of maximum for all Large Lot

Parcels in Tax Zone 1 and Tax Zone 2 until the Maximum Annual Special Tax Revenue from Large Lot Parcels and Developed Parcels in all Tax Zones equal Annual Costs.

4. Prepare the Tax Collection Schedule for each Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

The City shall make every effort to correctly assign the number of taxable units and 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.

As development and subdivision of Crocker Ranch takes place, the Finance Director will maintain a file of each current assessor's parcel number within the CFD, its Maximum Annual Special Tax, and the authorized Maximum Annual Special Tax on all Parcels within in the CFD available for public inspection.

7. ADMINISTRATIVE CHANGES AND APPEALS

The Finance Director or designee has the authority to make necessary administrative adjustments to the Rate and Method of Apportionment in order to remedy any portions of the Special Tax formula that require clarification.

Any taxpayer who feels that the amount of the Special Tax assigned to a parcel is in error may file a notice with the Finance Director appealing the levy of the Special Tax. The Finance Director will then promptly review the appeal, and if necessary, meet with the applicant. If the Finance Director verifies that the tax should be modified or changed, a recommendation at that time will be made to the City 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 City 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.

8. MANNER OF COLLECTION

The Special Tax will be collected in the same manner and at the same time as *ad valorem* property taxes; provided; however, the City or its designee may directly bill the Special Tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary to meet its financial obligation.

Attachment 1
Crocker Ranch CFD No. 2 (Services District)
Maximum Annual Special Tax
Per Planned Unit

Large Lot	Assessor's Parcel Number	Acres	Planned Units	Maximum Annual Special Tax (Per Planned Unit) [1]	Total Special Tax Revenue By Large Lot
M-10	017-114-082	18.3	71	\$226	\$16,046
M-8	017-114-083	7.4	35	\$226	\$7,910
M-9	017-114-084	32.6	112	\$226	\$25,312
W-4	017-114-085	29.2	116	\$226	\$26,216
W-5	017-114-086	12.1	48	\$226	\$10,848
DR-1	por. 017-114-028	7.4	45	\$226	\$10,170
DR-2	por. 017-114-028	21.6	136	\$226	\$30,736
DR-3	por. 017-114-028	27.6	158	\$226	\$35,708
DR-4	por. 017-114-028	22.4	96	\$226	\$21,696
DR-5	por. 017-114-028	26.9	118	\$226	\$26,668
DR-6	por. 017-114-028	21.4	91	\$226	\$20,566
DR-7	por. 017-114-028	14.7	72	\$226	\$16,272
DR-50	por. 017-114-028	9.0	0	Tax-Exempt	\$0
W-50	017-114-087	12.6	0	Tax-Exempt	\$0
W-51	017-114-088	0.3	0	Tax-Exempt	\$0
W-52	017-114-089	0.5	0	Tax-Exempt	\$0
W-53	017-114-090	0.1	0	Tax-Exempt	\$0
W-80	017-114-091	17.4	0	Tax-Exempt	\$0
W-81	017-114-092	14.3	0	Tax-Exempt	\$0
W-82	017-114-093	5.5	0	Tax-Exempt	\$0
W-83			0	Tax-Exempt	\$0
TOTAL		250.5	1,098		\$248,148

"Att 1"

[1] The Maximum Annual Special Tax shall be increased each year after the Base Year (FY 2001-2002) in accordance with the Annual Escalation Factor.



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EXHIBIT B:

LIST OF AUTHORIZED SERVICES

EXHIBIT B

CITY OF ROSEVILLE

CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 2 (Services District)

LIST OF AUTHORIZED SERVICES

INCLUDED SERVICES

Services to be funded by the collection of Special Taxes in the Crocker Ranch Community Facilities District No. 2 (Services District) are listed below. All street names used in identifying maintenance locations refer to the locations on the maps in the North Roseville Specific Plan. Actual street names may change to reflect those approved on final maps.

- a. Maintenance of the scenic corridors (including the landscape corridors adjacent to the low density residential parcels, landscape medians, and entry signage features) on the eastern side of Fiddymment Road, northern side of Blue Oaks Boulevard and interior collector roads (Crocker Ranch Blvd, Opal Drive, and Casa Sedona Drive);
- b. Performance and management of the open space maintenance, and the annual review thereof, as required pursuant to the Mourier 160 Open Space Management Plan on file with the City of Roseville dated December 19, 2000, and in accordance with the terms of the permit issued by the U.S. Army Corps of Engineers pursuant to Section 404 of the Clean Water Act, 33 C.F.R. § 322.2(f) (the "404 Permit");
- c. Maintenance of park improvements on Parcel DR-50 of the Doctors Ranch Specific Plan Area, provided that the total annual cost to the Crocker Ranch CFD No. 2 of such maintenance shall be a maximum of \$108,000 in the Base Year, to commence upon the issuance of the first building permit within the Doctors Ranch property (in Crocker Ranch North), and as provided in Section 3.2.2 of the Doctors Ranch Development Agreement, this annual cost can also be used for construction of park improvements on Parcel DR-50. The annual cost will be adjusted annually in accordance with provisions in the Rate & Method of Apportionment of Special Tax Levy.

Other authorized services include:

GENERAL CITY & COUNTY COSTS

- Park staff contract administration costs.
- City costs associated with the setting, levy, and collection of the Special Taxes.
- Other contingency costs as required by the City.
- Administrative costs charged by the County of Placer.

SINKING FUNDS

The Special Taxes may be collected and set-aside in designated sinking funds to be used by the City to fund future repairs or replacements to landscaping, entry monuments and features, walls and fences, and other services as determined by the City. Such sinking fund amounts shall be limited to the annual cost allocations listed in the CFD No. 2 hearing report for such facility services.

EXCLUDED SERVICES

Revenues from the Crocker Ranch CFD No. 2 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.