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HEARING REPORT

NORTH ROSEVILLE SPECIFIC PLAN CFD NO. 2 FINANCING PLAN

Prepared for:

City of Roseville

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EPS #4122

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I. INTRODUCTION

BACKGROUND

The North Roseville Specific Plan (NRSP) area is a 738.4 acre development located in the northwestern portion of the City Roseville. The specific plan was approved by the City Council in 1997. The project is bisected by Blue Oaks Boulevard and lies east of the Del Webb project and west of Hewlett Packard, as shown on **Map 1**. The NRSP area is comprised of four major project areas: Diamond Creek, Eskaton Village, Mourier 140, and Woodcreek North.

Development of the NRSP project will require ongoing annual maintenance of parkways, open space, and landscape corridors with the Plan Area. The City-required service requirements are detailed in the development agreements between the City and each landowner.

PURPOSE OF THE CFD

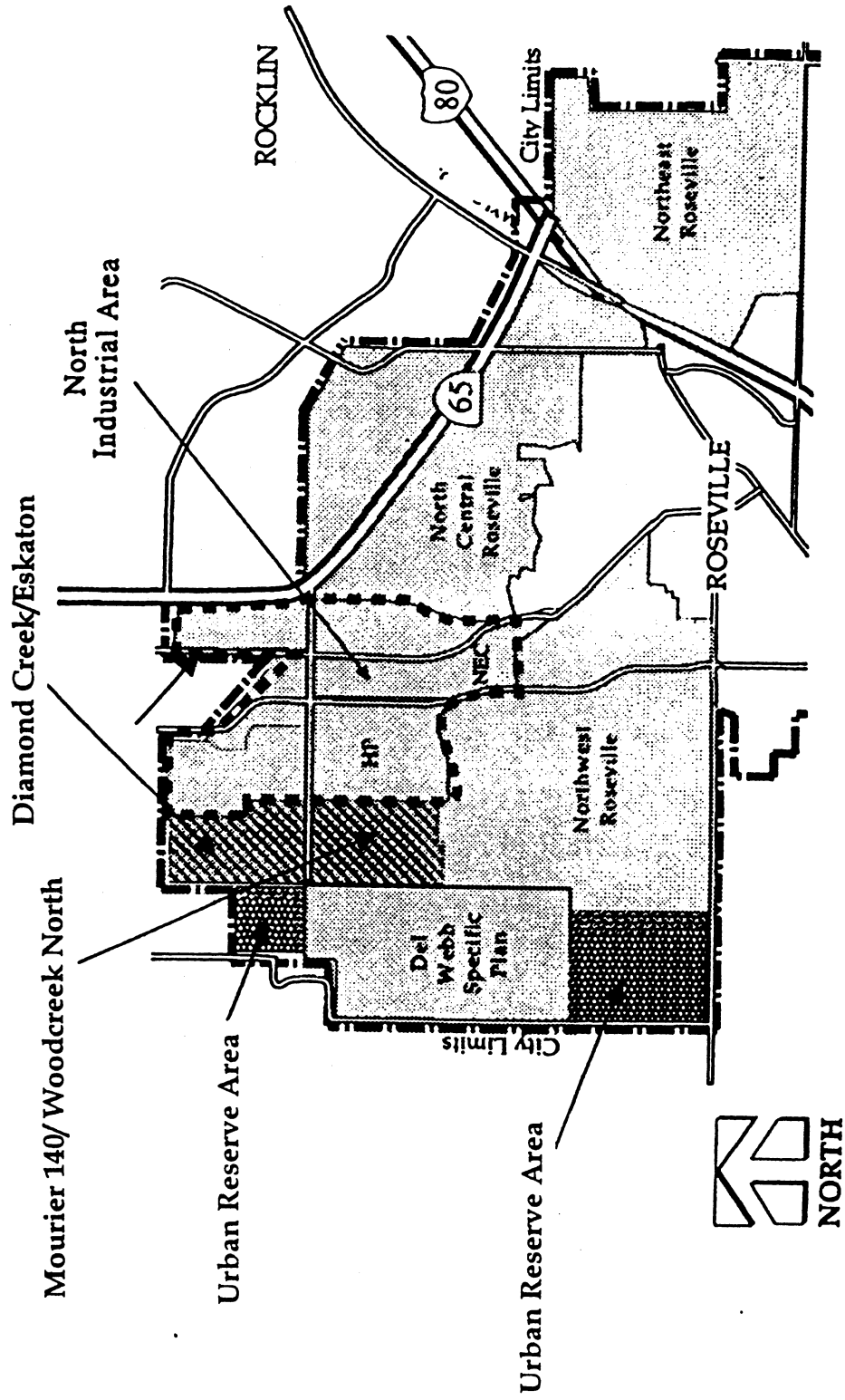
In order to provide funding for ongoing parkway and landscape maintenance costs, the City of Roseville has required the formation of the North Roseville Community Facilities District No. 2 (the "CFD"). The CFD will provide annual funding of approximately \$255,000 for direct maintenance services and \$28,000 to cover City administration of the CFD and potential special tax delinquencies. These amounts will be inflated annually. The funded services consist of open space and major roadway medians shared between the four major projects as well as onsite parkway and landscape corridor costs for the individual projects. Services funded under the CFD meet the development agreements requirements for the plan area.

ORGANIZATION OF THE REPORT

Chapter II describes the land uses within the CFD. **Chapter III** describes the public facilities to be funded and the method of allocating service costs between the major projects. **Chapter IV** describes the components of the maximum special tax. **Chapter V** describes the structure of the CFD and the Rate and Method of Apportionment of Special Tax.

Two exhibits are attached to this report. **Exhibit A** is the Rate, Method, and Manner of Apportionment and Manner of Collection of Special Tax (the "Tax Formula"). The maps at the end of this exhibit show the general boundaries of the CFD. **Exhibit B** is the list of authorized services the CFD may fund.

Map 1
 North Roseville Specific Plan
 Location Map



II. LAND USE

CFD No. 2 incorporates the first phase of development within the North Roseville Specific Plan (NRSP). The NRSP is located in the northwest portion of the City of Roseville – east of the Del Webb Specific Plan, north of the Northwest Specific Plan, and west of Hewlett Packard. The City limit borders the project on the north. The plan is divided into four major projects: Diamond Creek, Eskaton Village, Mourier 140, and Woodcreek North.

The NRSP is comprised of a mix of residential and non-residential uses. **Figure 1** provides a summary of the approved land uses by project. Residential land uses comprise the majority of the Plan Area with 440.5 of the 507.6 developable acreage. Total residential units include 1,538 low-density units, 69 medium density units, 101 low-income purchase units (both low- and medium density), and 285 high-density units. In addition, Eskaton Village will add 400 independent living units for seniors. The residential unit counts are slightly lower than the number of units assumed in the formation of North Roseville CFD No. 1. This is due to the “loss” of units associated with the final mapping of several large-lot subdivision parcels.

Non-residential development includes 42.1 commercial acres located in the Diamond Creek and Mourier 140 projects and 8.1 acres of business professional/commercial development located in the Diamond Creek and Eskaton Village projects. The Eskaton Village project will also include a skilled nursing facility as well as other support and recreation facilities. The non-residential development amounts have not changed since the formation of CFD No. 1.

Non-developable uses include a 22-acre middle school -- which will provide space for nearly 600 students outside of the NRSP area -- and two elementary schools. The plan area includes 79.2 acres of park, 81.2 acres of open space, and over 30 acres of land for public use and rights-of-way.

Figure 1
North Roseville Specific Plan
Proposed Land Uses Utilized for Apportionment of Project Costs

Land Use	Total Rezone Area		Woodcreek North		Eskaton Village		Diamond Creek		Mourier 140	
	Acres	Units	Acres	Units	Acres	Units	Acres	Units	Acres	Units
Residential										
Low Density (0.5 - 6.9 du/acre)	364.3	1,538	120.44	523	0.00	0	175.15	690	68.70	325
Medium Density (7 - 12.9 du/acre)	11.7	69	0.00	0	0.00	0	4.15	32	7.52	37
Low Income Purchase Units	17.2	101	9.90	43	0.00	0	5.18	40	2.08	18
Subtotal Single Family	393.1	1,708	130.34	566	0.00	0	184.48	762	78.30	380
High Density (>13 du/acre)	15.3	285	0.00	0	0.00	0	10.00	165	5.34	120
Independent Units	32.0	400	0.00	0	32.00	400	0.00	0	0.00	0
Subtotal Multi-Family	47.3	685	0.00	0	32.00	400	10.00	165	5.34	120
Subtotal Residential	440.5	2,393	130.34	566	32.00	400	194.48	927	83.64	500
Non-Residential										
Commercial	42.1		0.00		0.00		27.98		14.10	
BP/Commercial	8.1		0.00		3.20		4.86		0.00	
Assisted Living/Nursing Care	17.0		0.00		17.00		0.00		0.00	
Subtotal Non-Res.	67.1		0.00		20.20		32.84		14.10	
K-8 Schools/Jr. High School	37.8		8.03		0.00		7.94		21.80	
Park	79.2		42.17		0.00		34.35		2.71	
Open Space	81.2		45.88		0.00		21.87		13.40	
Electric Substation	1.0		0.00		0.00		1.00		0.00	
Public/Right-of-Way	31.7		6.46		0.00		20.41		4.81	
Subtotal Public/O.S.	230.8		102.54		0.00		85.57		42.72	
TOTAL ALL LAND USES	738.4		232.88		52.20		312.89		140.46	
Total Residential Units		2,393		566		400		927		500
Total Developable Acres	507.6		130.34		52.20		227.32		97.74	
- as a % of Total Acres	68.7%		56.0%		100.0%		72.7%		69.6%	
% of Total Developable Acres	100.0%		25.7%		10.3%		44.8%		19.3%	

"land_use"

III. SERVICES COST AND COST ALLOCATION

The funding of parkway, open space, and landscape maintenance is critical to the overall development of the NRSP project. This chapter will describe the services to be funded, the cost of these services, and how these costs have been allocated between the major projects.

SERVICES COST

Approximately \$255,000 – subject to annual inflation adjustments – in annual maintenance services will be needed to serve the development of the four major project areas. These facilities are divided into two broad categories of shared services costs and individual project costs. The shared backbone costs are those required jointly by each of the project areas. The individual project costs are for services required by one project area only. **Figure 2** provides a summary of the CFD services and whether they are shared or individual project costs. **Figure 3** provides a detailed breakdown of these costs.

In addition, there are general City service costs associated with the maintenance costs. These costs may be funded through either the shared or individual services cost categories. Some of the identified costs will not be required on an annual basis; however, when they are needed the costs are likely to be for more than the annual cost allowance. In these instances, the City will collect special taxes on an annual basis and place these revenues in a sinking fund to accommodate future maintenance costs for authorized CFD services.

SHARED SERVICES COST

The shared backbone services are those required by the City of Roseville for the project as a whole. Shared services consist of plan-wide open space maintenance and the maintenance of the parkway medians along Blue Oaks Boulevard and Woodcreek Oaks Boulevard. The services that will be provided are described below.

- Maintenance of public parkways, landscape setbacks adjacent to residential subdivisions, and landscaped medians in and alongside Woodcreek Oaks and Blue Oaks Boulevards including mowing, repair and replacement, and associated electric and water utility costs.
- Maintenance of public open space corridors to the extent allowed by, and fulfilling the requirements of, the U.S. Corp of Engineers 404 permit (e.g., litter collection and other non-obtrusive activities).
- Maintenance of bike paths in the open space corridors.

Figure 2
NRSP Service CFD
Summary of Annual Costs and
Estimated Maximum Annual Special Tax

Cost Item	Costs Allocation							Total
	Shared Costs		Individual Project Costs					
	All Development	Single-Family Only	Mourier	Diamond Creek	Woodcreek North	Eskaton		
Annual Maintenance Costs								
Parkways	\$22,872	\$28,119	\$14,526	\$32,722	\$7,594	\$0	\$105,833	
Parkway Related				\$5,898		\$1,902	\$7,800	
Open Space	\$31,106						\$31,106	
Vandalism	\$1,865	\$971	\$502	\$1,334	\$262	\$66	\$5,000	
Repair/Replacement	\$9,323	\$4,857	\$2,509	\$6,671	\$1,312	\$328	\$25,000	
Water/Electric Costs	\$11,070	\$13,610	\$7,031	\$18,693	\$3,676	\$920	\$55,000	
Park Staff Contract Admin.	\$9,323	\$4,857	\$2,509	\$6,671	\$1,312	\$328	\$25,000	
Totals [2]	\$85,560	\$52,415	\$27,077	\$71,989	\$14,155	\$3,544	\$254,739	

"cost"

[1] Some of the shared costs are spread to single-family units only. These costs are included in the landowner columns.

[2] Does not include City administrative costs or delinquency coverage.

Figure 3
NRSP Service CFD
Detailed Parkway & Open Space Annual Cost

Location	Cost Allocation	Area Maintained	Unit Cost	Annual Cost	Allocation Methodology
INDIVIDUAL PROJECT COSTS					
Landscape Setbacks & Other					
Woodcreek North Villages 3-5	Sammmis	13,781 sf	\$0.12 /sf	\$1,654	(Allocated only within the Sammmis project)
Environmental Monitoring	Sammmis	45.90 acres	\$4,400 /year	\$4,400	
Interior Collector Village Entry Islands	Sammmis	320 sf	\$1.00 /sf	\$320	
Monument Maintenance	Sammmis	8	\$100 ea	\$800	
Overland release / public parcels created with conditions of map	Sammmis	3,500 sf	\$0.12 /sf	\$420	
Subtotal Sammmis		17,601 sf		\$7,594	
Parcel M-2	Mourier	19,278 sf	\$0.12 /sf	\$2,313	(These costs are allocated to single-family units within the Mourier development)
Parcel M-3	Mourier	2,746 sf	\$0.12 /sf	\$330	
Parcel M-4	Mourier	7,823 sf	\$0.12 /sf	\$939	
Parcel M-5	Mourier	35,383 sf	\$0.12 /sf	\$4,246	
Parcel M-6	Mourier	19,168 sf	\$0.12 /sf	\$2,300	
Monument Maintenance	Mourier	19	\$100 ea	\$1,900	
Interior Collector Village Entry Islands	Mourier	1,498 sf	\$1.00 /sf	\$1,498	
Overland release / public parcels created with conditions of map	Mourier	Various	\$1,000	\$1,000	
Subtotal Mourier		85,896 sf		\$14,526	
Parcel DC-1C	Diamond Creek	16,000 sf	\$0.12 /sf	\$1,920	(These costs are allocated to single-family units within the Diamond Creek development)
Parcel DC-2	Diamond Creek	38,000 sf	\$0.12 /sf	\$4,560	
Parcel DC-3	Diamond Creek	6,000 sf	\$0.12 /sf	\$720	
Parcel DC-4	Diamond Creek	42,000 sf	\$0.12 /sf	\$5,040	
Parcel DC-5	Diamond Creek	18,200 sf	\$0.12 /sf	\$2,184	
Parcel DC-6	Diamond Creek	9,690 sf	\$0.12 /sf	\$1,163	
Parcel DC-7	Diamond Creek	12,460 sf	\$0.12 /sf	\$1,495	
Parcel DC-80	Diamond Creek	6,000 sf	\$0.12 /sf	\$720	
Parcel DC-81	Diamond Creek	10,000 sf	\$0.12 /sf	\$1,200	
Diamond Creek Northwest Drain [1]	Diamond Creek	60,000 sf	\$0.03 /sf	\$1,800	
Interior Collector Village Entry Islands	Diamond Creek	320 sf	\$1.00 /sf	\$320	
Diamond Creek Bridge	Diamond Creek	Lighting	\$4,944	\$4,944	
DC Bridge Architectural Treatment	Diamond Creek	Various	\$1,000	\$1,000	
Cascade [1]	Diamond Creek	30,000 sf	\$0.03 /sf	\$900	
Overland release / public parcels created with conditions of map	Diamond Creek	Various	\$1,000	\$1,000	
Additional Open Space Maintenance	DC-80, 81, 53	31.30 acres	\$120	\$3,756	
Subtotal Diamond Creek		248,670 sf		\$32,722	
Other Diamond Creek Costs					
Diamond Creek Rd. Medians	Diamond Creek	15,000 sf	\$0.12 /sf	\$1,800	(These costs are allocated to all development within the Eskaton and Diamond Creek projects)
Diamond Creek Rd. Roundabout	Diamond Creek	Roud-a-Bout	\$3,000	\$3,000	
Diamond Creek Rd. Main Entry Monument	Diamond Creek	Main Entry	\$1,000	\$1,000	
Monument Maintenance	Diamond Creek	20	\$100 ea	\$2,000	
Subtotal Diamond Creek/Eskaton		15,000 sf		\$7,800	
Total Landowner Cost				\$62,642	

(Continued on next page)

Figure 3
NRSP Service CFD
Detailed Parkway & Open Space Annual Cost

Location	Cost Allocation	Area Maintained	Unit Cost	Annual Cost	Allocation Methodology
SHARED COSTS					
Arterial Road Landscape Setbacks					
Village 3	Sammiss	7,625 sf	\$0.12 /sf	\$915	(Costs are spread to all single-family development within the NRSP.)
Village 4	Sammiss	15,717 sf	\$0.12 /sf	\$1,886	
Village 5	Sammiss	16,127 sf	\$0.12 /sf	\$1,935	
Parcel M-2	Mourier	25,308 sf	\$0.12 /sf	\$3,037	
Parcel M-4	Mourier	20,163 sf	\$0.12 /sf	\$2,420	
Parcel M-5	Mourier	51,387 sf	\$0.12 /sf	\$6,166	
Parcel DC-1B	Diamond Creek	13,000 sf	\$0.12 /sf	\$1,560	
Parcel DC-1C	Diamond Creek	18,000 sf	\$0.12 /sf	\$2,160	
Parcel DC-5	Diamond Creek	10,000 sf	\$0.12 /sf	\$1,200	
Parcel DC-6	Diamond Creek	26,000 sf	\$0.12 /sf	\$3,120	
Parcel DC-7	Diamond Creek	12,000 sf	\$0.12 /sf	\$1,440	
Parcel DC-9A	Diamond Creek	17,000 sf	\$0.12 /sf	\$2,040	
Parcel DC-9B	Diamond Creek	2,000 sf	\$0.12 /sf	\$240	
Subtotal Shared Setbacks		234,327 sf		\$28,119	
Parkway Medians					
Woodcreek Oaks Blvd.	Shared	34,708 sf	\$0.12 /sf	\$4,165	(Costs are spread to all development)
Blue Oaks	Shared	155,888 sf	\$0.12 /sf	\$18,707	
Subtotal Medians		190,596 sf		\$22,872	
Open Space					
Bike Trails in Open Space	Planwide	10,000 lf	\$0.80 lf	\$8,000	(Costs are spread to all development)
Parcel M-80	Mourier	10.50 acres	\$255 /acre	\$2,678	
Parcel M-81	Mourier	2.90 acres	\$255 /acre	\$740	
Parcel 53	Diamond Creek	11.00 acres	\$255 /acre	\$2,805	
Parcel DC-80	Diamond Creek	6.80 acres	\$255 /acre	\$1,734	
Parcel DC-81	Diamond Creek	13.50 acres	\$255 /acre	\$3,443	
WN-80	Sammiss	6.80 acres	\$255 /acre	\$1,734	
WN-81	Sammiss	10.80 acres	\$255 /acre	\$2,754	
WN-82	Sammiss	9.20 acres	\$255 /acre	\$2,346	
WN-83	Sammiss	1.50 acres	\$255 /acre	\$383	
WN-84	Sammiss	1.10 acres	\$255 /acre	\$281	
WN-85	Sammiss	16.50 acres	\$255 /acre	\$4,208	
Subtotal Open Space		45.90 acres		\$31,106	
Total Shared Costs				\$82,097	
City Admin., Sinking Fund, and Contingency				\$110,000	
GRAND TOTAL		543,420 sf		\$254,739	

INDIVIDUAL PROJECT SERVICES COST

The individual project service costs consist of annual maintenance of parkway and landscape corridors, drainage facilities, and various landscape-related services within the boundaries of each project. These services include:

- All development areas
 - Maintenance of public parkways, and landscape setbacks, including mowing, repair and replacement, and associated electric and water utility costs.
 - Maintenance of drain overland release corridors and other dedicated public parcels.
- Maintenance of the entry monuments located in public rights-of-way (locations are detailed in Exhibit B).
- Interior collector and village entry islands (locations are detailed in Exhibit B).
- Woodcreek North only – Monitor and maintain the wetland preserve per U.S. Fish and Wildlife Service and Corps of Engineers requirements.
- Diamond Creek only – bridge light bulb replacement, maintenance of architectural masonry features and tubular hand railing, cascade at North Park, road medians, roundabout at Diamond Creek Boulevard, main entry monument at Diamond Creek Boulevard and Blue Oaks.

OVERALL COSTS

In addition to the specific service costs listed above, an amount of the special tax is also allocated to the following:

- Repair of vandalism of City-maintained facilities, including graffiti and direct damage unrelated to normal wear-and-tear up to \$5,000 per year in the 1999/2000 base year and escalated thereafter.
- City costs associated with the setting, levy, and collection of the special taxes.
- Other contingency costs as required by the City.

SINKING FUNDS

As noted above, the special taxes may be collected and set-aside in designated sinking funds to be used by the City to fund future repairs to landscaping, entry monuments and features, the Diamond Creek Boulevard bridge, wetlands monitoring in the open space areas included in the Woodcreek North project, and other services as determined by the City. Such sinking fund amounts shall be limited to the annual cost allocations listed in **Figures 2 and 3** for such services.

EXCLUDED SERVICES

Revenues from the North Roseville CFD No. 2 special taxes will not be used to fund any of the following:

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

COST ALLOCATION

The annual maintenance costs within the NRSP have been assigned to the Plan Area projects using specific allocation methodologies. The following describes the allocation methodology used for each of the service categories. **Figure 4** provides a summary of the total CFD services cost allocation by project. **Figures 5 and 7** provide detailed cost allocations by land use for the Diamond Creek and Mourier projects.

SHARED BACKBONE COST ALLOCATIONS

The shared maintenance cost allocations is provided on **Figure 4**. **Figure 2** indicates the general methodology used to spread those costs. The costs are spread on the basis of equivalent dwelling unit (EDU) factors. **Figure 7** provides the calculation of EDUs used in these allocations. The following text provides a discussion of the spread methodology for each facility.

Arterial Road Landscape Setbacks

The landscape setbacks along arterial roads are spread to all single-family residential units within the Plan Area.

Parkway Medians

The cost of parkway medians are spread to all development based on the share of total EDUs.

Open Space

The cost of open space maintenance is spread to all development based on the share of total EDUs.

Figure 4
NRSP Services CFD
Allocated Costs by Property Owner

	Mourier	Diamond Creek	Eskaton	Woodcreek North	Total
Land Use					
Single-Family	380	762	-	566	1,708
Multi-Family	120	165	-	-	285
Congregate Care	-	-	400	-	400
Assisted Living	-	-	17.00	-	17.00
Commercial	14.10	32.84	3.20	-	50.14
			<i>units</i>		
			<i>acres</i>		
EDUs--All Development					
Share of EDUs -- All Development	523 21.4%	1,020 41.8%	329 13.5%	566 23.2%	2,438 100.0%
EDUs--Single-Family Only					
Share of EDUs -- Single-Family Only	380 22.2%	762 44.6%	- 0.0%	566 33.1%	1,708 100.0%
Costs					
Shared Costs--All Land Uses [1]	\$18,349	\$35,806	\$11,543	\$19,863	\$85,560
Shared Costs--Single-Family [2]	\$11,661	\$23,384	\$0	\$17,369	\$52,415
Project Costs [3]	\$27,077	\$71,989	\$3,544	\$14,155	\$116,765
Total Costs	\$57,087	\$131,179	\$15,087	\$51,387	\$254,739
Shared Cost Percentage	21.45%	41.85%	13.49%	23.21%	100.00%

"cost_owner"

- [1] Open Space costs are spread on total EDUs.
- [2] Spread on single-family EDUs.
- [3] Project costs are allocated to the benefiting project only.

Figure 5
NRSP Service CFD
Allocation of DIAMOND CREEK Costs to Land Uses

Item	Total	Allocation to Diamond Creek	
		Single-Family	Multi-Family Commercial
Annual Costs			
Landscape Setbacks & Other Spread to Diamond Creek Only	\$32,722	\$32,722	<i>no allocated costs</i>
Other Diamond Creek Costs	\$5,898	\$4,405	\$873
Sinking Fund, Admin., Contingency [1]	\$33,368	\$32,078	\$536
Shared Costs			
Open Space/Arterial Medians [2]	\$35,806	\$26,741	\$3,764
Landscape Setbacks [3]	\$23,384	\$23,384	\$5,301
Annual Maintenance Costs	\$131,179	\$119,330	\$6,929
City CFD Admin. [1]	\$7,871	\$7,160	\$295
Delinquency Coverage (5%)	\$6,952	\$6,324	\$261
Total Annual Costs	\$146,002	\$132,814	\$7,712
Units/Acres		762 units	165 units 32.84 acres
Annual Cost		\$174 /unit	\$33 /unit \$235 /acre
EDUs	1,020	762	107
Percent of Total EDUs	100.0%	74.7%	10.5%

"dc_alloc"

[1] Calculated on landscape setbacks and other Diamond Creek costs.
[2] Includes sinking fund, admin., and contingency costs. Cost allocated to all DC EDUs.
[3] Includes landscape setbacks alone Blue Oaks and Woodcreek Oaks.

Figure 6
NRSP Service CFD
Allocation of MOURIER Costs to Land Uses

Item	Total	Allocation to Land Uses		
		Single-Family	Multi-Family	Commercial
Annual Costs				
Landscape Setbacks & Other Spread to Mourier Only	\$14,526	\$14,526	<i>no allocated costs</i>	
Sinking Fund, Admin., Contingency [1]	\$12,551	\$12,551	\$0	\$0
Shared Costs				
Open Space/Arterial Medians [2]	\$18,349	\$13,335	\$2,737	\$2,276
Landscape Setbacks [3]	\$11,661	\$11,661	<i>no allocated costs</i>	
Annual Maintenance Costs	\$57,087	\$52,073	\$2,737	\$2,276
City CFD Admin. [1]	\$3,425	\$3,124	\$164	\$137
Delinquency Coverage (5%)	\$3,026	\$2,760	\$145	\$121
Total Annual Costs	\$63,537	\$57,957	\$3,047	\$2,533
Units/Acres		380 units	120 units	14.10 acres
Annual Cost		\$153 /unit	\$25 /unit	\$180 /acre
EDUs	523	380	78	65
Percent of Total EDUs	100.0%	72.7%	14.9%	12.4%

"mourier_alloc"

[1] Calculated on landscape setbacks and other Mourier costs.
 [2] Includes sinking fund, admin., and contingency costs.

Figure 7
NRSP
Landscaping EDUs

	EDUs	Units/ Acres	Total EDUs
Residential			
Low/Med-density	1.00	1,708 units	1,708
High-Density [1]	0.65	285 units	185
Eskaton			
Congregate Care [1]	0.59	400 units	236
Assisted Living/Nursing [2]	4.60	17.00 acres	78
Commerical [2]	4.60	50.14 acres	231
Total EDUs			2,438

"EDUs"

[1] Based on relative population per unit compared to single-family units.

[2] Average single-family units per acre for plan area.

INDIVIDUAL PROJECT COST ALLOCATIONS

The individual project maintenance cost allocations and general methodology used to spread those costs is provided on **Figure 4**. **Figure 2** indicates the general methodology used to spread those costs. **Figure 7** provides the calculation of EDUs used in these allocations. The following text provides a discussion of the spread methodology for each facility.

Woodcreek North Costs

Annual maintenance costs within the Woodcreek North project are spread to the Woodcreek North development on a per unit basis. There is no non-residential development planned for the Woodcreek North project.

Mourier 140

Maintenance costs for the Mourier 140 project are spread only to single-family units within the Mourier project. Non-residential and multi-family development will construct and maintain landscape setbacks privately.

Diamond Creek/Eskaton

Landscape setbacks within the Diamond Creek development are spread to single-family units within the Diamond Creek project. Non-residential and multi-family development will construct and maintain landscape setbacks privately. "Other" landscape costs are spread to all development within Diamond Creek and Eskaton based on total EDUs for the two projects.

IV. PROPOSED SERVICE COSTS AND MAXIMUM SPECIAL TAX

CALCULATION OF MAXIMUM ANNUAL COST

The CFD's annual services maintenance costs will be funded through the collection of special taxes levied against the property within the CFD. Special taxes will be collected from each of the major development projects based on each project's share of allocated services costs. For purposes of the CFD, the Eskaton and Diamond Creek projects are combined into one tax group.

The maximum annual cost of CFD services funded by special taxes was calculated assuming direct service cost, City administrative expenses, and a delinquency coverage allowance. This calculation results in a maximum annual cost of \$283,525 with the addition of City administrative expenses and a 5 percent delinquency coverage. The maximum annual cost is subject to annual inflation at the rate of the Oakland/San Francisco Bay Area Consumer Price Index (CPI), not to exceed 4 percent in any year.

Figure 8 shows the estimated annual amount of each of the major cost components comprising the maximum annual cost. This amount also represents the maximum annual tax for all parcels within the CFD.

NRSP CFD NO. 2 MAXIMUM SPECIAL TAXES

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

Figure 8 also shows the maximum special tax for each original parcel in the proposed CFD. This figure shows the maximum tax for each parcel as well as the maximum special tax per unit or acre upon which the parcel tax is based. Each parcel is assigned a maximum special tax based upon its designated land use and the allocation of costs between major projects. This results in a maximum special tax of \$283,525 for the 1999/2000 fiscal year. Future year maximum special taxes are subject to the annual escalation rate based on the Oakland/San Francisco CPI.

Figure 8
NRSP Services CFD
Estimated Annual Special Tax

Land Use	Mourier	Diamond Creek	Eskaton	Woodcreek North
Special Tax Group	<i>Tax Group B</i>	<i>Tax Group C</i>	<i>Tax Group C</i>	<i>Tax Group A</i>
Maximum Annual Special Tax				
Annual Costs	\$57,087	\$131,179	\$15,087	\$51,387
City CFD Admin. (6%)	\$3,425	\$7,871	\$905	\$3,083
Delinquency Coverage (5%)	\$3,026	\$6,952	\$800	\$2,724
Total Maximum Special Tax	\$63,537	\$146,002	\$16,792	\$57,194
EDUs	523	1,020	329	566
Maximum Special Tax Per EDU	<i>(see figure 6)</i>	<i>(see figure 5)</i>	n/a	\$101
Annual Special Tax Rates				
Single-Family	\$153 <i>(see figure 6)</i>	<i>per unit</i> \$174 <i>(see figure 5)</i>	n/a	\$101
Multi-Family	\$25 <i>(see figure 6)</i>	\$33 <i>(see figure 5)</i>	n/a	n/a
Commercial	\$180 <i>(see figure 6)</i>	<i>per acre</i> \$235 <i>(see figure 5)</i>	n/a	n/a
Senior Housing			\$16,792	

"unit_tax"

V. STRUCTURE OF THE PROPOSED CFD

DESCRIPTION OF THE COMMUNITY FACILITIES DISTRICT

Parcels within CFD No. 2 will pay special taxes based upon the Rate, Method of Apportionment, and Manner of Collection of Special Tax (the "Tax Formula"). The attached exhibits contain the formation documents for CFD No. 2. **Exhibit A** contains the Tax Formula and **Exhibit B** is the list of eligible services to be funded by the CFD. The purpose of the CFD is to provide funding for the annual maintenance costs of authorized CFD services.

DEFINITION OF ANNUAL COSTS

Each year, the City will approve the costs of 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;
- Anticipated Tax Delinquencies; and,
- Administration of the CFD.

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

DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX

The City shall prepare a list of the 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 the CFD except tax-exempt parcels. Taxable parcels that are acquired by a public agency after the CFD 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 5 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

Section 5 of the Tax Formula describes in detail the precise method for assigning the maximum special tax to parcels within each CFD. The following paragraph briefly summarizes these procedures.

Each year the City's Finance Director, or his or her designee, will use the definitions contained in the Tax Formula to classify each Parcel as tax-exempt or taxable. The Tax Formula assigns a total maximum tax to the existing Original Parcels and then reallocates the tax to Successor Parcels based on pro rata share of net developable area. If a parcel is subdivided into single-family residential lots, the maximum special tax is divided between the lots on a pro rata basis.

SETTING THE SPECIAL TAX LEVY FOR TAXABLE PARCELS

After computing the annual costs and determining the maximum annual special tax for each parcel, the City will determine the tax levy for each parcel. To determine the annual levy, the City will use the process presented in Section 6 of the Tax Formula. That process can be summarized as follows.

- First, the City determines the annual cost for the upcoming fiscal year, and divides that cost into shared costs and individual project costs.
- Second, the City assigns the shared costs to each special tax group based on the percentages shown in the Tax Formula attachments and adds to this the individual project costs for each special tax group.
- Next, the City determines the maximum special tax revenues available by summing the maximum special tax on each parcel for each special tax group.
- If the annual costs are less than the total maximum special taxes for all parcels, the City will reduce each parcel's special tax levy until the total special taxes equal the annual costs.

PREPAYMENT OF THE SPECIAL TAX OBLIGATION

Prepayment of the North Roseville CFD No. 2 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.

EXHIBITS:

EXHIBIT A - RATE AND METHOD OF
APPORTIONMENT

EXHIBIT B - LIST OF AUTHORIZED SERVICES



Economic &
Planning Systems

Public Finance

Real Estate Economics

Regional Economics

Land Use Policy

EXHIBIT A:
RATE AND METHOD OF APPORTIONMENT

EXHIBIT A

CITY OF ROSEVILLE NORTH ROSEVILLE COMMUNITY FACILITIES DISTRICT NO. 2

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 North Roseville 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 Costs are divided into Shared Costs and Special Tax Group Costs.

"**Annual Tax Escalation Factor**" means an increase in the Maximum Special Tax Rate following the Base Year in an amount equal to the increase in the Consumer Price Index (CPI) (prior calendar year annual average as of April 1, San Francisco, All Urban Consumers (CPI-U) Index), not to exceed 4% annually.

"**Base Year**" means Fiscal Year ending June 30, 1999.

"**CFD**" means the North Roseville 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.

"**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.

"**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.

"**NRSP**" means the North Roseville Specific Plan.

"**Original Parcel**" means a large-lot subdivision Parcel as it existed at the time of the adoption by the Council of the Resolution of Formation and as shown on **Maps 1 and 2 and Attachments 1, 2, and 3.**

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

"**Public Parcel**" means any Parcel that is (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.

"**PWD**" means the Public Works Director for the City of Roseville or his or her designee.

"**Shared Costs**" means the costs associated with maintaining open space as well as the medians and parkways along Blue Oaks Boulevard and Woodcreek Oaks Boulevard, as described in the list of authorized facilities adopted at the formation of the CFD. Shared costs also include a pro rata share of Administrative Expenses.

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

"**Special Tax Group**" means a group of parcels that will be responsible for a percentage of the Shared Costs and the assigned Special Tax Group Costs. The percentage of Shared Costs is provided for each Special Tax Group on **Attachments 1, 2, and 3.**

"**Special Tax Group Costs**" means the costs associated with the maintenance of park and parkways that are the responsibility of a given Special Tax Group. These services are described the list of authorized facilities adopted at the formation of the CFD.

"**Successor Parcel**" means a Parcel created by subdivision, lot line adjustment, or parcel map from an Original Parcel or previous Successor Parcel.

"**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.

"**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 SPECIAL TAXES

The CFD is divided into three Special Tax Groups as shown on **Maps 1 and 2**. By August 1 of each Fiscal Year, using the Definitions from Section 2, the Finance Director shall assign the Maximum Annual Special Taxes to Parcels in each Special Tax Group as follows:

1. Each Taxable Parcel will be classified as an Original Parcel or a Successor Parcel.
2. Assign the Maximum Special Tax to Taxable Parcels in each Special Tax Group as follows:
 - a) Original Parcel - the Maximum Special Tax for each Original Parcel is as shown on **Attachment 1** for Special Tax Group A, **Attachment 2** for Special Tax Group B, and **Attachment 3** for Special Tax Group C.
 - b) Successor Parcel - the Maximum Special Tax for each Successor Parcel is determined as follows:

- (i) If the Successor Parcel is the result of a single-family residential or individually-owned residential condominium Parcel Subdivision, divide the Maximum Special Tax assigned to the Original Parcel or Successor Parcel, as calculated under (a) above or (b)(ii) below, by the number of single-family residential Parcels or residential condominium units. The result of this calculation is the Maximum Special Tax for each single-family residential or residential condominium Successor Parcel within the subdivision.
 - (ii) If the Successor Parcel is the result of a non-residential or multi-family subdivision, or a single-family residential subdivision that is not creating final subdivision map lots:
 - calculate the percentage of the Successor Parcel's square footage to the total square footage for all Successor Parcels of that Original or Successor Parcel that are Taxable Parcels; then,
 - multiply this percentage by the Maximum Special Tax assigned to the previous Original Parcel or Successor Parcel. The result of this calculation is the Maximum Special Tax.
- c) Residential Unit/Maximum Special Tax Transfer - the Maximum Special Tax assigned to a residential Parcel under (a) or (b) above, may be adjusted within a Special Tax Group to reflect a change in original residential units, shown in **Attachments 1, 2, and 3**, in the following manner:
- 1) Calculate the existing Maximum Special Tax per unit by dividing the Maximum Special Tax for the Parcel by the number of units assigned to that Parcel;
 - 2) Calculate the total Maximum Special Taxes being transferred by multiplying the number of units being transferred by the calculation in 1). Add the total Maximum Special Taxes and number units being transferred to the Parcel(s) receiving the transferred units and Maximum Special Taxes.
 - 3) Subtract the total Maximum Special Taxes and the number of units being transferred from step 2) from the Parcel transferring the Maximum Special Taxes and the residential units.
 - 4) If this process results in uneven Maximum Special Taxes between residential subdivisions, the revised Maximum Special Taxes may be adjusted further to accommodate a uniform Special Tax throughout the CFD subject to the provisions below.

Such unit and Special Tax transfer will be allowed under the following conditions:

- (i) any decrease in one Parcel's Maximum Special Tax assignment is offset by an equal increase in the Maximum Special Tax of other Parcels to ensure that there is no net loss in the total Maximum Special Taxes;
 - (ii) all adjustments are agreed to by the affected property owners and the Finance Director; and,
 - (iii) no transfers of units will be allowed between Special Tax Groups.
4. Conversion of a Tax-Exempt Parcel to a Taxable Parcel - if a Parcel designated as a Public Parcel is not needed for public use and is converted to a private use, it shall become subject to the Special Tax. The Maximum Special Tax for each such Parcel shall be set equal to the average Maximum Special Tax per unit or acre for Parcels with similar land use designations within the Special Tax Group.
 5. Taxable Parcels Acquired by a Public Agency – Taxable Parcels that are acquired by a public agency after the CFD is formed will remain subject to the applicable Maximum Special Tax. 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 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 Special Tax Revenue. [Note: Public Parcels created by the subdivision of an Original Parcel or Successor Parcel are not assigned a Maximum Special Tax amount.]

6. SETTING THE ANNUAL SPECIAL TAX RATE

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, and divide them into Shared Costs and Special Tax Group Cost categories.
2. Assign the Shared Costs to each Special Tax Group by multiplying the total Shared Cost amount by the percentages assigned to each Special Tax Group as shown in **Attachments 1, 2, and 3**. Add the calculated Shared Cost amount allocated to each Special Tax Group to the Special Tax Group Costs.
3. For each Special Tax Group, determine the Special Tax levy for each parcel as follows:
 - Step 1: Calculate the Maximum Special Tax Revenue from Taxable Parcels in each Special Tax Group.
 - Step 2: Compare the Annual Costs allocated to the Special Tax Group with the Maximum Special Tax Revenue calculated in the previous step.
 - Step 3: If the Annual Costs are less than the Maximum Special Tax Revenue, decrease the Special Tax levy proportionately for each Taxable Parcel until the Special Tax revenue equals the assigned Annual Cost.

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 the NRSP takes place, the Finance Director will maintain a file of each current assessor's parcel number within the CFD, its Maximum Special Tax, and the authorized Maximum 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.

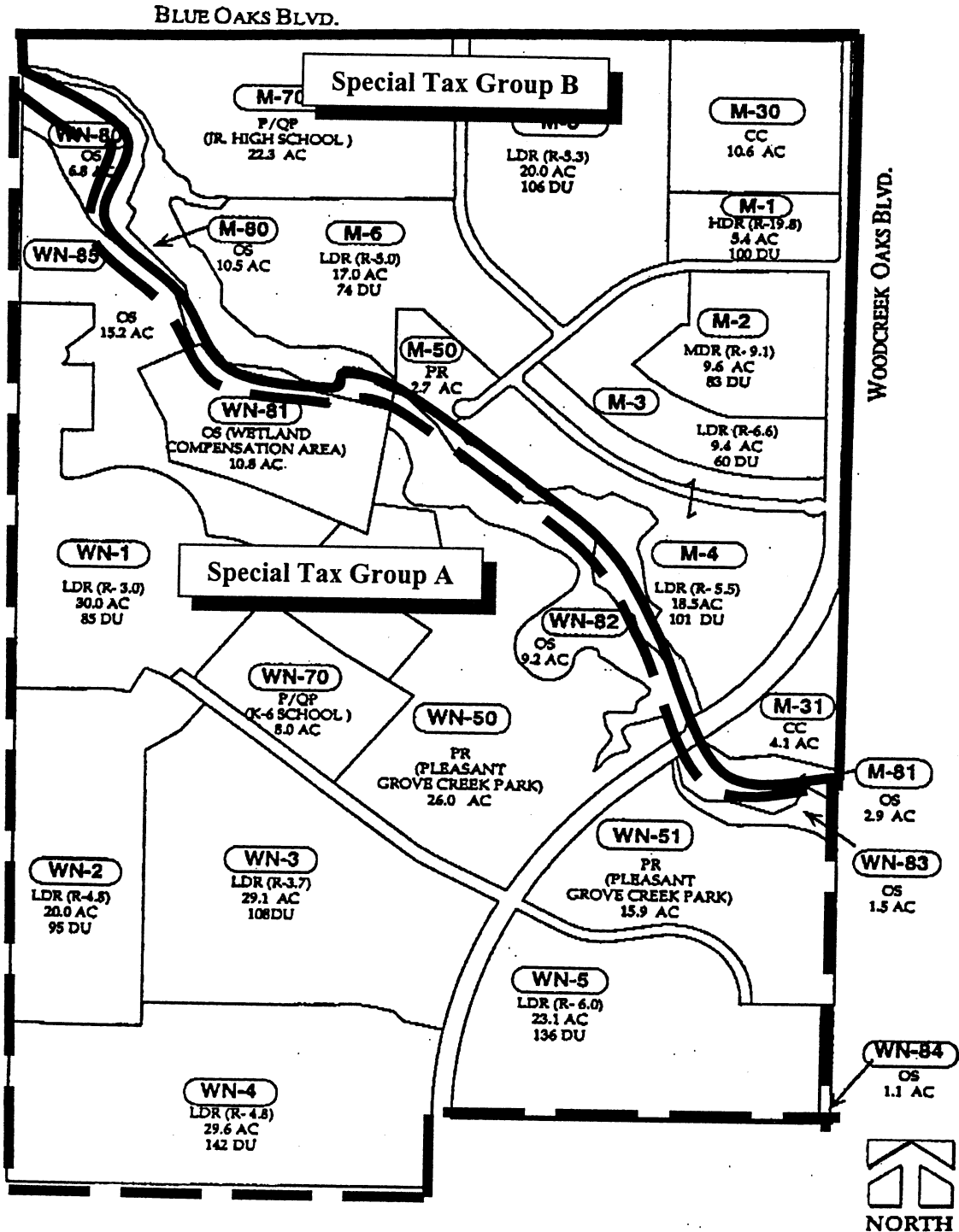
8. MANNER OF COLLECTION

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.

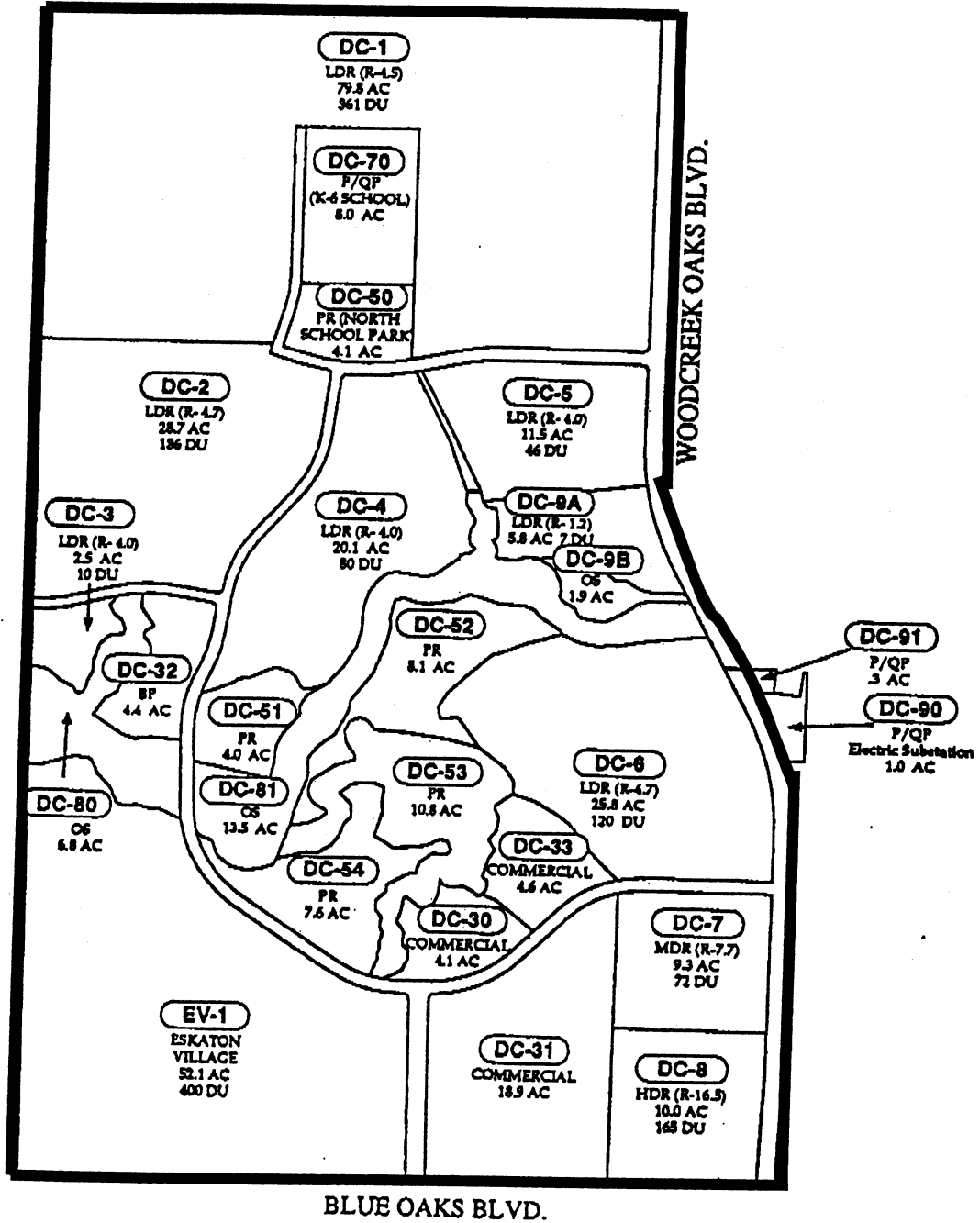
MAP 1

NORTH ROSEVILLE CFD NO. 2

SPECIAL TAX GROUPS A AND B



MAP 2
NORTH ROSEVILLE CFD NO. 2
SPECIAL TAX GROUP C



Attachment 1
North Roseville CFD No. 2 -- Special Tax Group A
Maximum Annual Special Taxes
for Original Parcels

Parcel	Land Use	Acres	Units	Base Year Maximum Special Tax	Percentage of Shared Costs
WN-1	LDR	28.67	85	[1] \$8,589	[2]
WN-2	LDR	19.38	95	\$9,600	
WN-3	LDR	29.06	109	\$11,014	
WN-4	LDR	30.12	141	\$14,248	
WN-5	LDR	23.11	136	\$13,743	
Total		130.34	566	\$57,194	23.215%

"a_1"

- [1] Maximum Special Taxes are subject to annual escalation equal to the San Francisco, All Urban Consumers (CPI-U) Index, but not to exceed 4% annually.
- [2] This percentage is used by the City to assign Shared Costs to each of the Special Tax Groups. Special Tax Group Costs are added to the Shared Costs to arrive at the total Annual Cost for each Special Tax Group.

Attachment 2
North Roseville CFD No. 2 – Special Tax Group B
Maximum Annual Special Taxes
for Original Parcels

Parcel	Land Use	Acres	Units	Base Year Maximum Special Tax	Percentage of Shared Costs
M-1	HDR	5.34	120	[1] \$3,047	[2]
M-2	MDR	9.60	55	\$8,389	
M-3	LDR	9.40	60	\$9,151	
M-4	LDR	22.30	88	\$13,422	
M-5	LDR	20.00	103	\$15,710	
M-6	LDR	17.00	74	\$11,286	
M-30	CC	10.00		\$1,797	
M-31	CC	4.10		\$737	
Total		97.74	500	\$63,537	21.445%

"a_2"

- [1] Maximum Special Taxes are subject to annual escalation equal to the San Francisco, All Urban Consumers (CPI-U) Index, but not to exceed 4% annually.
- [2] This percentage is used by the City to assign Shared Costs to each of the Special Tax Groups. Special Tax Group Costs are added to the Shared Costs to arrive at the total Annual Cost for each Special Tax Group.

Attachment 3
North Roseville CFD No. 2 – Special Tax Group C
Maximum Annual Special Taxes
for Original Parcels

Parcel	Land Use	Acres	Units	Base Year Maximum Special Tax	Percentage of Shared Costs
DC-1	LDR	79.99	314	[1] \$54,729	[2]
DC-2	LDR	28.51	137	\$23,879	
DC-3	LDR	2.6	10	\$1,743	
DC-4	LDR	20	69	\$12,026	
DC-5	LDR	11.72	38	\$6,623	
DC-6	LDR	26.29	120	\$20,916	
DC-7	MDR	9.33	72	\$12,549	
DC-8	HDR	10	165	\$5,475	
DC-9A	LDR	6.04	2	\$349	
DC-30	CC	4.1		\$963	
DC-31	CC	19.1		\$4,485	
DC-32	BP	4.86		\$1,141	
DC-33	CC	4.78		\$1,123	
EV-1	Eskaton Village	52.2	400	\$16,792	
Total		279.52	1,327	\$162,794	55.340%

"a_3"

- [1] Maximum Special Taxes are subject to annual escalation equal to the San Francisco, All Urban Consumers (CPI-U) Index, but not to exceed 4% annually.
- [2] This percentage is used by the City to assign Shared Costs to each of the Special Tax Groups. Special Tax Group Costs are added to the Shared Costs to arrive at the total Annual Cost for each Special Tax Group.



**Economic &
Planning Systems**

*Public Finance
Real Estate Economics
Regional Economics
Land Use Policy*

**EXHIBIT B:
LIST OF AUTHORIZED SERVICES**

EXHIBIT B

CITY OF ROSEVILLE NORTH ROSEVILLE COMMUNITY FACILITIES DISTRICT NO. 2

LIST OF AUTHORIZED SERVICES

INCLUDED SERVICES

Services to be funded by the collection of Special Taxes in the North Roseville Community Services District No. 2 are listed below. Service costs are divided into Shared Costs and Special Tax Group Costs, as defined in the Rate and Method of Special Tax Apportionment, and delineated below. Services may be funded in each Special Tax Group up to the total Maximum Special Tax that can be generated from Special Tax Group land uses. Services are listed in priority order of funding.

All street names of locations refer to the locations on the approved tentative maps for North Roseville Specific Plan Phase I. Actual street names may change to reflect those approved on final maps.

SHARED COSTS

- Maintenance of public parkways, landscape setbacks adjacent to residential subdivisions, and landscaped medians in and alongside Woodcreek Oaks and Blue Oaks Boulevards including mowing, repair and replacement, and associated electric and water utility costs.
- Maintenance of public open space corridors to the extent allowed by, and fulfilling the requirements of, the U.S. Corp of Engineers 404 permit (e.g., litter collection and other non-obtrusive activities) (as detailed in Figure 2 of the CFD Hearing Report).
- Maintenance of bike paths in the open space corridors.

SPECIAL TAX GROUP COSTS

- Maintenance of the following entry monuments located in public rights-of-way:
 - Entry to Parcel 1B from Woodcreek Oaks (2)
 - Entrance to Parcel 1C and 6 from Woodcreek Oaks Drive (4)

- North Park Drive at Woodcreek Oaks Drive (2)
 - Northwest Corner of Blue Oaks and Woodcreek Oaks (1)
 - Southwest Corner of Blue Oaks and Woodcreek Oaks (1)
 - Entry to Parcel 2 from Opal Drive (2)
 - Entry to Parcel 3 from Opal Drive (2)
 - Parkside Drive and Woodcreek Oaks (2)
 - City Entry Monument at north end of Woodcreek Oaks Blvd. (1)
 - Main Entry Monument at Blue Oaks and Prairie Woods Way (1)
 - Woodcreek Oaks and Painted Desert Way (1)
 - Woodcreek Oaks and Crimson Ridge Way (2)
 - Woodcreek Oaks and Marblethorpe (2)
 - Woodcreek Oaks and Alpine View (2)
 - Woodcreek Oaks and Liverpool Lane (2)
 - Woodcreek Oaks and Horncastle (East Intersection) (1)
 - Woodcreek Oaks and Horncastle (West Intersection) (1)
 - Prairie Woods Way and Running Wolf Way (2)
 - Painted Desert Way and Pinto Canyon Way (2)
 - Painted Desert Way and Black Hills Way (2)
 - Painted Desert Way and Box Canyon Way (2)
 - Prairie Woods Way and Moondancer Circle (4)
 - Painted Desert Court and Crimson Ridge Way (2)
 - Monuments to be identified in Diamond Creek (4)
- Special Tax Groups A, B, and C.
 - Maintenance of drain overland release corridors and other dedicated public parcels that are added at the time of tentative mapping, final mapping, or improvement plan approval.
 - Maintenance of public parkways, and landscape setbacks, including mowing, repair and replacement, and associated electric and water utility costs (as detailed in Figure 2 of the CFD Hearing Report).
 - Special Tax Group A only.
 - Monitor and maintain the wetland preserve per U.S. Fish and Wildlife Service and Corps of Engineers requirements.
 - Diamond Creek Northwest Drain.
 - Periodic Mowing along edges of the drain
 - Maintenance of concrete bottom and side slopes
 - Maintenance of landscape as required

- Interior Collectors and Village Entry Islands.
 - Parkside Way and Woodcreek Oaks (1)
 - North Park Drive and Woodcreek Oaks (1)
 - Horncastle and Woodcreek Oaks Blvd (2)
 - Blue Oaks Blvd and Prairie Woods Way (1)
 - Woodcreeks Oak Blvd and Painted Desert Way (1)
 - Woodcreek Oaks Blvd and Crimson Ridge Way (1)
 - Prairie Woods Way and Moondancer Circle (2)
 - Painted Desert Way and Crimson Ridge Way (1)
- Diamond Creek Bridge (cost allowance).
 - Light bulb replacement
 - Electricity Cost
 - Maintenance and replacement of Light Poles and Sidewalk lights
- Diamond Creek Bridge Architectural Treatment (cost allowance).
 - Maintenance of masonry features and tubular hand railing
- Cascade at North Park (used to augment funding of City-required maintenance of the cascade improvements).
 - Mowing edges / landscape maintenance
 - Replacement or repair of cement or rock features
- Diamond Creek Rd. Medians.
 - Maintenance of landscape medians including mowing.
- Diamond Creek Rd. Roundabout.
 - Maintenance and replacement of landscaping, a statue, or a fountain
- Main Entry Monument at Diamond Creek Boulevard and Blue Oaks.
 - Electric costs, and maintenance
 - Vandalism and repair

GENERAL CITY COSTS

These costs may be attributable to either Shared Costs or Special Tax Group Costs.

- Repair of vandalism of City-maintained facilities, including graffiti and direct damage unrelated to normal wear-and-tear up to \$5,000 per year in the 1999/2000 Base Year and escalated thereafter.
- City costs associated with the setting, levy, and collection of the Special Taxes.
- Other contingency costs as required by the City.

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 to landscaping, entry monuments and features, the Diamond Creek Boulevard bridge, wetlands monitoring in the open space areas included in the Woodcreek North project, 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 North Roseville CFD No. 2 Special Taxes will not be used to fund any of the following:

- 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).
- Soundwalls (maintained by the City, except for graffiti removal which may be funded by the CFD).
- Any landscaping, fences, gates, or monuments located on private property.