

RESOLUTION NO. 11408

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM FORMING A COMMUNITY FACILITIES DISTRICT AND LEVYING SPECIAL TAXES THEREIN

WHEREAS, a community facilities district is proposed to be established (the “Community Facilities District”) under the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the “Act”); and

WHEREAS, the boundaries of the Community Facilities District are described in a boundary map on file in the office of the City Clerk of the City of Folsom (the “City Clerk”); and

WHEREAS, for the preliminary scope of the project and financing contemplated by these proceedings, reference is made to Resolutions No. 11374 (the “Resolution of Intention”) and No. 11375 adopted by the City Council of the City (the “City Council”) on May 13, 2025; and

WHEREAS, on June 24, 2025, at the time and place scheduled for the public hearing concerning the formation of the Community Facilities District, said public hearing of protests was duly convened by the City Council, and the City Council duly heard all interested parties desiring to be heard; and

WHEREAS, the City Council determined that a majority protest under Section 53324 of the Government Code was not made at the public hearing and therefore the proposed formation of the Communities Facilities District and special tax to be levied within the Community Facilities District have not been eliminated by majority protest pursuant to said Section 53324; and

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

Section 1. The City Council finds and determines that the foregoing recitals are true and correct.

Section 2. The City Council hereby forms the Community Facilities District under the terms of the Act. The boundaries of the Community Facilities District are shown on the boundary map approved by the Resolution of Intention (the “Boundary Map”). A copy of the recorded Boundary Map is on file with the City Clerk and was recorded on May 20, 2025, at Book 146, Page 25 in the Book of Maps of Assessment and Community Facilities Districts in the official real estate records of the County of Sacramento.

Section 3. The name of the Community Facilities District is “City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)” (“CFD 20-1”).

Section 4. The types of public facilities (the “Facilities”) proposed to be financed by CFD 20-1, and to the financing of which CFD 20-1 is proposed to contribute, are set forth on Exhibit A attached to this resolution. The City Council hereby finds and determines that these

Facilities are necessitated to meet increased demands placed upon the City by new development occurring or anticipated within CFD 20-1.

Section 5. The types of incidental expenses and bond issuance costs proposed to be incurred are set forth on Exhibit B attached to this resolution.

Section 6. Except where funds are otherwise available, special taxes sufficient to pay for all Facilities will be annually levied within CFD 20-1. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure the related levy of the special tax shall attach to all nonexempt real property within CFD 20-1, and the lien shall continue in force and effect until the special tax obligation (or any portion thereof) is paid or prepaid and permanently satisfied and the special tax lien is cancelled in accordance with law or until collection of the special tax by the City ceases. The rate and method of apportionment of the special tax to be levied in CFD 20-1, are set forth in Exhibit C, attached to this resolution. The special tax with respect to the Facilities on any parcel within CFD 20-1 shall not be levied after Fiscal Year 2064-65. In the case of any special tax to pay for the Facilities and to be levied against any parcel used for private residential purposes, under no circumstances will the special tax levied against any parcel be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within CFD 20-1 by more than 10 percent of the special tax for Facilities that would be levied in that Fiscal Year but for such delinquencies or defaults.

Section 7. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within CFD 20-1, may be reimbursed from bond proceeds or from special tax revenues or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City.

Section 8. The City intends to reserve to itself the right and authority to allow bond tenders from any interested landowner within CFD 20-1 to be accepted under Government Code sections 53344.1 and 53356.8 in full or part payment of any installment of the special taxes or the interest or penalties thereon.

Section 9. The Office of Management and Budget, 50 Natoma Street, Folsom, California, (916) 355-7347, is designated as the office responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number, and for responding to inquiries regarding estimates of future special tax levies. The City Manager, the Finance Director, and the Chief Financial Officer are authorized, on behalf of the City, to negotiate and execute, from time to time, one or more contracts with private consultants to provide this service in lieu of the Office of Management and Budget, provided that the fees and charges for such private consultants will be provided for out of special tax revenues in CFD 20-1.

Section 10. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution providing for the form, execution and issuance of bonds.

Section 11. The special tax will be collected and enforced as a separate line item on the regular property tax bill. However, the City reserves the right, under Section 53340, to utilize any method of collecting each special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

Section 12. This City Council hereby establishes the annual appropriations limit of CFD 20-1 at \$3,500,000 for the 2025-26 fiscal year.

Section 13. Based upon a certificate relative to voters heretofore filed with the City Clerk, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within CFD 20-1. The City Clerk or her designee will conduct the election by mailed ballot and hereby designates the City Clerk as the official to conduct the mailed-ballot election.

Section 14. This City Council now finds and determines that all proceedings up to and including the adoption of this resolution were and are valid and in conformity with the requirements of the Act. This determination and finding is final and conclusive in accordance with Government Code Section 53325.1(b).

Section 15. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 24th day of June 2025, by the following roll-call vote:

AYES: Councilmember(s):

NOES: Councilmember(s):

ABSENT: Councilmember(s):

ABSTAIN: Councilmember(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

EXHIBIT A
AUTHORIZED FACILITIES
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, as amended to the date hereof and including any future amendments thereto. These facilities, include, but are not limited to:

- Zone 4/5 Booster Pump Station;
- Zone 5 Water Tank and Zone 6 Booster Pump Station;
- Highway 50 Water Transmission Line;
- Alder Creek Parkway Improvements; and
- Grand Prairie Improvements.

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters, Bus Rapid Transit improvements including transfer stations and regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements.

Authorized facilities include the following transportation improvements:

- Placerville Road—from Highway 50 to White Rock Road.
- Alder Creek Parkway—from Scott Road to the Empire Ranch Road.
- Grand Prairie Road—from Alder Creek Parkway to Placerville Road.
- Scott Road—from Alder Creek Parkway to Street “A.”

- Empire Ranch Road—from property line to White Rock Road.
- Other public roadway improvements designed to meet the needs of development within CFD No. 20-1, including internal subdivision streets and related underground utilities.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site backbone water and recycled (or non-potable water facilities) designed to meet the needs of development within CFD No. 20-1. These facilities include, but are not limited to, potable and non-potable mains, valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading, and paving; services, and appurtenances; wells; water treatment, distribution, and storage facilities; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within CFD No. 20-1. These facilities include, but may not be limited to excavation and grading, pipelines and appurtenances, outfalls, and water quality measures; detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within CFD No. 20-1. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main line; force mains; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway, Open Space and Preserve Improvements

Authorized facilities include any and all improvements to parks, parkways, and open space required for development within CFD No. 20-1. These facilities include, but may not be limited to grading; turf, shrubs and trees; landscaping irrigation; site lighting; drainage; sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges; public art; active and passive park and open space improvements (including respites and overlooks); related monumentation and signage; storm drain crossings; environmental mitigation for wetlands, hawk, and other species for infrastructure under the Specific Plan Infrastructure Fee Program and authorized facilities herein; access gates and fencing; and related park, open space and preserve improvements.

Other Incidental Expenses and Bond Issuance Costs

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 and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT B
INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

It is anticipated that the following incidental expenses may be incurred for CFD 20-1:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent financial advisor services
- Appraiser services
- Market absorption study and real estate economist services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the City
- Arbitrage rebate
- Continuing disclosure reporting and compliance

EXHIBIT C

RATE AND METHOD OF APPORTIONMENT
CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)

[ATTACHED]