## PROPOSED CITY OF ARDEN ARCADE MEASURE D

Shall the order adopted June 25, 2010, by Sacramento County LAFCo, ordering the incorporation of the territory described and designated as "City of Arden Arcade" be confirmed subject to terms and conditions specified in the order, including payments to Sacramento County commencing FY 2012-2013 and terminating after \$219,000,000 is paid, and for the City to levy and collect the same taxes, fees, charges, assessments and rates currently imposed by Sacramento County, as particularly described in the order?

#### IMPARTIAL ANALYSIS OF MEASURE D

Prepared by Peter Brundage, Executive Officer, Sacramento Local Agency Formation Commission

# IMPARTIAL ANALYSIS FOR THE PROPOSED INCORPORATION OF THE CITY OF ARDEN ARCADE

This measure submits to registered voters the question of whether the community of Arden Arcade should become a general law city.

A general description of the proposed city:

All that territory bounded on the west and north by the Sacramento City limits, on the north by Auburn Boulevard and the centerline of Winding Way, on the east by the centerline of Jacob Lane and Mission Avenue and its northerly extension to the centerline of Cypress Avenue, and on the south by the centerline of the American River.

Incorporation will have no identifiable financial impacts upon residents or businesses. The incorporation will not increase taxes. Property, utility, transient occupancy taxes, other taxes, assessments, fees, and parcel charges currently levied will remain the same. The revenue from these taxes and parcel charges will be transferred to the new city and the city will be responsible for providing municipal services supported by these revenues.

Services provided include: general municipal government including, law enforcement, land use planning, building inspection, public works and animal control. Some services may be provided through contract. The incorporation does not propose to change services provided by special districts or private purveyors for water, parks, fire and other municipal services.

An independent comprehensive fiscal analysis found the proposed city to be economically feasible. This analysis was based upon the new city providing the same level of service as that provided by the County of Sacramento during the Fiscal Year 2008-09.

If approved by the voters, the incorporation would:

- Provide that the name of the city be the City of Arden Arcade.
- Create a general law city with an appointed City Manager, effective July 1, 2011.
- Provide for the election of a City Council of six members by district, and a mayor to be elected at-large commencing November 2012. At this election (November 2010) seven members shall be elected at large and the mayor appointed by the City Council from its own ranks.
- Establish a first year appropriation limit of \$40,231,491.
- Beginning in Fiscal Year 2012-13, and continuing until the total amount of \$219,000,000 has been paid to the County of Sacramento, the City and the County shall share the City's portion of all secured and unsecured ad valorem property taxes levied and collected pursuant to

State law. This revenue neutrality payment complies with the terms and conditions of incorporation imposed by the Sacramento Local Agency Formation Commission, and agreed to by the incorporation proponents and the County of Sacramento.

• Confirm that existing ordinances, land uses, utility user taxes, transient occupancy taxes, fees, charges, and assessments be continued by the new city at the same rate and manner unless changed by the City Council.

Voters who believe that Arden Arcade community should be incorporated into a city on the terms set forth in the proposal should vote "yes" on this measure. Voters who believe the area should remain unincorporated and have Sacramento County continue to provide local services should vote "no" on the measure.

#### **FULL TEXT OF MEASURE D**

RESOLUTION NO. LAFC 2010-07-0519-07-03
THE SACRAMENTO LOCAL AGENCY
FORMATION COMMISSION

### MAKING DETERMINATIONS FOR THE APPROVAL OF THE INCORPORATION OF ARDEN ARCADE, CALIFORNIA

WHEREAS, as used in this Resolution, the following terms shall mean:

"Commission" is the Sacramento Local Agency Formation Commission:

"County" is the County of Sacramento;

"Executive Officer" is the Executive Officer of the Commission:

"Petition" is the original petition certified as a Sufficient Petition on April 10, 2007;

"Proposal" is the incorporation of the affected or subject territory into a general law city as set forth in the Petition;

"Subject Territory" is the area described in Exhibit A (legal description) and shown on Exhibit B (map), which are attached hereto and by this reference incorporated herein. [This territory is a modification of the originally proposed boundaries. In the event of any conflict between Exhibit A and Exhibit B, Exhibit A shall control]; and

"City of Arden Arcade" is the general law city proposed in the Proposal with a proposed effective date of July 1, 2011.

**WHEREAS**, the Petition was submitted to the Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and all amendments thereto;

WHEREAS, on February 28, 2007, the Executive Officer submitted the Petition to the Registrar of Voters of the County for verification that sufficient registered voters within the applicable area signed the Petition, and the Registrar of Voters of the County found that the requisite number of valid signatures were affixed to the Petition, as required by law; and

WHEREAS, the Executive Officer has examined the Petition and executed his Certificate of Sufficiency in accordance with law; and

WHEREAS, at the times and in the substantial form and manner provided by law, the Executive Officer has given notice of public hearing(s) by this Commission upon the Proposal; and

**WHEREAS**, numerous public hearings on the Petition and the Proposal were held by the Commission commencing in March, 2010; and

WHEREAS, the Executive Officer has reviewed all available information and prepared reports, including recommendations, and presented the findings, reports and related information to the Commission, which were then considered by the Commission;

WHEREAS, at the public hearing(s) the Commission heard and received all oral and written protests, objections, all oral and written evidence, which was made, presented, or filed, and persons

present were given an opportunity to hear and be heard with respect to any matter relating to these hearings;

**NOW, THEREFORE**, the SACRAMENTO LOCAL AGENCY FOR-MATION COMMISSION does hereby find, determine, resolve and order as follows:

- The Commission has considered all relevant factors set forth in Government Code Section 56668 and all other relevant factors in reaching its conclusions regarding the Proposal including its findings set forth in Exhibit C attached hereto and incorporated herein.
- 2. Notice as required by law has been given.
- 3. The Subject Territory is inhabited.
- 4. In approving this proposal the Commission has considered the policies set forth in Government Code Section 56377. The incorporation of the City of Arden Arcade does promote the planned, orderly, efficient development of the Subject Territory. Pursuant to Section 56720 of the Government Code, and based upon the entire record, the Commission finds that:
- a. Incorporation of the City of Arden Arcade is consistent with the intent of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; the policies of Sections 56001, 56300, 56301, and 56377 of the Government Code; and the policies of this Commission.
- b. The Spheres of Influence of the local agencies affected by the Proposal have been reviewed by this Commission. This incorporation is consistent with those Spheres of Influence.
- c. The Commission has reviewed the Comprehensive Fiscal Analysis prepared pursuant to Section 56800 of the Government Code. The CFA has been circulated for public review and comments, and presented at public hearings in accordance with law.
- d. The Commission has reviewed the Executive Officer's Report and all information provided by the Executive Officer, the recommendations prepared pursuant to Section 56665 of the Government Code, written comments received, and the testimony presented at its public hearings.
- e. The proposed city is expected to receive revenues sufficient to provide public services and facilities and to establish a reasonable reserve during the three fiscal years following the incorporation pursuant to Government Code section 56800 and ten years per LAFCo Policies, Standards, and Procedures.
- 5. In accordance with Section 56803 of the Government Code, the Commission hereby accepts the findings and recommendations of the Executive Officer's Report and the Comprehensive Fiscal Analysis.
- 6. The Commission, through its Executive Officer, caused an Environmental Impact Report (EIR) on the proposed Arden Arcade incorporation to be prepared. The Commission adopted Resolution No. 2010-06-0519-03-07 on May 19, 2010, certifying the EIR on the Project. All identified mitigation measures are adopted herewith and included as conditions of project approval as set forth in Exhibit D.
- 7. The Commission finds that revenues currently received by the County for services that, but for the operation of Section 56815 of the Government Code, would accrue to the proposed city are not substantially equal to the direct and indirect expenditures currently made by the County for those services that will be assumed by the proposed city. The Commission has proposed Condition 11.p. to adequately mitigate the negative fiscal impact on the County General Fund through the sharing of property tax revenues over a period of time. The sharing of property tax revenues will be implemented in part by Condition 11.p, imposed under Section 56810 of the Government Code. The Commission finds pursuant to Government Code Section 56815(a) that the incorporation is not occurring for primarily financial reasons.
- 8. Pursuant to Government Code Section 57376, the City Council of the City of Arden Arcade shall, immediately following its organ-

ization and prior to performing any other official act, adopt an ordinance providing that all County ordinances previously applicable shall remain in full force and effect as City ordinances for a period of 120 days thereafter, or until the City Council has enacted ordinances superseding them, whichever shall occur first. The City shall adopt the Sacramento County General Plan for the incorporated area, to remain in effect in accordance with law and subject to Government Code Section 65360.

9. The Commission determines the Subject Territory of the new city shall include the area within the boundary proposed in the Petition, as well as the area lying south of Fair Oaks Boulevard and north of the American River contained within the County of Sacramento Arden Arcade Community Plan Area, as shown on Exhibits A and B attached hereto and incorporated herein.

The boundary will not create a peninsula or areas that are difficult to serve; it will maintain an existing planning area and community of interest with similar economic, social, and environmental characteristics; both service levels and planning will remain consistent within an identified and established community boundary; the boundary is logical and easily identifiable; and the boundary is supported by the Final EIR and potentially minimizes service delivery impacts.

- 10. Pursuant to Government Code section 56886.5, and based upon the Executive Officer's Report and the Comprehensive Fiscal Analysis, the Commission determines that existing agencies cannot provide needed services in a more efficient and accountable manner. Incorporation will allow for increased local accountability. This will allow local services and priorities to be determined by the new city council based on local community needs and citizen input. The new city will have the option of contracting with existing agencies after incorporation if it finds that an existing agency is a cost-effective service provider for municipal services not provided by Special Districts.
- 11. Subject to the conditions set forth herein, the incorporation proposed by the Petition submitted, is hereby approved as follows:
- a. The Subject Territory is incorporated into a new general law city.
- b. The name of the new city shall be "The City of Arden Arcade."
- c. The boundaries of the City of Arden Arcade shall be the Subject Territory as set forth in Exhibits A and B attached hereto and incorporated herein.
- d. The City of Arden Arcade, in addition to providing those services required by law, shall ensure provision of the following services: Animal Control and Regulation Services; Building and Building Inspection; Code Enforcement; Police/Law Enforcement Services; Planning; Public Works; Site Development Services; Traffic and Safety Lighting Maintenance; Storm Water and Drainage Services; Street, Road, and Landscape Maintenance; and Solid Waste Collection and Disposal. The City of Arden Arcade should consider contracting with the County of Sacramento for all or some of the above services. The Sacramento Public Library Authority will continue to provide library services.
- e. Pursuant to Government Code Section 56426.5, the Commission hereby adopts a coterminous Sphere of Influence for the City of Arden Arcade, which boundaries are set forth in Exhibits A and B, attached hereto and incorporated herein.
- f. The Commission finds that the application of Streets and Highways Code Section 22613, to automatically detach Sacramento County Service Area No. 1 from the City, would deprive the City of services needed to ensure the health, safety or welfare of its residents. (Govt. Code, §§ 56375(n), 56886(o); Streets & Hwys Code, § 22613.) The City of Arden Arcade may continue participation within this County Service Area after the first full year of incorporation only upon payment of charges and following execution of maintenance and operations agreements by

and between the City of Arden Arcade and the County of Sacramento.

- g. Pursuant to Government Code Section 57384, the County shall continue to provide to the incorporated area, all services furnished to the area prior to incorporation at the same level and in accordance with the budget for the County adopted prior to the effective date of incorporation, for the remainder of the fiscal year during which the incorporation becomes effective, or for a shorter period, if the City of Arden Arcade, acting through its City Council, requests discontinuation of a service or services. In accordance with Section 57384 of the Government Code, the Board of Supervisors has requested that the City reimburse the County for the costs of such services. Accordingly, the new City shall repay the County, over a five-year period, the net cost of all services provided by the County, with the obligation commencing on July 1, 2012, and payments beginning on October 1, 2012, and ending October 1, 2017. The cost of such services shall be reduced by the amount of the City's secured and unsecured ad valorem property taxes for fiscal year 2011-12, if retained by the County, and the amount of the City's first quarter sales tax (July 1, 2011 to September 30, 2011) revenue retained by the County in Fiscal Year 2011-12. After such revenue offset, the City shall owe the County the net cost of such services. Such reimbursement of costs are to be paid in equal quarterly installments of 1/20th of the principal amount owed plus simple interest calculated from July 1, 2012, using the interest rate equivalent to the rate of interest earned by the Sacramento County Treasury Pool.
- h. The County shall continue to provide solid and green waste collection and recycling services to the Subject Territory through county employees and private service contractors. After the first year of incorporation, should the City of Arden Arcade elect to provide solid waste collection and recycling independently, the City shall consider air quality impacts to the region in determining whether disposal of waste should be exported out of Sacramento County.
- i. Any and all development agreements entered into and between the County of Sacramento and any development project applicant, including conditions of approval imposed and mitigation measures adopted pursuant to the California Environmental Quality Act by the County Board of Supervisors on any and all discretionary projects adopted and approved within the incorporated boundaries prior to the effective date of incorporation shall remain valid and enforceable between the applicant and the new City of Arden Arcade, subject to Government Code Section 65865.3, subdivisions (a) and (b).
- j. In accordance with Government Code Section 56886(u), the authority and responsibility for special assessment districts associated with any County Landscape Maintenance District shall be transferred to the new city upon incorporation.
- k. The County of Sacramento shall transfer to the new City of Arden Arcade impact fees collected prior to the incorporation and intended for use in the territory of the new City, for facilities or services not yet rendered for underground utilities, roads, parks, housing and any other allowed use. The City shall be required to collect and expend these impact fees for the original purposes for which the impact fees were collected by the County. Existing transportation fee impact programs shall be continued.
- I. The provisional appropriations (Gann) limit, as required by Article XIIIB of the California Constitution, shall be \$40,231,491. A permanent appropriations limit will be set by the voters of the new City at the first municipal election, which will be held following the first full fiscal year of operation by the new City. (Government Code Section 56812(c).)
- m. Pursuant to Government Code Section 56810, the Commission makes the following findings:
- i. The Commission has considered the total amount of revenue from all sources available to the proposed City of Arden Arcade;

- ii. The Commission has considered the fiscal impact of the transfer of property tax revenue on the County;
- iii. In accordance with Government Code Section 56810, the amount of the base year property tax revenue subject to transfer is \$7,021,000. The amount of base year property taxes transferred shall be adjusted by the County Auditor to the fiscal year in which the City receives its initial allocation, in accordance with Revenue and Tax Code sections 95, et seq.
- iv. The property tax revenue subject to transfer shall be allocated directly by the County as a means of implementing the tax sharing condition set forth in Condition 12.s. of this Resolution Making Determinations. The Commission further finds that there is no current separate fund for the purposes of Government Code Section 56810(c)(4).
- n. The City of Arden Arcade shall be authorized and may continue to levy as general taxes of the City those general taxes presently levied by the County of Sacramento as of November 2, 2010. The types, rates and method of collection of the general taxes to be so continued and imposed are as follows:
- i. A sales and use tax at the maximum rate of one percent (1%) of the retail sale or use of tangible personal property within the City of Arden Arcade to be collected under contract with the State Board of Equalization and returned to the City of Arden Arcade pursuant to local ordinance.
- ii. A real property transfer tax at the rate imposed by the County of Sacramento upon the sale of real property within the City of Arden Arcade to be collected by the County of Sacramento and the pro-rata share returned to the City of Arden Arcade pursuant to local ordinance.
- iii. The City shall impose a utility user tax rate identical to the tax rate imposed by the County of Sacramento as of November 2, 2010, at the rate of 2 1/2% of the utility charge. The new City may modify, alter, or rescind this tax in its discretion so long as its financial obligations to the County under Condition (s) of this Resolution Making Determinations are satisfied.
- iv. The City shall impose a transient occupancy tax rate identical to the tax rate imposed by the County of Sacramento as of November 2, 2010, at the rate of 12% per room.
- v. The City shall impose all other general taxes presently imposed by the County of Sacramento at the same rate and in the same manner as they are imposed and collected by the County of Sacramento.
- vi. All other taxes generally authorized for incorporated cities, including, but not limited to:
- a) Property Taxes
- b) Sales Taxes
- c) Real Property Transfer Tax
- d) Franchise Fees
- o. The Commission finds that the negative fiscal impact of the proposed incorporation on the County's general fund over a twenty-five year period after the effective date of the incorporation will be \$216,741,625. The Commission and County recognize that there will not be sufficient City property tax revenue to make the full \$8,669,665 annual revenue neutrality payment to the County. The Commission further recognizes that it would be beneficial for the City to make reduced revenue neutrality payments in the early years after its incorporation to allow for the accrual of additional reserves. In order to offset the loss to the County of the full amount of the revenue neutrality payment until such time as the amount of City property tax revue equals the amount of the full revenue neutrality payment, the Commission has determined that it is appropriate to increase the total amount of revenue neutrality payments to \$219,000,000.
- p. Whereas, in prior incorporations the new city and the County have entered into a formal Tax and Revenue Sharing Agreement,

the parties have agreed upon terms and conditions of tax sharing hereinafter set forth, and have requested that the Commission impose these terms as a condition of incorporation consistent with Government Code section 56815. Based on the terms and conditions agreed upon as provided by correspondence from the County and Proponents dated April 30, 2010, the Commission's analysis of the relevant fiscal data and the negative fiscal impact of the incorporation on the County's general fund, and pursuant to Government Code Section 56815, as a means of mitigating the financial impacts of the incorporation upon the County of Sacramento's general fund, the City shall be required to share its property tax revenue in accordance with the terms set forth below.

- i. Payments shall begin in fiscal year 2012-13 and shall continue annually until \$219,000,000 has been paid to the County;
- ii. The annual payments shall be in the amount of 90% of the secured and unsecured property tax revenue that would be apportioned each fiscal year to the City absent this revenue sharing requirement;
- iii. The amount of City property tax revenue payable to the County shall be allocated by the County Director of Finance/County Auditor directly to the County as part of the property tax apportionment process.
- iv. All costs and expenses associated with the collection, administration and interest-earning capabilities of the City property tax revenue shall be shared by the City and the County in accordance with the same percentages as the underlying property taxes. The County's share of the City property tax revenue shall be allocated by the County's Director of Finance directly to the County.
- q. The tax sharing provisions set forth in Condition 10.p. above are premised on the statewide structure that governs local government finances and the obligation of newly incorporated cities to mitigate the negative fiscal impacts of their incorporation on counties that existed as of the date of adoption of this Resolution. The tax sharing obligations set forth in that condition shall be subject to modification upon any of the following occurrences:
- i. A statewide structural change in the services, which are required by the State to be provided by the County or the City;
- ii. A statewide structural change in the manner in which the above mandated services are funded:
- iii. The occurrence of any other event that significantly modifies how cities and/or counties generally receive, or the County specifically receives, funding;
- iv. Any significant modification by the State of the manner in which newly incorporated cities are funded; or
- v. If the revenue neutrality structure in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code 56815) as it existed on July 1, 2002, is modified in a substantive, non-technical manner.
- r. If either party believes that one of the triggering factors set forth in Condition 10.q. above has occurred, it may serve a written Notice of Reopener on the other party requesting that the City's tax sharing obligation be modified. A copy of this written request shall be provided to the Commission, but the Commission shall not have any role with respect to the request. The Notice of Reopener shall specify the precise manner in which the requesting party is proposing that the City's tax sharing obligation be modified and must be submitted within one (1) year of the effective date of the relevant triggering factor. If the Notice of Reopener is not served within this one (1) year period, the parties waive any right to request a modification of the City's tax sharing obligation based on that particular triggering factor.
- i. The parties shall have sixty (60) days after service of the Notice of Reopener as a Negotiation Period in which to attempt to reach mutual agreement on an appropriate modification to the City's tax sharing obligation. If the parties are unable to reach such a mutual agreement within this sixty (60) day Negotiation Period,

- the City and County shall comply with the dispute resolution procedures set forth below. In doing so, the parties shall conform to the timeline prescribed therein measured from the date of service of the Notice of Reopener.
- ii. If, upon the completion of the Negotiation Period, no modification to the City's tax sharing obligation is agreed upon by the City and the County, the City and the County shall mutually select a mediator, funded in equal portions by each party, to perform mediation for a period of not to exceed thirty (30) days. If the City and the County cannot mutually select a mediator, each shall select a mediator of its choosing. Those two mediators shall then select a neutral mediator, who shall be the mediator.
- iii. If, upon the completion of the Mediation Period, no mutually acceptable agreement has been reached by the City and the County, the parties shall mutually commence an action in the California Superior Court for the exclusive purpose of implementing the process of resolution of the dispute pursuant to Code of Civil Procedure section 638. This term and condition by the parties shall constitute and be construed to be an agreement to reference under Code of Civil Procedure section 638. The parties shall select a referee under Code of Civil Procedure sections 638 and 640, funded in equal portions by the parties, to conduct a judiwith the City reference and the for a period of not to exceed thirty (30) days. If the City and the County cannot mutually select a referee, each shall select a mediator of its choosing. Those two mediators shall then select a referee, who shall be the referee.
- iv. The provisions of Code of Civil Procedure section 1283.05 are made expressly inapplicable to the Negotiation and Mediation periods and/or the reference proceedings conducted pursuant to this section. However, discovery shall be permitted for the reference proceeding only, but, pursuant to Code of Civil Procedure section 2021, discovery during the reference proceeding shall be subject to the following limitations:
- a) Discovery shall be limited in time to the forty-five (45) days before the date of the commencement of the reference hearing;
- b) Discovery shall be limited in scope to disclosure of information to be presented at the reference hearing; and
- c) Discovery shall be accomplished by the disclosure duties as contemplated by Federal Rule of Civil Procedure, Rule 26, which initial disclosure shall occur on the forty-fifth (45th) day before the date of commencement of the reference hearing, or on some other date mutually agreed upon by the parties.
- v. On the day that the reference proceeding commences and as a part of each party's case in chief, the City and the County shall each present to the referee its last and best offer with respect to the City's tax sharing obligation. The referee must make his or her decision within the confines of the two offers presented by the parties. The reference proceeding contemplated herein shall be conducted pursuant to Code of Civil Procedure section 638 et. seg. and the decision by the referee must be reported as set forth in Code of Civil Procedure Section 643 and it must stand as the decision of the court as set forth in Code of Civil Procedure section 644. The only review of the referee's decision shall be to determine if the referee's decision is within the confines of the two offers presented by the parties. The referee is free to fashion his or her decision within the confines of the two offers presented by the parties. However, if the referee's decision does not stay within the confines of the two offers presented by the parties, the referee's decision shall be null and void and subject to judicial review. The parties expressly agree to preserve their appellate rights pursuant to Code of Civil Procedure section 645, as limited herein.
- vi. Proceedings under these dispute resolution procedures shall be concluded no more than one hundred fifty (150) days after the service of the Notice of Reopener, unless one or more of the periods specified herein is extended by the mutual written agreement of the City and the County, but in no event may

the proceedings under these dispute procedures be extended for a cumulative period of more than one (1) year after the service of the Notice of Reopener.

- s. The City of Arden Arcade shall petition Sacramento Area Council of Governments (SACOG) for inclusion in its Joint Powers Agreement as a member city and shall participate in SACOG's regional planning activities as a nonmember prior to membership.
- t. The City of Arden Arcade shall maintain existing public transit service levels including applicable paratransit service required under the American with Disabilities Act. This shall be accomplished by the annexation of the City of Arden Arcade into the Sacramento Regional Transit District and activation of transit services within the City of Arden Arcade, in accordance with procedures set forth in Sections 102062.5 and 102055 of the District's enabling legislation (Part 14 of Division 10 of the California Utilities Code). The City of Arden Arcade shall, within one hundred twenty (120) days of incorporation, submit a request for annexation and activation to the Sacramento Regional Transit District or shall become a participating entity and enter into a contract with the Sacramento Regional Transit District to pay its proportionate share of the cost to provide transit services to the city, and the District shall agree to maintain a specified level of service.
- u. Subject to the City of Arden Arcade satisfying all prerequisites necessary to become a member entity of the Sacramento Transportation Authority (STA), the Commission recommends that the City of Arden Arcade petition to become a member of the Sacramento Transportation Authority and submit a proposal to the Sacramento Transportation Authority requesting that the County, the City of Sacramento, and other members of the Sacramento Transportation Authority act to allocate funds equitably and in a manner similar to other municipalities in Sacramento County.
- v. The City of Arden Arcade and the County of Sacramento shall enter into joint maintenance agreements with any affected local agency for the maintenance of public streets that define common boundaries, including street lighting maintenance.
- w. Pursuant to Government Code Section 57385, all roads and highways or portions of road(s) and highway(s), which had been accepted into the County-road system pursuant to Section 941 of the Streets & Highways Code, shall become City streets on the effective date of the incorporation.
- x. County Service Area No. 1 (street lighting) will continue to provide service to the new city of Arden Arcade after incorporation. After incorporation the new City may submit an application and service plan to LAFCo to detach from CSA No. 1, and request to provide street lighting services pursuant to Government Code Sections 56844(o) and 56375(p).
- y. The City of Arden Arcade shall coordinate for water and drainage services, planning, design, and maintenance provided by Sacramento County Water Agency Zones 11B, 12, 13, and 41, the County of Sacramento Storm water Utility.
- a. Upon incorporation, the Sacramento County Water Agency (SCWA) shall detach the City of Arden Arcade from SCWA Zone 11B. Zone 11B is a drainage development fee charged to new development projects to fund the plan review and construction of trunk drainage facilities. Since the incorporation area is essentially built out, the drainage development fee is no longer required. The City shall establish a separate funding mechanism for drainage services for new development.
- b. The City shall continue to receive services provided by Zones 13 and 41 of the SCWA.
- c. The City shall accept ownership and maintenance responsibility of the existing drainage system serving the incorporation area (including pump station D-05, channels, pipes, detention basins, and other pump stations located in the public rights of way, recorded and prescriptive easements and other such instruments, and owned or operated by the County of Sacramento or the

- SCWA). The City shall also develop standards for construction, operation, and maintenance of drainage facilities, adopt and enact a Storm water Utility program similar to, and levy the same fee as, the County of Sacramento Storm water Utility. The City shall continue to have Storm water Utility services provided by the County of Sacramento, including the collection and retention of the City's adopted fee to fund those services, for one year after incorporation
- d. Upon incorporation, the City shall coordinate with SCWA to avoid adopting policies that conflict or increase costs for operation of SCWA's water delivery system located in the City
- z. The Commission hereby approves the detachment of County Service Area (CSA) No. 11. CSA No. 11 was created to provide extended police service and animal control services. The district shall be detached as no fee was adopted, and it is otherwise dormant.
- aa. Upon incorporation, the City will be required to file with Federal Energy Management Agency (FEMA) as a new community for the National Flood Insurance Program and administer this program.
- bb. Upon incorporation, the City shall coordinate with other existing water purveyors within the newly incorporated city boundaries, i.e. Sacramento Suburban Water District, California American Water Company, and Golden State Water Company (dba Arden Cordova Water Service), to avoid adopting policies that conflict or increase costs for operation of water delivery systems located in the City.
- cc. The City is encouraged to become a signatory of the Water Forum Agreement and support the policies, objectives, and goals of the Water Forum Agreement regarding conjunctive use of water supply reliability, conservation, and environmental protection of water resources.
- dd. A portion of the Auburn Boulevard Redevelopment Plan Area is within the City boundaries. Sacramento Housing and Redevelopment Agency ("SHRA") shall retain jurisdiction over the Project Area. The Commission finds that the City may, pursuant to Health and Safety Code section 33216, establish an agency to be the receiving agency for that portion of the Project Area provided it complies with all requirements of the Community Redevelopment Law of the State of California, California Health & Safety Code Section 33000 et seq.
- ee. As set forth in the Funding Agreement dated July 1, 2007, and amended December 23, 2008, between the Commission and the Arden Arcade Incorporation Committee, the City of Arden Arcade shall reimburse the Commission for costs incurred for staff time including legal counsel attributed to processing the Arden Arcade incorporation petition, in addition to the Commission's \$100,000 contribution to fund the incorporation studies, including interest on these sums at the rate paid by the Local Agency Investment Fund (LAIF) over the time the incorporation proposal was considered. These costs shall be repaid as soon as possible, but no later than July 1, 2013. The Executive Officer and the Incorporation Committee and/or City shall agree to a repayment schedule.
- ff. The City of Arden Arcade shall become a co-permittee under the terms of the existing Countywide National Pollution Discharge Elimination System Permit (NPDES).
- gg. The parties shall determine the Regional Housing Needs Allocation (RHNA) number of housing units that shall transfer from the County to the City of Arden Arcade in accordance with Government Code Section 65584.07.
- hh. The City of Arden Arcade is encouraged to petition the Regional Human Rights and Fair Housing Commission (RHRFHC) for inclusion in its Joint Powers Agreement.
- 12. The Arden Arcade Incorporation Committee and the City Council shall indemnify, defend, and hold harmless, the Commission, its directors, officers, agents, and employees

("Commission") from and against any and all Losses arising out of or in any way connected with the incorporation of the new city or any actions taken or agreements executed in connection with the subject incorporation effort, however caused, regardless of any negligent act of the Commission, whether active or passive, excepting only such Losses as may be caused by the sole, active negligence or willful misconduct of the Commission. As used in this section, the term "Losses" means actions, claims, demands, losses, expenses, including reasonable attorneys' fees and costs, damages, and liabilities.

- 13. Subject to the limitations of Government Code Section 57202, the effective date of incorporation is to be July 1, 2011.
- 14. The new City shall have a Council-City Manager form of government.
- a. Initially, the governing body of the proposed new city shall be a seven member City Council and a Mayor shall be appointed by the City Council, initially elected at-large from throughout the area to be incorporated. The election of the seven members shall be concurrent with the election question of whether or not the city shall be created by the electorate.
- b. In future elections, the Mayor shall be elected at-large. Members of the City Council in future elections shall be elected by district, as defined in Government Code section 34871.
- c. By ordinance or resolution, the City Council shall establish the districts in accordance with law at any time prior to the first day on which voters may nominate candidates for election in the November 2012 municipal election. (Gov. Code, § 34884.) The effect of this section is to have by district elections beginning in November 2012.
- d. Subject to the limitations of Government Code Section 56724, the election of the first City Council and Mayor, and the incorporation election, will be held at the next regularly scheduled election date which is November 2, 2010. Costs for the election of the first City Council election shall be borne by the City. The election and terms of office for members of the City Council shall be subject to Government Code sections 57377-57379, inclusive.
- e. Upon and after the effective date of this incorporation, the City Manager, City Clerk, and City Treasurer shall be appointed by the City Council in accordance with Government Code Section 56723; 36511.
- f. The question of incorporation, including all terms and conditions, shall be one question on the ballot.
- 15. The Commission shall order the change of organization of the Subject Territory subject to confirmation of the voters.
- 16. Pursuant to Government Code Section 56375(f), the Commission finds that there are 42,608 registered voters residing within the Subject Territory.
- 17. The Commission has reviewed the boundaries of the Subject Territory for definiteness and certainty and has determined that the same are definite and certain.
- 18. The Commission makes the additional findings set forth in Exhibit C attached hereto and incorporated herein.

**BE IT FURTHER RESOLVED** by the Sacramento Local Agency Formation Commission that the Sacramento County Board of Supervisors is directed to initiate appropriate proceedings in

- a. Mail a certified copy of this Resolution to the chief petitioners.
- b. Mail a certified copy of this Resolution to the affected governmental agencies whose boundaries are affected by the Resolution.
- c. File a certified copy of this Resolution with the Clerk of the Board of Supervisors of the County; and
- d. Request the County Surveyor to prepare the official legal description of the Subject Territory to be filed with the Clerk of the Commission.

**ON A MOTION** made by Commissioner <u>Tooker</u>, seconded by Commissioner <u>Jones</u>, the foregoing Resolution No. LAFC **2010-07-0519-03-07** was adopted by the SACRAMENTO LOCAL AGENCY FORMATION COMMISSION, on this <u>19th day of May 2010</u>, by the following vote, to wit:

AYES: Tooker, Jones, Peters, Rose, Budge, Yee and Cohn

NOES:

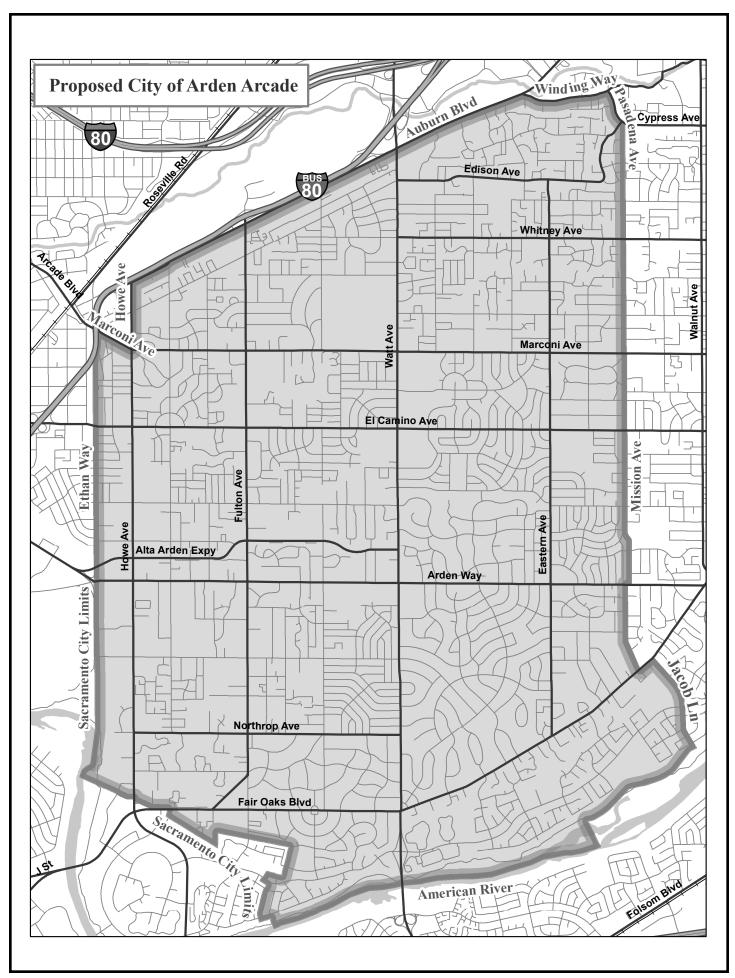
ABSTAIN:

ABSENT:

By:

s/Steve Cohn, Chair

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



#### FINDINGS REGARDING INCORPORATION

- 1. The Commission finds that the proposal is consistent with the intent of the Cortese-Knox-Hertzberg Act of 2000.
- 2. The Commission finds that the proposal is consistent with the Policies, Standards, and Procedures of the Sacramento County Local Agency Formation Commission.
- 3. The Commission finds that the proposal is revenue neutral pursuant to its Policies, Standards and Procedures and Cortese-Knox-Hertzberg Reorganization Act of 2000.
- 4. The Commission finds that the incorporation does not result in the conversion of prime agricultural land or open space use to other uses and the incorporation leads to the planned, orderly and efficient development of the area.
- 5. The Commission finds that the proposal complies with the general policies and standards applicable to all changes of organization or reorganization.
- 6. The Commission finds that the applicants have demonstrated a significant unmet need for services or a need for improved services within the territory for which the incorporation is proposed. In determining whether an unmet need for services or improved services exists, the Commission has considered:
- a. Current levels of service in the area to be incorporated;
- b. Existing and projected growth rate and density patterns in the area to be incorporated; and
- c. The Sphere of Influence Plans for the jurisdictions currently providing services to the area.
- The Commission bases these findings on the Record which includes, but is not limited to:
- a. The Metropolitan Transportation Plan (MTP), the County General Plan, the Arden Arcade Community Plan, and the Arden Arcade Community Action Plan.
- b. The incorporation petition which sets forth the following factors of importance to the Arden Arcade Community:
- i. The project may enhance the character and identity of Arden Arcade by establishing the community as a city;
- ii. The project will increase local control over and accountability for decisions affecting Arden Arcade by having an elected city council and mayor made up of Arden Arcade residents serving as the community's primary local government representatives;
- iii. The project will ensure that the comprehensive planning, zoning and other regulatory land use decisions affecting Arden Arcade and its quality of life are made in Arden Arcade and ensure their enforcement:
- iv. The project will capture, for local use, additional revenues generated in Arden Arcade;
- v. The project will increase the accessibility of local government officials and staff to the Arden Arcade residents;
- vi. The project will increase the allocation of federal and state revenue to Arden Arcade to support local services and programs;
- vii. The project will increase local responsibility for determining services, service levels and capital improvements in Arden Arcade:
- viii. The project may improve and enhance where possible the level of services available to Arden Arcade, including the level of police protection;
- ix. The project may promote more citizen participation in local civic affairs of Arden Arcade; and
- x. The project may stimulate economic growth to support the well-being of the residents.
- 7. The Commission finds that the incorporation will result in an entity with the capability to provide cost-effective and efficient forms of municipal services to the affected population at similar

- levels of service as currently provided by the County of Sacramento and similar cities. Consistent with the Commission's policies, the applicants have demonstrated by petition a desire to incorporate in order to provide local municipal and governmental services and local accountability within the area proposed to be incorporated.
- 8. The Commission finds that the incorporation does not have significant adverse social and economic impacts upon any particular communities or groups in the incorporating area or affected unincorporated area.
- The Commission finds that the proposed City is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following incorporation.
- 10. The Commission finds that the proposed City has the required ability to provide the services, which are the subject of the application to the areas, including the sufficiency of revenues for those services following incorporation.
- 11. The Commission finds that there is a timely availability of water supply adequate for the City's projected needs as specified in Government Code section 65352.5. This finding is based upon the following facts and conditions:
- a. Existing development within the proposed incorporation boundaries has an existing and adequate water supply provided by Sacramento County Water Agency Zone 41 (SCWA), Sacramento Suburban Water District, Del Paso Manor Water District, Golden States Water Company, and Cal American Water Company. There are a minor number of parcels that are unserved but that use private wells. The project does not include changes to the existing private, public, and municipal water services and would not require additional water supplies.
- b. Future development of the incorporation area could result in an increased demand for water supply beyond what is anticipated under the Sacramento County General Plan. The new city could be in the position of competing with surrounding unincorporated areas and other cities within the County for water supply sources. However, no substantial increase in water supply demand or groundwater depletion is expected to occur from growth resulting from the limited vacant parcels and growth potential within the incorporation area.
- c. To ensure that the new city would continue to provide adequate water services and protect the sustainability of groundwater, the City of Arden Arcade shall identify existing water purveyors as primary providers and is encouraged to become a signatory of the Water Forum Agreement.
- d. Pursuant to Sacramento County General Plan Policies, and pursuant to provisions of state law, and this Resolution, no development can take place within the proposed boundaries of the City unless a reliable water supply has been identified and financing mechanisms for said reliable water supply are in place. The City of Arden Arcade shall adopt policies consistent with the following county policies:
- "Policy CO-20: In new development areas, as identified in Figure III-1 of the Land Use Element, entitlements for urban development shall not be granted until a Master Plan for water supply has been adopted by the Board of Supervisors and all agreements and financing for supplemental water supplies are in place. The land use planning process may proceed, and specific plans and rezoning may be approved."
- "Policy CO-22: Development entitlements shall not be granted in areas where no groundwater exists and water purveyors have reached their capacity to deliver treated water unless all necessary agreements and financing to obtain additional water supply are secured."
- "Policy CO-23: Subdivisions and Parcel Maps shall be required to demonstrate adequate quantity and quality of groundwater prior to approval of residential lots in areas of the

County where supply and quality are doubtful."

- "Policy CO-25: Should the Board of Supervisors determine that there is a significant adverse effect on groundwater, including effects on quality, no building permits for urban commercial and residential uses shall be issued."
- "Policy CO-39: Development project approvals shall include a finding that all feasible and cost effective options for conservation and water reuse are incorporated into project design. Wastewater reuse options shall be reviewed and agreed upon by the area water purveyor when the reclaimed water is to be used within the water purveyor's boundaries."
- 12. The Commission finds that the proposal will not affect the ability of the City or County to achieve their respective fair shares of the regional housing needs allocation as determined by the Sacramento Area Council of Governments (SACOG).
- 13. To ensure that the new City of Arden Arcade meets its regional housing needs allocation, the new City and the County shall comply with the procedure set forth in Government Code section 65584.07.
- a. Additionally, the City of Arden Arcade shall continue to assess and collect the Housing Trust Fund fee, consistent with the existing Housing Trust Fund fee imposed by the County of Sacramento on non-residential development. The City of Arden Arcade shall adopt the necessary ordinances and resolutions to effectuate this condition within 180 days of incorporation.
- 14. The Commission has reviewed information and comments from landowners and business owners as well as the general public in making these findings.
- 15. The Commission finds the incorporation consistent with the regional growth goals and policies established by SACOG.
- 16. The Commission finds that it has considered all relevant factors set forth in Government Code 56668 and all other relevant factors in reaching its conclusions regarding the incorporation of the new City of Arden Arcade including, but not limited to, the following:
- a. Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

As reflected in the Executive Officer's Report, the current population of the incorporation area, with the amended boundary is 98,401, including 42,608 registered voters.

The average rate of growth for the entire Sacramento region is estimated to be 2.15 percent, or about 23,443 people per year. The existing seven cities and the unincorporated area are expected to grow at differing rates, based on information from current general plans and by how much undeveloped property is available within each community. There is little likelihood of significant growth in the incorporation area since only 2 percent of the parcels are currently undeveloped.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the Commission has considered all of these factors in determining that the incorporation promotes the planned, orderly, efficient development of the subject territory.

b. The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed reorganization (incorporation and detachments), or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

The Commission requested an annexation feasibility study to determine whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner. (See Gov. Code, 56886.5(a).) As recognized by the Commission, there are no immediate plans to annex the Arden Arcade area to the City of Sacramento.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the Commission has considered the present cost and adequacy of services, probable future needs for those services, and the probable effect of incorporation on the area and adjacent areas in determining that the incorporation promotes the planned, orderly, efficient development of the subject territory.

c. The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the proposed incorporation of Arden Arcade, with the Commission amended boundary, does not have any significant adverse social, economic, or environmental impacts upon any particular communities, cities, special districts, other service providers, regional jurisdictions, surrounding neighborhoods, or the County of Sacramento. The Commission adjusted the proposed boundary to preserve an existing community of interest promote the efficient delivery of municipal services.

d. The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the incorporation of the City of Arden Arcade promotes the planned, orderly, efficient development of the subject territory.

The incorporation will not lead to the conversion of prime agricultural land or open space. By expanding the boundary of the original incorporation area proposed, both service levels and planning will remain consistent within an identified and established community boundary.

e. The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the incorporation area does not include any land that is considered to be prime agricultural land.

f. The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the new city shall include the area within the boundary proposed in the Petition, as well as the area lying south of Fair Oaks Boulevard and north of the American River contained within the County of Sacramento Arden Arcade Community Plan Area.

The boundaries of the territory are definite and certain, as shown in Exhibit A and B, and conform to lines of ownership. It will not create a peninsula or areas that are difficult to serve; it will maintain an existing planning area and community of interest with similar economic, social, and environmental characteristics; both service levels and planning will remain consistent within an identified and established community boundary; the boundary is logical and easily identifiable; and the boundary is supported by the Final EIR and potentially minimizes service delivery impacts.

g. Consistency with the (regional) metropolitan transportation plan, as well as the county general and specific plans.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the pro-

posed incorporation would result in a continuation of existing land use patterns, and is therefore consistent with the Regional Transportation Plan, the County General Plan, and the Arden Arcade Community Plan and related County ordinances.

h. The sphere of influence of any local agency which may be applicable to the proposal being reviewed.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the Commission has reviewed the spheres of influence for all applicable local agencies. Under the proposed incorporation, the existing special districts will continue to provide services to the new city.

m. Any information or comments from the landowner or owners, voters, or residents of the affected territory.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the Commission has heard and considered all information and comments from landowners, voters, residents, and other stakeholders on the issue of incorporation of Arden Arcade.

n. Any information relating to existing land use designations.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, the new City of Arden Arcade shall be required to adopt Sacramento County's general plan. As such, the project will not result in any changes to existing land use designations.

o. The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

As set forth in the Executive Officer's Report, the Comprehensive Fiscal Analysis, and the Environmental Impact Report, because the project would not result in any physical changes to the environment, low-income populations located within the proposed incorporation area would not be exposed to proportionately greater risks or impacts compared to those borne by other individuals as a result of project implementation. Any changes in levels of service to the incorporation area would equally affect all population groups.

#### ARGUMENT IN FAVOR OF MEASURE D

A "Yes" vote on Measure D will allow us to restore vital services like Sheriff's patrols, anti-gang efforts and community policing - without raising taxes.

The County can no longer afford to provide essential services to our neighborhoods: they've drastically cut public safety, planning, street maintenance and other services.

Voting "Yes" on Measure D will help us repair our roads, clean up blight and support vital services - without raising taxes.

Right now, more than 40% of the money from our community is essentially exported to other neighborhoods. A "Yes" vote on will keep those dollars here, providing vital services for our residents and neighborhoods.

Some politicians falsely claimed a new city means higher taxes; but that is just not true. Leading Taxfighters - like the Howard Jarvis Taxpayers Association and People's Advocate- have stated clearly that creating a new city does not raise taxes.

An independent financial review shows that a new city would be financially stable and viable - with about the same level of funding as Citrus Heights with no new taxes.

Vote Yes on D - it will help provide more law enforcement and vital services without raising taxes one dime!

s/Ted Costa, CEO People's Advocate

s/Joshua Wood, Past Chairman
Arden Arcade Community Planning Council

s/Rob Harrison, Board Member Fulton-El Camino Park & Recreation District

s/Kevin Mickelson, President Sacramento County Deputy Sheriff's Association

#### REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE D

Here is what cityhood proponents aren't telling us.

They're not telling us that the California Highway Patrol will no longer provide traffic enforcement and critical second responder services in the new city. We will lose half the law enforcement officers currently serving our community. It will cost at least \$2.5 million to replace them. That's a public safety risk we can't afford.

They're not telling us that they're relying on risky state Vehicle License Fees to pay for about a quarter of the new city's budget. The state routinely withholds those funds from California cities, and in some months it has deferred up to 95 percent of total receipts!

They're not telling us that that their own fiscal analysis assumes nearly \$20 million in annual sales tax revenues-- increasing every year--without accounting for the fact that car dealerships, shopping centers and other businesses are declining. The new city's budget is like a house of cards-- casting doubt on a host of new services promised to residents.

They're not telling us that their own fiscal analysis reveals a new city would be financially risky: "The new City could experience shortfalls or inadequate fund balances during its initial years of operations."

They're not telling us that they're making promises they can't keep. Built-in shortfalls mean reduced services or tax increases. That's sure to make Arden-Arcade a second-class city. Measure D is simply a risk we can't afford.

Vote NO on Measure D.

s/James Beckwith,

Bank President/Wilhaggin Resident

s/Fred Dowdle,

California Highway Patrol Sgt. (retired)/ Del Paso Manor Resident

s/Michael Lyon,

Businessman/Realtor/Arden Oaks Resident

s/Daniel Orey,

CSUS Professor/ Town and Country Resident

s/William Welker,

USAF Lt. Colonel (retired)/Church Volunteer/

Misson Oaks Resident

#### **ARGUMENT AGAINST MEASURE D**

Arden Arcade cityhood is a risk we can't afford. More bureaucracy means more employees, more costly pensions, more health plans, more equipment, more politicians, more offices and more taxes - all paid for out of your pocket. And if voters don't approve the new taxes needed to pay for all this extra government, we'll be stuck with a second-class city!

Advocates cite no important reason for incorporating this residential area. They are trying to scare us into supporting their scheme by suggesting we will be able to put more police officers on the streets. But other cities in the region have more crime than we do in the unincorporated Arden Arcade community. Adding more officers will not come free - Measure D will cost you more in taxes!

It's irresponsible to propose a costly new city, especially during a severe recession when property and sales tax revenues - from car dealerships, shopping centers and other businesses - have declined sharply. We cannot count on taxes from our local businesses to pay for new planning departments, public works, finance offices, weed abatement crews, street maintenance and other city functions already provided by the county. Taxes will have to go up.

Unlike other new cities, Arden Arcade is fully built out. We cannot count on growth and development as Rancho Cordova and Elk Grove did to pay for new city services. You will foot that bill.

Under law, the new city would have to reimburse Sacramento County \$219 million over 35 years - \$8.7 million in the first year alone! Experts estimate revenues in Arden Arcade will fall short of the amount needed to meet that obligation. Again, you will have to make up the difference in higher taxes. What will you really get if we create Arden Arcade, California? Higher taxes! Vote No on Measure D.

s/Mike Duveneck, Chair Sacramentans Against Measure D

s/Rick Martinez, Chief Emeritus Sacramento Metro Fire District

s/Kristin M. Elser, Parent/Garden of Gods resident

s/John Frisch,

Businessman/Arden Park resident

s/Stan Atkinson,

TV News Anchor/reporter (retired)/Arden Arcade resident

#### REBUTTAL TO ARGUMENT AGAINST MEASURE D

Measure D doesn't raise taxes - leading tax-fighting groups like Howard Jarvis Taxpayers Association and the People's Advocate agree. Any claim that Measure D raises taxes is simply false.

Ask yourself: is your neighborhood better than it was 3 years ago? Are your roads or parks better? Is it safer?

Sacramento County is broke; they've cut hundreds of Deputy Sheriffs and other vital programs; raised rates on services and still face a multi-million dollar budget deficit and huge pension debts. Clearly, the biggest risk to our families and neighborhoods is doing nothing!

It's unbelievable and irresponsible to say that County budget cuts haven't dramatically reduced vital services in our neighborhoods, including law enforcement.

The fact is, our community has less than 1/2 the law enforcement protection as Citrus Heights or Rancho Cordova - that's why they doubled police protection (without new or higher taxes!)

Every independent analysis shows our community exports over 40% of our tax-dollars to other areas. A study by the Sacramento Local Area Formation Commission (available at <a href="https://www.saclafco.org">www.saclafco.org</a>) also shows the new city will be financially stable - while still paying a fair share for county-wide services like CPS and the District Attorney's office.

Why support Measure D? Voting "Yes" will improve public safety, help create jobs, clean-up neighborhoods, restore programs for children and seniors and let us take control of our future instead of relying on downtown politicians to watch out for us.

Visit <a href="www.ArdenArcadeCity.org">www.ArdenArcadeCity.org</a> to see the facts for yourself.

s/Patricia Harrington, President

Del Paso Manor Home Owner's Association

s/Michael E. Grace, President

Arden Manor Neighborhood Association

s/Anthony A. Hernandez,

Arden Arcade Planning Commissioner

s/Joe Green, Founder & Coordinator Cowen Neighborhood Watch