

#4

- Please approve ALL of the following:
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- Payment of park impact fees with each building permit
- Cable television service hookup provisions
- Mandatory waste management services
- Construction debris disposal provisions
- Compliance with the District's Streetscape Master Plan regarding wall and/or fence materials, irrigation components, sidewalk connectivity, etc.
- (CSD) Ownership and operation of public pedestrian pathway and trails pursuant to El Dorado Hills Specific Plan provision 9.5.4 linked ([Click here](#)).....

Private streets will be funded, constructed, and maintained in conjunction with subdivision or commercial development.

#### 9.5.4 Pedestrian Paths and Trails

##### a. Public

All pedestrian paths and trails located within public street rights-of-way and public natural open space areas will be publicly owned and maintained. Pedestrian paths along public streets will be constructed in conjunction with the installation of those streets.

#4



**EL DORADO HILLS**  
COMMUNITY SERVICES DISTRICT

October 24, 2023

California Department of Real Estate

**RE: Serrano Master Plan Community, shell LLAD**

To whom it may concern,

The intent of this letter to the Department of Real Estate is clarification concerning the formation of a backup maintenance funding mechanism for specific landscape areas in the master plan community known as Serrano in El Dorado Hills.

The El Dorado Hills Community Services District (CSD) formed a backup maintenance funding mechanism in the form of a Landscaping and Lighting Assessment District (LLAD) in 1995. This LLAD formation was conducted in coordination with the El Dorado Hills Development Company. The LLAD is provided as an attachment, relevant points found within the formation documents have been outlined below:

"No annual levy assessment is permitted until such time as the Serrano Master Owner's Association or the El Dorado Hills Development Company fails to maintain the landscape."

"The district is established to provide a backup funding source for landscape maintenance should the Serrano Master Owners Association for some reason in the future determine to terminate its responsibility for landscape maintenance. Should the time ever come for the District to be formally activated then the District would be responsible for the maintenance of landscape medians, landscape corridors, street lights, irrigation systems, plant replacement and similar duties. The District would spread the cost of maintenance over the homes and businesses within the district as described in the Method of Spread diagram."

"II. AREAS OF COST DETERMINATION... i) Landscape: These improvements include landscape, irrigation, and sidewalk improvements within the median and adjacent to the Silva Valley Parkway from Harvard Way to Serrano Parkway and on the Serrano Parkway from the east edge of the existing El Dorado Hills Golf Course to the Current terminous of the Serrano Parkway just east of the entry to the Serrano Golf and Country Club. The area is further identified on the improvement area diagram. ii) Entries: The entry monuments located within the

median and adjacent to the roadway on Serrano Parkway and Silva Valley Parkway.”

“The work contemplated herein is that which is necessary or convenient for maintaining and servicing the common landscape areas and street lighting located within the public places in the territory described as follows: All that certain real property situated in the County of El Dorado, State of California, being more particularly described as follows: Lots 1, 2, 3, 4, 5, 6, 8, and nine of the subdivision entitled El Dorado Hills Specific Plan, Unit No. 1, and Lots 11, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, and 34 of the subdivision entitled El Dorado Hills Specific Plan, Unit No. 2, which subdivisions are recorded in the office of the El Dorado County Recorder.”

“IV. DIAGRAM OF THE MAINTENANCE DISTRICT...The lines and dimensions of each lot within the assessment district are those lines and dimensions shown on the recorded maps (attached hereto) entitled El Dorado hills Specific Plan, Unit No. 1, recorded in Book H, page 78 document No. 69968, recorded November 22, 1993; and, El Dorado Hills Specific Plan recorded in Book H, page 81, document no. 12711 on February 25, 1994. These recorded maps, as they may be modified by subsequent recorded maps, shall govern for all details concerning the lines and dimensions.”

From those outlined sections of the formation document, along with the diagram depicting the areas that would be maintained in the event of the HOA’s failure to maintain, and the diagram depicting the parcels that would pay for such maintenance, the following facts are provided:

- The LLAD was formed for the future potential need to continue maintenance of specific areas, but the LLAD would remain inactive until such a time. In other words, it would be a “shell” of an LLAD, empty of any funding or transactions until it was made active.
- The assets to be maintained are limited to the areas described, and do not include any of the parks - private or public - within the specific plan, and do not include the vast open space land of the specific plan.
- The parcels which would be assessed are clearly indicated and counted at 2,069 lots, or assessment units.

Sometime after LLAD formation, Serrano LLC took the place of El Dorado Hills Development Company as the developer of the Serrano Master Plan. In ensuing years, the developer further mapped out the Serrano specific plan. As those maps were finalized, the developer sought to have similar common landscape areas, as described in the “shell” LLAD, annexed into the shell LLAD. For instance, CSD records indicate that such an annexation into the LLAD was sought after in 2006, to add Villages G and J of the Serrano Master Plan Area (see attached). The staff report from 2006 indicates that the CSD had accepted other annexations and seeks to further add these Villages (G and J). However, and importantly, it appears as though the intent by the parties seeking to add assets and parcels to the LLAD has historically lacked specific actions required to be taken for a legitimate annexation to occur.

To support this, the governing laws related to LLADs is cited below, as it pertains to annexations:

**Streets and Highways Code section 22605:**

The legislative body, either in a single proceeding or by separate proceedings, may order one or any combination of the following changes of organization:

(a) *The annexation of territory to an existing assessment district formed under this part.*

(b) The detachment of territory from an existing assessment district formed under this part.

(c) The dissolution of an existing assessment district formed under this part.

(d) The consolidation into a single assessment district formed under this part of any combination of two or more of any of the following:

(1) An existing assessment district formed pursuant to this part.

(2) An existing lighting, street lighting, maintenance, or tree planting district formed pursuant to Chapter 26 (commencing with Section 5820) of Part 3 of Division 7, Part 1 (commencing with Section 18000), Part 2 (commencing with Section 18300), Part 3 (commencing with Section 18600), or Part 4 (commencing with Section 19000) of Division 14, or Part 1 (commencing with Section 22000) of this division, or pursuant to any procedural ordinance adopted by a charter city.

**Section 22606:**

Proceedings for a change of organization may be:

(a) Undertaken subsequent to or concurrently with proceedings for the formation of an assessment district under this chapter. Any or all such proceedings may be conditioned on the completion of any other or all such proceedings.

(b) Combined with proceedings for the formation of an assessment district under this chapter. In such case, any of the several resolutions, reports, notices, or other instruments provided for in this part may be combined into single documents.

**Section 22607:**

Except as otherwise provided in this article, proceedings for a change of organization shall be initiated, conducted, and completed in substantial accordance with the procedure provided in Article 1 (commencing with Section 22585) of this chapter for the formation of an assessment district.

(Added by Stats. 1972, Ch. 630.)

**Streets and Highways Code Section 22608:**

In annexation proceedings, the resolutions, report, notices of hearing, and right of majority protest shall be limited to the territory proposed to be annexed and shall be waived with the written consent of all of the owners of property within the territory to be annexed. Notice of hearing on the proposed annexation shall be published, posted, and mailed. Mailed notice may be dispensed with as to all

property owners who shall have filed a written request for the annexation of their property.

Upon an inspection and review of the CSD's records related to additional maps of the Serrano Master Plan, and for adding and/or annexing landscape areas and assessable parcels, it appears as though many irrevocable offers of dedication were transacted but the waiver & consent and necessary resolutions did not occur to effectuate annexations into the shell LLAD. As such, and without additional review material becoming available, the original shell LLAD remains intact as formed without any annexed landscape areas or assessable parcels. Thus, there is no backup funding mechanism (i.e., LLAD) for landscape areas beyond the original assets indicated in the formation of the LLAD.

Should you have any questions or concerns, please feel free to contact me directly through email ([kloewen@edhcsd.org](mailto:kloewen@edhcsd.org)) or by phone (916) 614-3212.

Sincerely,

Kevin A. Loewen  
*General Manager*  
El Dorado Hills Community Services District

*Department of Real Estate  
of the  
State of California*

*In the matter of the application of*

**CALATLANTIC GROUP, INC.,  
a Delaware Corporation**

**FINAL SUBDIVISION PUBLIC REPORT  
PLANNED DEVELOPMENT**

**FILE NO.: 161228SA-F00**

**ISSUED: FEBRUARY 19, 2020**

**EXPIRES: FEBRUARY 18, 2025**

**Special Taxes & Assessments:** This subdivision lies within the boundaries of the Special Taxes and Districts and is subject to any taxes, assessments and obligations thereof.

This subdivision lies within the boundaries of the El Dorado Hills Community Services District Landscaping and Lighting Assessment District No. 17 (Serrano) and is subject to any taxes, assessments and obligations thereof. This District was formed to provide maintenance and improvements of landscaping, community parks, open space areas, sports facilities and recreational areas and facilities. The District budget for each fiscal year will be based upon the actual costs provided for in the awarded contract for these services. This means assessments can fluctuate from year to year as contracts expire.



## 2017 Operating Budget, Reserve Summary and Statement of Significant Policies

### Cost Center Descriptions

**Master Basic** – All members share in the Master Basic cost center. The Master Basic budget covers the maintenance of the landscape and lighting on Serrano Parkway, Silva Valley Parkway, our community trails and the Village Green Park. The Master Basic budget includes 24-hour per day roving community patrol and all of the administrative costs of the Association.





**ADOPTED VERSION**

**6.06. Commencement of Common Assessments.**

A. Commencement Date. Common Assessments shall commence as to each Lot or Parcel in the Property on the first day of the first month following the month in which the first Close of Escrow occurs for the sale of a Lot in a Residential Subdivision. The first annual Common Assessment shall be adjusted according to the number of months remaining in the fiscal year established pursuant to the Bylaws.

**ORIGINAL VERSION**

**7.06. Commencement of Common Assessments.**

A. Commencement Date. Common Assessments shall commence as to each Lot or Parcel in any Residential Subdivision Phase of Development on the first day of the first month following the month in which the first Close of Escrow occurs for the sale of a Lot or Parcel in such Phase. Common Assessments shall commence as to each Lot or Parcel in a Phase which is not a Residential Subdivision on the first day of the first month following the first completion of any building within such Phase.

