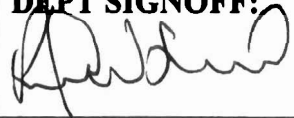
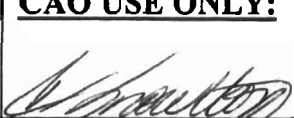


**EL DORADO COUNTY BOARD OF SUPERVISORS**  
**AGENDA ITEM TRANSMITTAL**  
**Meeting of September 19, 2006**

**AGENDA TITLE:** Schools Financial Credit Union – Annexation Agreement for the Missouri Flat Area Community Facilities District (CFD) No. 2002-01 Relative to the Schools Financial Credit Union, Placerville Branch Office and Retail Development

<b>DEPARTMENT:</b> Transportation	<b>DEPT SIGNOFF:</b> 	<b>CAO USE ONLY:</b>  9/16/06
<b>CONTACT:</b> Liz Diamond/Mike Pavlick		
<b>DATE:</b> 8/25/06	<b>PHONE:</b> 5982/5963	

**DEPARTMENT SUMMARY AND REQUESTED BOARD ACTION:**

The El Dorado County Department of Transportation recommends the Board of Supervisors:

Authorize the Chairman to sign Annexation Agreement # 06-1069 with Schools Financial Credit Union to Preapprove the Annexation of the Schools Financial Credit Union, Placerville Branch, Office and Retail Development into the Missouri Flat Area CFD No. 2002-01.

**CAO RECOMMENDATIONS:** *Recommend approval. Laura S. Hill 9/17/06*

Financial impact? ( ) Yes (X) No	Funding Source: ( ) Gen Fund ( ) Other
<b>BUDGET SUMMARY:</b>	Other:
Total Est. Cost _____	<b>CAO Office Use Only:</b>
<b>Funding</b>	4/5's Vote Required ( ) Yes ( <input checked="" type="checkbox"/> ) No
Budgeted _____	Change in Policy ( ) Yes ( <input checked="" type="checkbox"/> ) No
New Funding _____	New Personnel ( ) Yes ( <input checked="" type="checkbox"/> ) No
Savings _____	<b>CONCURRENCES:</b>
Other _____	Risk Management <input checked="" type="checkbox"/>
Total Funding _____	County Counsel <input checked="" type="checkbox"/>
<b>Change in Net County Cost</b> _____	Other _____

**\*Explain**

**BOARD ACTIONS:**

**Vote:** Unanimous \_\_\_\_\_ Or

**Ayes:**

**Noes:**

**Abstentions:**

**Absent:**

Rev. 04/05

**I hereby certify that this is a true and correct copy of an action taken and entered into the minutes of the Board of Supervisors**

**Date:** \_\_\_\_\_

**Attest: Cindy Keck, Board of Supervisors Clerk**

**By:** \_\_\_\_\_



**MAINTENANCE DIVISION:**  
2441 Headington Road  
Placerville CA 95667  
Phone: (530) 642-4909  
Fax: (530) 642-9238

**RICHARD W. SHEPARD, P.E.**  
Director of Transportation  
  
Internet Web Site:  
<http://co.el-dorado.ca.us/dot>

**MAIN OFFICE:**  
2850 Fairlane Court  
Placerville CA 95667  
Phone: (530) 621-5900  
Fax: (530) 626-0387



August 24, 2006

Board of Supervisors  
330 Fair Lane  
Placerville, California 95667

**Title:** Schools Financial Credit Union – Annexation Agreement for the Missouri Flat Area Community Facilities District (CFD) No. 2002-01 Relative to the Schools Financial Credit Union, Placerville Branch, Office and Retail Development

**Meeting Date:** September 19, 2006

**District/Supervisor:** District III, Supervisor Sweeney

Dear Members of the Board:

**Recommendation:**

The Department of Transportation (Department) recommends the Board of Supervisors:

Authorize the Chairman to sign Annexation Agreement # 06-1069 with Schools Financial Credit Union to Preapprove the Annexation of the Schools Financial Credit Union, Placerville Branch, Office and Retail Development into the Missouri Flat Area CFD No. 2002-01.

**Background:**

The Missouri Flat Master Circulation and Funding Plan (MC&FP) was adopted by the Board of Supervisors on December 15, 1998 and updated in December 2000. The MC&FP was developed to provide a policy and action framework for El Dorado County to fund major improvements to the Highway 50/Missouri Flat Road Interchange and adjacent arterial and collector roads. Under the MC&FP, which was developed in a cooperative effort with major property owners and developers, funds for the roadway improvements would come from a combination of Traffic Impact Mitigation (TIM) Fees and the sales and property taxes generated from new development within the MC&FP area. The TIM Fees would cover the development's share of the project costs, and the new tax revenues would pay the cost of the roadway projects associated with existing deficiencies.

The Missouri Flat Area CFD No. 2002-01 was formed on March 19, 2002 per resolution 074-2002. The CFD was formed to effectively capitalize the sales and property tax revenue generated by new development in the MC&FP Area. The CFD would then sell bonds, with the debt paid from the incremental tax revenue, but secured by the private properties (through the CFD special tax) should the incremental tax revenue not cover the debt payments. The Development Agreements entered into with the initial developers require the County to annex new retail developments to the CFD, although there is a provision to exempt small projects. Staff has developed the attached annexation decision tree to aid in conditioning projects so that the requirement is applied uniformly.

**Reason for Recommendation:**

The County approved the Schools Financial Credit Union, Placerville Branch – Office and Retail Project on April 8, 2004. This 7,200 square foot new retail center located at the northeast corner of Missouri Flat Road and Forni Road in the Diamond Springs / El Dorado area of El Dorado County was conditioned to join the CFD. This is being accomplished by entering into an agreement that binds the property owner to agree to be annexed to the CFD.

By signing this agreement the developer substantially satisfies the DOT condition of approval, to annex into the CFD, placed on the development during the discretionary review process. This preapproval provides the Department with the option of collectively processing annexations for all affected parcels at one time, instead of processing them individually at more time and expense. Staff developed the annexation decision tree subsequent to the subject development being conditioned to join the CFD. Under the current criteria, the development may not have been required to be annexed; however, given the size and location of the development, it is recommended the condition continue to be applied and the subject agreement approved.

**Fiscal Impact:**

Execution and recording of this Agreement will provide additional CFD bond financing capacity and security to supplement the funding, if required, for the Phase 1 MC&FP projects. Based on the 7,200 square feet of new retail space in the project, and a taxable sales target of \$160 per square foot, it is anticipated this development would generate \$9,790 annually toward the CFD. This would finance approximately \$97,900 in a 20-year bond.

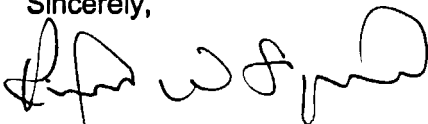
**Net County Cost:**

There is no cost to the County's General Fund.

**Action to be Taken Following Approval:**

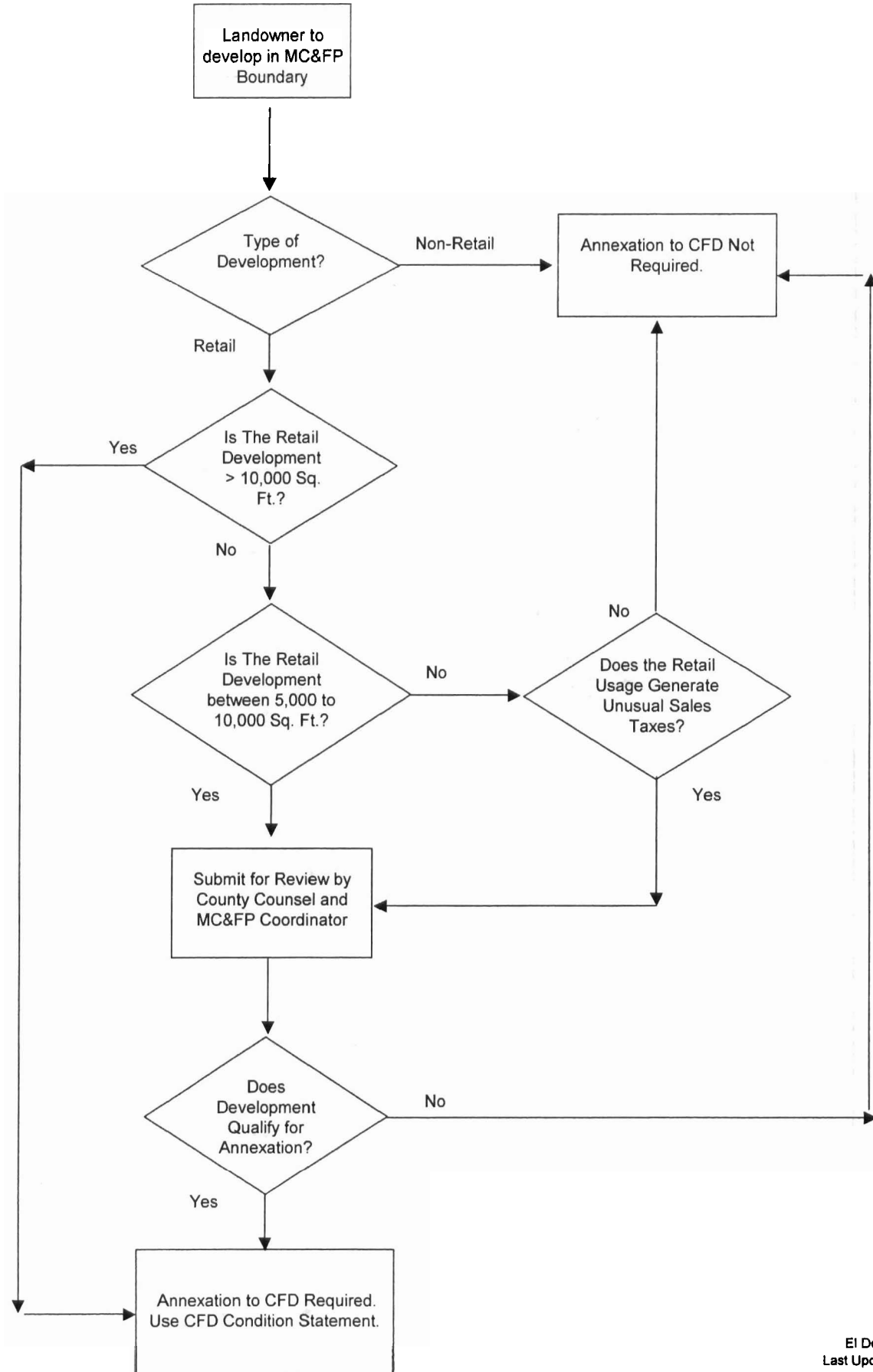
1. The Board Chairman will sign two originals of Annexation Agreement # 06-1069 with Schools Financial Credit Union.
2. The Board Clerk will forward a copy of this Agreement to be recorded by the El Dorado County Recorder no later than ten (10) days following execution of this Agreement by the County.
3. The Board Clerk will forward one original of the executed Agreement and a copy of the recorded Agreement to the Department for further processing.

Sincerely,



Richard W. Shepard, P.E.  
Director of Transportation

Missouri Flat Area  
Community Facilities District No. 2002-01 Annexation Decision Tree





ANNEXATION AGREEMENT  
MISSOURI FLAT AREA CFD No. 2002-01  
BY AND BETWEEN THE COUNTY OF EL DORADO AND  
SCHOOLS FINANCIAL CREDIT UNION RELATIVE TO THE  
DEVELOPMENT KNOWN AS  
SCHOOLS FINANCIAL CREDIT UNION, PLACERVILLE BRANCH – OFFICE  
and RETAIL

AGMT # 06-1069

**THIS ANNEXATION AGREEMENT** (“Agreement”), is made and entered into by and between the County of El Dorado, a political subdivision of the State of California, (“County”) and Schools Financial Credit Union, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 1485 Response Road, Suite 126, Sacramento, California 95815, (“Landowner”).

**RECITALS**

**A. Property Description.** Landowner has legal or equitable interests in the real property that is the subject of this Agreement (“Property”). The Property, identified as Assessor’s Parcel Number 327-212-18-100, consisting of approximately 2.47 acres, is located on the northeast corner of Missouri Flat Road and Forni Road in the Diamond Springs/El Dorado area of El Dorado County. A description of the Property is attached hereto as Exhibit A, marked “Property Description,” incorporated herein and made by reference a part hereof.

**B. Project Description.** Applicant is developing the Property as a commercial development consisting of the addition of two commercial buildings comprising approximately 12,900 square feet on a parcel containing an existing 6,000 square foot commercial building (“Project”). The uses will be a mix of office, retail, and medical office space.

**C. Conditions of Approval.** As conditions of approval PD 03-0008, page 3, Condition 15, County requires Landowner to enter into an agreement in recordable form which commits the Project to participate in Community Facilities District No. 2002-01 (“CFD”) which was formed by Resolution 074-2002, in March 2002, as part of the Missouri Flat Master Circulation and Funding Plan (“MC&FP”), which was approved by County’s Board of Supervisors in December 1998 and updated in December 2000, prepared for the Missouri Flat area. This Agreement is intended by the parties to fully comply with the conditions of approval.

**AGREEMENT**

**1. Participation in CFD.** Landowner hereby consents to the imposition of the special tax as set forth in the MC&FP; provided that the structure of the CFD and the special tax authorized is in material conformance with the CFD Structure,

which assumes bonds will only be issued to the extent that projected debt service shall be covered from the tax increment generated from taxable sales within the Project and other participating development. The special tax shall be based on the same formula, or a no less favorable formula, as applied to other participants in the CFD. Landowner waives and releases any claims or objections it may possess, or may hereafter possess, with respect to the formation and implementation of the CFD, the authorization and imposition of the proposed special tax, or the annexation of the Property to the CFD; provided, that it is consistent with the CFD Structure and the limitations set forth herein. Landowner hereby consents to the annexation of the Property to the CFD by County. Landowner shall not file, nor cause to be filed, any protest or objection to the authorization of the special tax, and shall not file, or cause to be filed, any legal action challenging the authorization, imposition or collection of the special tax, or any other action regarding the CFD including, but not limited to, annexation of property to the CFD; provided the implementation of the special tax and the implementation of the CFD are in compliance with the CFD Structure. The Property may be annexed and the special tax authorized at any time after the Effective Date of this Agreement, upon request of County. Landowner shall be required to take any action reasonably required under this Section regardless of whether development on the Project has occurred or is then proposed; provided, that the CFD Structure provides that the special tax shall not accrue or be collected on the Property until building permits have been obtained and construction commenced. At the request of County, Landowner shall execute and deliver to County, in a form suitable for its intended purpose, any document required to annex the Property to the CFD, including, but not limited to, forms reflecting the consent of the property owner to such annexation.

Landowner shall provide to County a preliminary title report for the Property, and executed "lender's consents," consenting to the authorization for the special tax from each lien holder having an interest in the property prior to County approving the Agreement. The lender's consents shall be in a form reasonably acceptable to bond counsel for County. However, such documents need not be in recordable form.

**2. Satisfaction of Condition and Issuance of Building Permits.** County agrees that the execution and recordation of this Agreement fully satisfies Condition Number 15 of the Conditions of Approval for PD 03-0008. County shall issue building and other construction permits for improvements for the Project without further delay or obligation of Landowner with respect to Condition Number 15, subject to compliance with all other requirements for issuance of a building permit including but not limited to, payment of customary fees or other obligations associated with the issuance of building permits in the County.

**3. Binding Covenants.** The provisions of this Agreement shall constitute covenants that shall run with the Property and the benefits and burdens hereof shall be binding upon and inure to the benefit of the parties and their successors in interest.

**4. Term.** The term of this Agreement shall commence on execution and recordation of this Agreement (“Effective Date”) and shall extend for a period of ten (10) years from that date, unless it is terminated, modified or extended by the mutual written agreement of the parties; provided however, that any obligations undertaken by the parties pursuant to this Agreement that relate to Landowner’s consent to participation in the CFD shall survive the expiration of this Agreement and shall not be affected in any way by such expiration.

**5. Notices.** All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid return receipt requested, addressed to the persons and at the addresses shown below. The addresses for delivery of notice may be changed from time to time upon ten (10) days prior written notice. Notices to County shall be in duplicate. Notice shall be effective on the date delivered in person, or the date when the postal authorities indicate that the mailing was delivered to the address of the receiving party indicated below:

To County:

County of El Dorado  
Department of Transportation  
2850 Fairlane Court  
Placerville, CA 95667  
Attn: Elizabeth B. Diamond, P.E.  
Deputy Director, West Slope  
Engineering & Project Delivery

With a Copy to:

County of El Dorado  
Department of Transportation  
2850 Fairlane Court  
Placerville, CA 95667  
Attn: Tim C. Prudhel,  
Contract Services Officer

To Landowner:

Schools Financial Credit Union  
1485 Response Road, Suite 126  
Sacramento, CA 95815  
Attn: James P. Jordan, President/CEO

**6. Authority to Execute.** The person or persons executing this Agreement on behalf of Landowner warrant and represent that they have the authority to execute this Agreement on behalf of Landowner, and that they have the authority to bind Landowner to the performance of its obligations hereunder.

**7. Construction of Agreement.** The language in all parts of this Agreement shall, in all cases, be construed as a whole and in accordance with its fair meaning. The captions of the sections of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of construction.



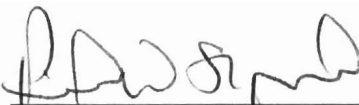
8. **Further Actions and Instruments.** Each of the parties shall cooperate with and provide reasonable assistance to the other to the extent contemplated hereunder in performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement. Upon the request of either party at any time, the other party shall promptly execute, file or record any required instruments and writings necessary to evidence or consummate the transaction contemplated by this Agreement, and take any actions as may be reasonably necessary under the terms of this Agreement to carry out the intent and to fulfill the provisions of this Agreement.

9. **Contract Administrator.** The County Officer or employee with responsibility for administering this Agreement is Elizabeth B. Diamond, P.E., Deputy Director, West Slope Engineering & Project Delivery, Department of Transportation, or successor.

10. **Recording.** The parties shall promptly execute this Agreement upon approval of County's Board of Supervisors in such form as will allow the recordation of this Agreement. The County Clerk shall cause a copy of this Agreement to be recorded with the El Dorado County Recorder no later than ten (10) days following execution of this Agreement by County.

11. **Severability.** If any term, covenant or condition of this Agreement or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, except as otherwise provided in this Agreement, the remainder of this Agreement, or the application of such terms, covenants or conditions to persons, entities or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

**Requesting Department Concurrence:**

By:   
Richard W. Shepard, P.E.  
Director of Transportation

Dated: 6/12/10

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

By: \_\_\_\_\_  
Board of Supervisors  
"County"

Dated: \_\_\_\_\_

Attest:  
Cindy Keck  
Clerk of the Board of Supervisors

By: \_\_\_\_\_  
Deputy Clerk

Dated: \_\_\_\_\_

-- SCHOOLS FINANCIAL CREDIT UNION --

By: \_\_\_\_\_  
James P. Jordan  
President/CEO

Dated: 7/28/06

By: \_\_\_\_\_  
Elizabeth Lew  
Corporate Secretary

Dated: 7-28-06

# Schools Financial Credit Union

## Exhibit A

### Property Description

All that portion of the west half of Section 24, Township 10 North, Range 10 East, M.D.M., unincorporated area of the County of El Dorado, State of California, more particularly described as follows:

Parcel A, as said parcel is shown on the map recorded in Book 34 of Parcel Maps, at Page 146, in the office of the El Dorado County Recorder, containing 2.47 acres, more or less.

End of description

