

**CITY OF ANAHEIM
COMMUNITY FACILITIES DISTRICT
No. 08-1
(PLATINUM TRIANGLE)**

February 22, 2008

Public Finance
Facilities Planning
Urban Economics

Newport Beach
Riverside
Walnut Creek

**COMMUNITY FACILITIES DISTRICT REPORT
MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982**

**CITY OF ANAHEIM
COMMUNITY FACILITIES DISTRICT NO. 08-1
(PLATINUM TRIANGLE)**

Prepared for

CITY OF ANAHEIM
200 South Anaheim Boulevard
Anaheim, CA 92805

Prepared by

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I. INTRODUCTION

WHEREAS, the City Council (the "City Council") of the City of Anaheim (the "City") did, pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (hereinafter referred to as the "Act"), and specifically Section 53321.5 thereof, expressly order the filing of a written "Report" with the legislative body of the proposed community facilities district. This community facilities district being City of Anaheim Community Facilities District No. 08-1 (Platinum Triangle) shall hereinafter be referred to as:

"CFD No. 08-1"; and

WHEREAS, A Resolution of the City Council of the City of Anaheim of Intention to Establish a Community Facilities District and To Authorize the Levy of Special Taxes ("hereinafter referred to as "Resolution of Intention") did direct that said Report generally contain the following:

1. A brief description of the public facilities by type which will be required to adequately meet the needs of CFD No. 08-1; and
2. An estimate of the cost of providing the facilities; and
3. An estimate of the fair and reasonable cost of the facilities proposed to be purchased as completed public facilities; and
4. An estimate of the incidental expenses proposed to be paid.

NOW, THEREFORE, David Taussig & Associates, Inc. does hereby submit this Report.

II. PROJECT DESCRIPTION

CFD No. 08-1 encompasses approximately 409 gross acres of land in the City of Anaheim in the area known as the Platinum Triangle. Currently, the property within CFD No. 08-1 is expected to consist of approximately 8,650 new residential units and 1.3 million new non-residential square feet based on currently approved and pending-approved projects, and 75.07 acres of Existing Property, as defined in the Rate and Method of Apportionment for CFD No. 08-1. It is expected that additional property will be annexed into CFD No. 08-1 in the future and a portion of the current Existing Property will be redeveloped into new residential and non-residential uses.

III. DESCRIPTION AND ESTIMATED COST OF PROPOSED FACILITIES AND SERVICES

A. Description of Proposed Public Improvements

A community facilities district may provide for the purchase, construction, expansion or rehabilitation of any real or tangible property, including public facilities and infrastructure improvements, with an estimated useful life of five (5) years or longer, which is necessary to meet increased demands placed upon local agencies as a result of development or rehabilitation occurring within the community facilities district. In addition, a community facilities district may pay in full all amounts necessary to eliminate any fixed special assessment liens or to pay, repay, or defease any obligation to pay for any indebtedness secured by any tax, fee, charge, or assessment levied within the area of the community facilities district.

The facilities described in this Report are all facilities which the legislative body creating CFD No. 08-1 is authorized, pursuant to an agreement meeting the requirements of Section 53316.2 of the Act or otherwise, to own, construct, or finance, and which are required, in part, to adequately meet the needs of CFD No. 08-1. The actual facilities described herein are those currently expected to be required to adequately meet, in part, the needs of CFD No. 08-1. Because the actual needs of CFD No. 08-1 arising as development progresses therein may differ from those currently anticipated, CFD No. 08-1 reserves the right to modify the actual facilities proposed herein to the extent CFD No. 08-1 deems necessary, in its sole discretion to meet those needs.

B. Estimated Cost of Proposed Public Improvements

The types of facilities to be financed by CFD No. 08-1 are street improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, sewers, storm drains, water facilities, electric utility facilities, fire facilities and equipment and land, rights-of-way and easements necessary for any of such facilities.

The types of facilities proposed to be purchased as completed facilities are street improvements, including grading, paving, curbs and gutters, sidewalks, street signalization and signage, street lights and parkway and landscaping related thereto, sewers, storm drains, water facilities and electric utility facilities.

All of the facilities to be financed by CFD No. 08-1 are described in the Platinum Triangle Implementation Plan for Public Works Backbone Facilities Improvements dated January, 2008. The costs listed in Table 1 below are estimates only, based upon current construction estimates and actual costs may differ from those estimates herein. Costs will increase over time due to the timing and phasing of the improvements. Also, the facilities shown as proposed to be purchased as completed facilities are based upon current estimates and may change over time due to the timing and phasing of actual improvements.

TABLE 1

| Description | Cost Estimate |
|---|----------------------|
| Facilities proposed to be purchased as completed public facilities: | |
| Katella Avenue roadway improvements, sewer improvements, and right-of-way | \$8,114,283 |
| State College Boulevard roadway improvements, storm drain improvements, and right-of-way | \$2,205,134 |
| Orangewood Avenue storm drain improvements | \$574,000 |
| Gene Autry Way roadway improvements, sewer improvements, and right-of-way | \$2,793,389 |
| Total CFD No. 08-1 Facilities proposed to be purchased as completed facilities | \$13,686,806 |
| Additional facilities proposed to be financed by CFD No. 08-1: | |
| Katella Avenue roadway improvements, sewer improvements, storm drain improvements, electrical improvements, water improvements, and right-of-way | \$31,425,252 |
| State College Boulevard roadway improvements, sewer improvements, storm drain improvements, electrical improvements, water improvements, and right-of-way | \$36,947,583 |
| Orangewood Avenue roadway improvements, storm drain improvements, electrical improvements, water improvements, and right-of-way | \$34,121,816 |
| Gene Autry Way roadway improvements, sewer improvements, storm drain improvements, electrical improvements, and right-of-way | \$22,943,461 |
| Anaheim Way roadway improvements, storm drain improvements, electrical improvements, and right-of-way | \$10,007,852 |
| Lewis Street roadway improvements, storm drain improvements, electrical improvements, water improvements, and right-of-way | \$37,159,189 |
| Douglass Road roadway improvements, sewer improvements, electrical improvements, water improvements, and right-of-way | \$11,130,236 |
| Cerritos Avenue roadway improvements, storm drain improvements, electrical improvements, and right-of-way | \$13,598,941 |

| | |
|---|----------------------|
| Howell Avenue roadway improvements, storm drain improvements, electrical improvements, and right-of-way | \$3,315,964 |
| Sunkist Street roadway improvements | \$1,105,160 |
| Construction of Water Well site | \$3,572,551 |
| Construction of Fire Station | \$10,337,066 |
| Construction of Major Storm Drain | \$15,295,000 |
| Improvements to Southbound SR 57 | \$2,815,973 |
| Improvements to street intersections | \$1,508,521 |
| Additional Facilities Proposed to be financed by CFD No. 08-1 | \$235,284,565 |
| Total Improvements | \$248,971,371 |

Not all of the facilities shown above are anticipated to be funded by the property initially within the boundaries of CFD No. 08-1. These facilities will be funded as new property is annexed into CFD No. 08-1.

C. Incidental Bond Issuance Expenses to be Included in the Proposed Bonded Indebtedness

Pursuant to Section 53345.3 of the Act, bonded indebtedness may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the proposed debt is to be incurred, including, but not limited to, the costs of administrative, legal, fiscal, and financial consultant fees; bond and other reserve funds; discount fees; interest on any bonds of the district due and payable within one year of the issuance of the bonds; election costs; and all costs of issuance of the bonds, including, but not limited to, fees for bond and disclosure counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs. For purposes of determining the special tax rates for CFD No. 08-1, bond issue estimates for the first series of bonds included capitalized interest at approximately 9.15 percent, a reserve fund equal to 10.00 percent, and other incidental bond issuance expenses equal to 5.00 percent of the principal amount of the bonds. Bond issue estimates for future bond issues thereafter included capitalized interest at approximately 6.87 percent, a reserve fund equal to 10.00 percent, and other incidental bond issuance expenses equal to 5.00 percent of the principal amount of the bonds. Actual bond issue characteristics will vary from the above estimates based on market conditions and other factors.

D. Incidental Expenses to be Included in the Annual Levy of Special Taxes

Pursuant to Section 53340 of the Act, the proceeds of any special tax may only be used to pay, in whole or part, the cost of providing public facilities, services and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the cost of planning and designing public facilities to be financed pursuant to the Act, including the cost of environmental evaluations of those facilities; the costs associated with the creation of the community facilities district, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of the community facilities district; any other expenses incidental to the acquisition, construction, completion, and inspection of the authorized work; and the retirement of existing bonded indebtedness. While the actual cost of administering CFD No. 08-1 may vary, it is anticipated that the amount of special taxes which can be collected will be sufficient to fund at least \$90,000 in annual administrative expenses, which shall be increased each year by two percent.

IV. BOUNDARIES OF COMMUNITY FACILITIES DISTRICT

The boundaries of CFD No. 08-1 include all land on which the Special Taxes may be levied. A map of the initial area included within CFD No. 08-1 is provided as Exhibit A.

EXHIBIT A

BOUNDARY MAP

**PROPOSED BOUNDARIES OF
CITY OF ANAHEIM
COMMUNITY FACILITIES DISTRICT NO. 08-1
(PLATINUM TRIANGLE)
COUNTY OF ORANGE
STATE OF CALIFORNIA**

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(1) Filed in the office of the City Clerk of the the City of Anaheim this 29th day of January, 2008.

Linda Nguyen
Linda Nguyen
City Clerk, City of Anaheim

(2) I hereby certify that the within map showing the proposed boundaries of City of Anaheim Community Facilities District No. 08-1 (Platinum Triangle), County of Orange, State of California, was approved by the Council of the City of Anaheim at a regular meeting thereof, held on this 29th day of JANUARY, 2008, by its Resolution No. 2008-007.

Linda Nguyen
Linda Nguyen
City Clerk, City of Anaheim

(3) Filed this 1st day of FEBRUARY, 2008, at the hour of 12:01 o'clock Pm, in Book 92 of Maps of Assessment and Community Facilities Districts at Page 48-50 1/1 and as Instrument No. 200800051133 in the office of the County Recorder in the County of Orange, State of California.

Tom Daly
Clerk-Recorder, County of Orange

By [Signature] Deputy
Fee EXEMPT

Exempt recording requested,
per CA Government Code §6103

CONFORMED COPY
Not Compared with Original

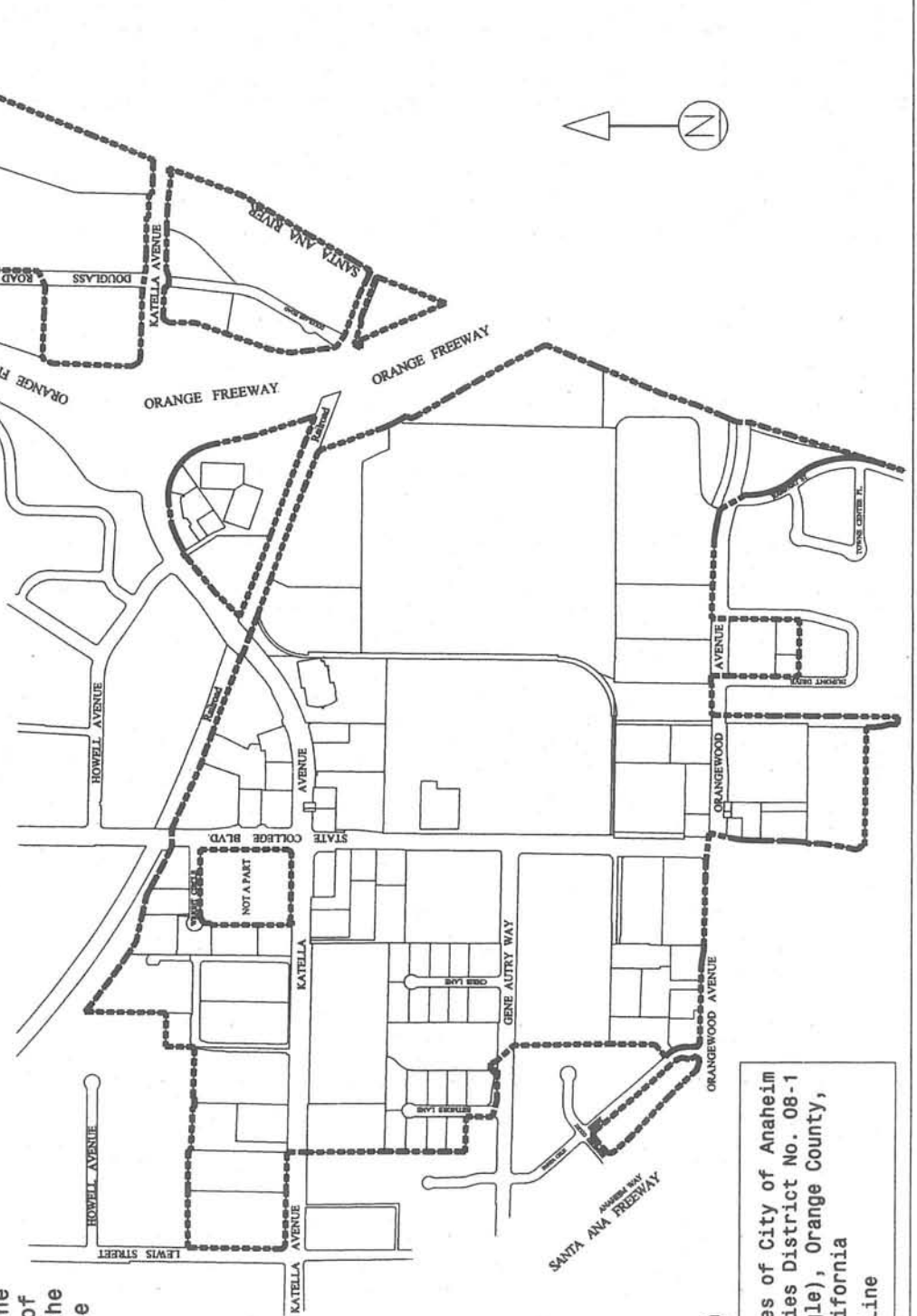
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SHEET 2 OF 3

**PROPOSED BOUNDARIES OF
CITY OF ANAHEIM
COMMUNITY FACILITIES DISTRICT NO. 08-1
(PLATINUM TRIANGLE)
COUNTY OF ORANGE
STATE OF CALIFORNIA**

Reference is hereby made to the Assessor maps of the County of Orange for a description of the lines and dimensions of these lots and parcels.



LEGEND

- Proposed Boundaries of City of Anaheim Community Facilities District No. 08-1 (Platinum Triangle), Orange County, California
- _____ Assessor Parcel Line

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Not Compared with Original

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**PROPOSED BOUNDARIES OF
CITY OF ANAHEIM
COMMUNITY FACILITIES DISTRICT NO. 08-1
(PLATINUM TRIANGLE)
COUNTY OF ORANGE
STATE OF CALIFORNIA**

Assessor Parcels in Anaheim C.F.D. No. 08-1
(Platinum Triangle):

| | | | | | | | |
|------------|------------|------------|------------|------------|------------|------------|------------|
| 082-260-06 | 083-260-46 | 083-270-70 | 232-011-39 | 232-081-19 | 386-521-16 | 938-97-070 | 938-97-098 |
| 082-260-57 | 083-260-47 | 083-270-71 | 232-011-40 | 232-081-20 | 386-521-17 | 938-97-071 | 938-97-099 |
| 082-260-62 | 083-260-48 | 083-270-72 | 232-011-41 | 232-081-22 | 938-97-044 | 938-97-072 | 938-97-100 |
| 082-260-63 | 083-260-49 | 083-270-73 | 232-011-42 | 232-081-23 | 938-97-045 | 938-97-073 | 938-97-101 |
| 082-260-64 | 083-260-50 | 083-270-74 | 232-011-43 | 232-081-24 | 938-97-046 | 938-97-074 | 938-97-102 |
| 082-260-65 | 083-260-51 | 083-270-75 | 232-011-44 | 232-081-25 | 938-97-047 | 938-97-075 | 938-97-103 |
| 082-260-67 | 083-260-53 | 083-271-14 | 232-011-47 | 253-521-04 | 938-97-048 | 938-97-076 | 938-97-104 |
| 082-260-68 | 083-260-54 | 083-271-15 | 232-011-48 | 253-521-16 | 938-97-049 | 938-97-077 | 938-97-105 |
| 082-260-69 | 083-260-56 | 083-271-16 | 232-011-49 | 253-521-17 | 938-97-050 | 938-97-078 | 938-97-106 |
| 082-260-89 | 083-260-57 | 083-271-17 | 232-011-50 | 253-531-12 | 938-97-051 | 938-97-079 | 938-97-107 |
| 082-260-91 | 083-260-58 | 083-271-18 | 232-021-01 | 253-531-13 | 938-97-052 | 938-97-080 | 938-97-108 |
| 082-260-92 | 083-260-59 | 083-271-21 | 232-021-02 | 253-531-15 | 938-97-053 | 938-97-081 | 938-97-109 |
| 082-260-93 | 083-260-60 | 083-271-24 | 232-021-03 | 253-531-16 | 938-97-054 | 938-97-082 | 938-97-110 |
| 082-260-94 | 083-260-61 | 083-271-25 | 232-021-04 | 253-531-17 | 938-97-055 | 938-97-083 | 938-97-111 |
| 082-260-95 | 083-260-62 | 083-271-26 | 232-021-14 | 253-531-18 | 938-97-056 | 938-97-084 | 938-97-112 |
| 082-261-01 | 083-260-63 | 083-271-27 | 232-021-15 | 253-531-23 | 938-97-057 | 938-97-085 | |
| 082-261-02 | 083-260-66 | 083-271-28 | 232-021-16 | 253-532-04 | 938-97-058 | 938-97-086 | |
| 083-260-18 | 083-260-67 | 083-272-01 | 232-021-17 | 253-532-06 | 938-97-059 | 938-97-087 | |
| 083-260-29 | 083-260-70 | 083-272-02 | 232-021-18 | 253-532-07 | 938-97-060 | 938-97-088 | |
| 083-260-30 | 083-260-72 | 083-272-07 | 232-071-01 | 253-532-08 | 938-97-061 | 938-97-089 | |
| 083-260-31 | 083-270-37 | 083-290-88 | 232-071-02 | 253-532-09 | 938-97-062 | 938-97-090 | |
| 083-260-32 | 083-270-47 | 083-290-95 | 232-071-03 | 253-532-10 | 938-97-063 | 938-97-091 | |
| 083-260-33 | 083-270-48 | 232-011-02 | 232-072-03 | 253-532-11 | 938-97-064 | 938-97-092 | |
| 083-260-34 | 083-270-51 | 232-011-06 | 232-072-04 | 253-532-12 | 938-97-065 | 938-97-093 | |
| 083-260-36 | 083-270-54 | 232-011-13 | 232-072-05 | 253-601-02 | 938-97-066 | 938-97-094 | |
| 083-260-37 | 083-270-61 | 232-011-19 | 232-081-06 | 375-311-10 | 938-97-067 | 938-97-095 | |
| 083-260-42 | 083-270-67 | 232-011-35 | 232-081-07 | 375-311-11 | 938-97-068 | 938-97-096 | |
| 083-260-45 | 083-270-69 | 232-011-36 | 232-081-16 | 386-521-15 | 938-97-069 | 938-97-097 | |

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