

**LOCAL AGENCY FORMATION COMMISSION
ANALYSIS OF THE PROPOSED INCORPORATION
OF ROSSMOOR**

The proposed incorporation of Rossmoor comprises approximately 988 acres and is generally bounded by the City of Seal Beach to the south and southeast, the City of Los Alamitos to the north and northeast and the City of Long Beach to the west. The incorporation proceedings were initiated by resolution of the Rossmoor Community Services District. If approved, the effective date of incorporation of Rossmoor will be January 1, 2009. The city's sphere of influence will be coterminous with the proposed incorporation boundaries. The reasons for the incorporation are:

1. To capture or retain, for local use, revenues generated by the proposed city which are now distributed countywide.
2. To provide residents with local control over land use, planning, traffic flow and other regulatory matters.
3. To provide a higher level of municipal services than currently received, such as police protection.
4. To permit voters of the proposed city to elect representatives to the city council allowing for more accessible and responsive representation to the citizenry.

Services to be provided by the new city will include, but are not limited to: general government; law enforcement and traffic control; planning, building inspection and code enforcement; animal control; street construction and maintenance; local park acquisition, improvement and maintenance; street lighting; and solid waste disposal. Voter approval of the incorporation authorizes the new city to continue all existing taxes, assessments, and fees imposed by the County of Orange at the same rate as imposed by the County and using the same manner of collection.

For the incorporation to be implemented, voters will also have to approve at least one of two utility user tax alternatives: one imposes a 7% utility user tax on natural gas, water and electricity; the alternative imposes a 9% utility user tax on natural gas, water and electricity.

A comprehensive fiscal analysis of the proposed incorporation was performed. The results of the analysis estimated that implementation of a 7% utility user tax would result in an annual average operating General Fund surplus for the City of \$141,169 during FY 2009/2010 through FY 2017/2018. Implementation of a 9% utility user tax would result in an annual average operating General Fund surplus of \$459,305 during FY 2009/2010 through FY 2017/2018. An appropriations (Gann) limit of \$4,507,324 has been determined for the proposed incorporation.

Voters will elect a five member city council which shall appoint the City Manager, City Clerk, City Treasurer and City Attorney. Voters will also decide whether members of the city council in future elections shall be elected at large or by district.

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