

RESOLUTION NO. 2006-730

Adopted by the Sacramento City Council

October 10, 2006

INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES, AND THE PAYMENT OF FEES RELATED THERETO IN ORDER TO MITIGATE THE IMPACTS OF DEVELOPMENT WITHIN THE NATOMAS CENTRAL COMMUNITY FACILITIES DISTRICT NO. 2006-02, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

BACKGROUND

- A. The City Council (the "Council") of the City of Sacramento (the "City") has duly adopted Resolution No. 2006-730 (the "Resolution") this date, wherein it declared its intention to establish a community facilities district under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the Government Code of the State of California (the "Act), to be known and designated as "Community Facilities District No. 2006-02, City of Sacramento, County of Sacramento, State of California" (the "Community Facilities District"), and to levy a special tax therein to finance the acquisition and construction of certain public facilities and development fees related thereto (collectively, the "Facilities," as that term is defined in the Resolution) that will assist in mitigating the impact on the need for public facilities occasioned by new development that is expected to occur within the boundaries of the Community Facilities District; and
- B. The Council is fully advised in this matter;

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The above recitals are true and correct, and the Council so finds and determines.

Section 2. The Council hereby declares that the public convenience and necessity require that a bonded indebtedness be incurred to finance the acquisition and construction of, or payment for, the Facilities. The cost of the acquisition and construction or payment of the Facilities includes incidental expenses for the Facilities comprising the costs of planning and designing the Facilities, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the Community Facilities District, the issuance of bonds, the determination of the amount of any special taxes or the collection or payment of any special taxes and costs otherwise

incurred in order to carry out the authorized purposes of the Community Facilities District, together with any other expenses incidental to the acquisition and construction of the Facilities.

Section 3. The amount of the proposed bonded indebtedness to be incurred to finance the acquisition and construction of the Facilities shall not exceed thirty-five million dollars (\$35,000,000), which amount includes all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the bonded indebtedness is proposed to be incurred, including, but not limited to, the estimated costs of acquisition of land, rights-of-way, capacity or connection fees, satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the bonds are issued pursuant to the Act, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, bond and other reserve funds, discount fees, interest on any bonds of the Community Facilities District estimated to be due and payable within two (2) years of issuance of the bonds, election costs, and all costs of issuance of the bonds, including, but not limited to, fees for bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs.

Section 4. Notice is given that Tuesday, the 14th day of November, 2006, at the hour of two o'clock P.M., in the Council Chambers at the Sacramento City Hall at 915 I Street, Sacramento, California, has been fixed by the Council as the time and place for a public hearing to be held by the Council to consider the incurring of the bonded indebtedness to finance the acquisition and construction or payment of the Facilities for the Community Facilities District. At such public hearing, any persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District, may appear and be heard on the proposed debt issuance or on any other matters set forth herein, and they may present any matters relating to the necessity for incurring such bonded indebtedness to finance the acquisition and construction or payment of the Facilities and to be secured by a special tax to be levied within the Community Facilities District.

Section 5. Notice of the time and place of such public hearing shall be given by the Clerk of the City Council of the City (the "Clerk") in the following manner:

(a) A Notice of Public Hearing in the form required by the Act shall be published once in the *DAILY RECORDER*, a newspaper of general circulation circulated within the area of the Community Facilities District. The publication shall be made pursuant to Section 6061 of the Government Code of the State of California and shall be completed at least seven (7) days prior to the date set for such public hearing; and

(b) A Notice of Public Hearing in the form required by the Act shall be mailed, first class postage prepaid, to each owner of land, and to each registered voter residing, within the boundaries of the proposed Community Facilities District (to property owners at their addresses as shown on the last equalized assessment roll, and to registered voters at their addresses as shown on the records of the Sacramento County Registrar of Voters, or in either case as otherwise known to

the Clerk). The mailing shall be completed at least fifteen (15) days prior to the date set for the public hearing.

Section 6. It is the intention of the Council that any bonds issued shall be callable (may be redeemed prior to their maturity dates) in accordance with the terms of the Act.

Section 7. This resolution shall take effect immediately upon its passage.

Adopted by the City of Sacramento City Council on October 10, 2006 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Sheedy, Tretheway, Waters, and Mayor Fargo.

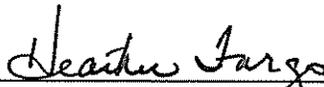
Noes: None.

Abstain: None.

Absent: Councilmember Pannell.

Attest:

Shirley Concolino, City Clerk



Mayor, Heather Fargo