

RESOLUTION NO. 2006-787

Adopted by the Sacramento City Council

October 24, 2006

APPROVING THE NORTH NATOMAS DRAINAGE COMMUNITY FACILITIES DISTRICT NO. 4, SERIES D BONDS PROJECT AND ESTABLISHING THE REVENUE AND EXPENDITURE BUDGET

BACKGROUND

- A. The Council, on December 8, 1998, adopted its Resolution No. 98-612 approving a Master Indenture dated as of February 1, 1999 (the "Master Indenture") by and between the City and BNY Western Trust Company (whose successor is The Bank of New York Trust Company, N.A., as to both entities herein, the "Trustee") authorizing the issuance of bonds under the Mello-Roos Community Facilities Act of 1982, as amended (being Sections 53311 et seq. of the Government Code of the State of California), and all laws amendatory thereof or supplemental thereto (the "Act"), in the aggregate principal amount of eighty-five million dollars (\$85,000,000) in the form and manner provided therein, designated the "North Natomas Community Facilities District No. 4, City of Sacramento, County of Sacramento, State of California, Special Tax Bonds" (the "Bonds").
- B. Both Sections 2.02 and 2.03 of the Master Indenture require a supplemental indenture for the issuance of a series of the Bonds in addition to the Series A (1999) Bonds, the Series B (2001) Bonds and the Series C (2003) Bonds under the Master Indenture.
- C. It is desirable and necessary to approve a Fourth Supplemental Indenture by and between the City and the Trustee supplemental to the Master Indenture in the form now on file with the City Clerk (the "Fourth Supplemental Indenture") to specify the conditions, terms and form of such additional series of the Bonds and to designate such additional series of the Bonds as the "North Natomas Community Facilities District No. 4, City of Sacramento, County of Sacramento, State of California, Special Tax Bonds, Series D (2006)" (the "Series D (2006) Bonds") to be issued pursuant to the Law, the Master Indenture and the Fourth Supplemental Indenture in order to finance the costs of the acquisition and construction of certain other facilities authorized to be financed by the Community Facilities District and to pay the costs of issuance of the Series D (2006) Bonds.

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

- Section 1. The North Natomas Drainage Community Facilities District No. 4, Series D project is hereby approved; the debt service is 859, the construction fund is 688, and the project numbers are 63AD and 64AD.
- Section 2. The appropriations, as outlined on Exhibit A to this Resolution, herein incorporated, will be supported by revenue from the sale of Mello-Roos Bonds.
- Section 3. The City Treasurer is hereby authorized to modify the budget as may be required after final pricing and sale of the bonds and as thereafter required to carry-out the terms and intent of the financing in accordance with law and city policy.
- Section 4. All Cost of Issuance expenditures must have written approval from the Office of the City Treasurer prior to final payment.

Adopted by the City of Sacramento City Council on October 24, 2006 by the following vote:

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

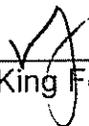
Noes: None.

Abstain: None.

Absent: Mayor Fargo.

Attest:


Shirley Concolino, City Clerk


Robert King Fong, Vice Mayor