

## **RESOLUTION NO. 2007-656**

Adopted by the Sacramento City Council

September 4, 2007

### **RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES, AND THE PAYMENT OF CERTAIN GOVERNMENTAL DEVELOPMENT FEES IN ORDER TO MITIGATE THE IMPACTS OF DEVELOPMENT WITHIN NATOMAS MEADOWS COMMUNITY FACILITIES DISTRICT NO. 2007-01, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA**

#### **BACKGROUND**

- A. The City Council (the "Council") of the City of Sacramento (the "City") duly adopted its Resolution No. 2007-510 (the "Resolution of Intention") on July 17, 2007 wherein the Council declared its intention to and proposed to establish a community facilities district within its jurisdictional boundaries 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 (beginning with Section 53311) of the Government Code of the State of California (the "Act"), to be known and designated as "Natomas Meadows Community Facilities District No. 2007-01, City of Sacramento, County of Sacramento, State of California" (the "Community Facilities District"), to finance the acquisition and construction of certain public capital facilities and of certain governmental development fees for public capital facilities.
- B. The Council also adopted Resolution No. 2007-511 (the "Resolution to Incur Bonded Indebtedness") on July 17, 2007, declaring its intention to incur a bonded indebtedness in the principal amount of not to exceed twenty-seven million, five-hundred thousand dollars (\$27,500,000) to finance the acquisition and construction of the facilities and the governmental development fees described in the Resolution of Intention.
- C. The Resolution to Incur Bonded Indebtedness fixed a time and place for a public protest hearing (the "Public Hearing") to be held by the Council to consider incurring the proposed debt and to consider any other matters set forth in the Resolution to Incur Bonded Indebtedness.
- D. Pursuant to the Resolution to Incur Bonded Indebtedness, the Public Hearing was set by the Council for Tuesday, the 21st day of August, 2007, at the hour of two o'clock P.M., or as soon thereafter as the Council was able to reach the matter, in the Council Chambers at the Sacramento City Hall at 915 "I" Street, Sacramento, California, and at the time set for the Public Hearing, the Council continued the Public Hearing to Tuesday, September 4, 2007 to be held at the same time and place. A Notice of Continuance of Public Hearing was posted by the City Clerk at or near the

Council chamber door no later than 24 hours after the continuance of the Public Hearing and a Certificate of Posting Notice of Continuance of Public Hearing is on file with the City Clerk.

- E. At the time and place set for the continued Public Hearing on September 4, 2007, the Council considered the amount and the term of the bonds proposed to be authorized by the Community Facilities District, and all other matters set forth in the Resolution to Incur Bonded Indebtedness; and at the continued Public Hearing all persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District, were given an opportunity to appear and to be heard on, and they were permitted to present any matters relating to, the necessity for incurring the bonded indebtedness to finance the costs of the acquisition and construction of the facilities and the financing of the governmental fees described in the Resolution of Intention; and the testimony of all interested persons and all taxpayers, property owners and registered voters for or against the authorization to issue bonds of the Community Facilities District or any other matters set forth in the Resolution to Incur Bonded Indebtedness, was heard and considered.
- F. All registered voters residing within the boundaries of the proposed Community Facilities District, if any, and all owners of land within the boundaries of the proposed Community Facilities District that would not be exempt from the proposed levy of special tax, were allowed to submit written protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, and were permitted to withdraw their protests prior to the close of the public Hearing.
- G. The Council has adopted on this date its Resolution No. 2007-655 establishing the Community Facilities District (the "Resolution of Formation") which sets forth the special tax to be authorized within the Community Facilities District and the facilities and governmental fees that may be financed with the proceeds of the special tax collections.
- H. There are on file with the Clerk a proof of publication of the Notice of Public Hearing in the *DAILY RECORDER*, a Certificate of Mailing of Notice of Public Hearing showing mailed notice to the owners of land within the Community Facilities District, a Certificate of Posting Notice of Continuance of Public Hearing and a Certificate of Mailing Letter Notifying Continuance of Public Hearing to the property owners within the Community Facilities District.
- I. 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 accepts the proof of publication of the Notice of Public Hearing, the Certificate of Mailing the Notice of Public Hearing, the Certificate of Posting Notice of Continuance of Public Hearing and the Certificate of

Mailing Letter Notifying Continuance of Public Hearing, and finds, based thereon, that proper notice of the Public Hearing has been given in accordance with the California Government Code, and that the Public Hearing was conducted with proper and legal notice in all respects.

- Section 3. The Council finds and determines that at the close of the Public Hearing, written protests, if any, against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, were submitted by less than 50 percent of the registered voters, or by less than six of the registered voters, if any, residing within the Community Facilities District. Similarly, the Council finds that at the close of the Public Hearing, such written protests, if any, were submitted by the owners of less than one-half of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the special tax. Thus, the Council finds that it is not precluded, by the Act, from proceeding further in this matter. The Council hereby further orders and determines that all protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness that may have been submitted, have been considered and are hereby overruled.
- Section 4. The Council hereby declares that the public convenience and necessity require, and it is necessary, that a bonded indebtedness be incurred to finance the acquisition and construction of the facilities, and the financing of the governmental fees, described in the Resolution of Formation. The authorization to finance the acquisition and construction of the facilities and fees 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 debt (as that term is defined in the Act, "Debt"), 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. Such costs and expenses are further described in Exhibit C to the Resolution of Formation.
- Section 5. The whole of the territory within the Community Facilities District will be benefited by the Debt and will be subject to the special tax to pay for the Debt.
- Section 6. The amount of the proposed Debt to be incurred to finance the acquisition and construction of the facilities and to finance the governmental development fees shall not exceed twenty-seven million five-hundred thousand dollars (\$27,500,000), which amount may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the Debt 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 Debt is issued pursuant to the Act, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, bond and other reserve funds, discount fees, interest on any Debt of the Community Facilities District estimated to be due and payable within two (2) years of issuance, election costs, and all costs of issuance of the Debt, 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 7. The maximum term of any Debt shall not exceed forty (40) years from the date of its issuance.
- Section 8. The maximum annual rate or rates of interest to be paid on any Debt shall not exceed twelve percent (12%) per annum, payable at least annually the first year and semiannually thereafter.
- Section 9. Pursuant to Government Code Section 53353.5, the authority to levy the special tax to finance the facilities and fees, the question of setting the appropriations limit for the Community Facilities District, and the question whether the Community Facilities District will be authorized to incur the Debt described above shall be combined into a single ballot question, and submitted to the qualified electors of the Community Facilities District at a special mailed-ballot election with ballots to be delivered to the City Clerk no later than 5:00 p.m. on Friday, September 28, 2007. If prior to that time the Clerk shall have received all of the eligible ballots to be cast, pursuant to Section 53351(j) the Clerk will at that time declare the election closed.
- Section 10. The election shall be conducted in accordance with the Council's Resolution No. 2007-657 Calling Special Mailed-Ballot Election, to be adopted this date, to which reference is made for further particulars.
- Section 11. If the ballot proposition receives the approval of two-thirds (2/3) or more of the votes cast on the proposition, the Debt may be issued and sold for the purpose for which it was authorized, and the Debt (except where special funds are otherwise available) shall be paid exclusively from the annual levy of the special tax and in any and all cases is not and shall not be secured by any other taxing power or funds of the City.
- Section 12. It is the intention of the Council that any Debt issued shall be callable (may be redeemed prior to its maturity date) in accordance with the terms of the Act.
- Section 13. This resolution shall take effect immediately upon its passage.

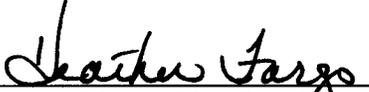
Adopted by the City of Sacramento City Council on September 4, 2007 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.

  
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Mayor Heather Fargo

Attest:

  
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Shirley Concolino, City Clerk