

RESOLUTION NO. 2015-0052

Adopted by the Sacramento City Council

February 24, 2015

RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION, IMPROVEMENT, AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SACRAMENTO STREETCAR COMMUNITY FACILITIES DISTRICT NO. 2015-01, CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

BACKGROUND

- A. On Tuesday, January 20, 2015, the City Council duly adopted Resolution No. 2015-0014 (the “**Resolution of Intention**”) declaring its intention (1) to establish a community facilities district within the City’s jurisdictional boundaries under the Mello-Roos Community Facilities Act of 1982, set forth at Government Code sections 53311 through 53368.3 (the “**Act**”), to be known and designated as “Sacramento Streetcar Community Facilities District No. 2015-01, City of Sacramento, County of Sacramento, State of California” (the “**CFD**”); and (2) to levy a special tax therein to finance the acquisition, improvement, and construction of certain public capital facilities.
- B. On Tuesday, January 20, 2015, the City Council also duly adopted Resolution No. 2015-0015 (the “**Resolution to Incur Bonded Indebtedness**”) declaring that the public convenience and necessity require that a bonded indebtedness or other debt (as defined in the Act) (collectively, “**Debt**”) in a principal amount not to exceed \$38 million be incurred to finance the acquisition, improvement, and construction of the public facilities described in the Resolution of Intention.
- C. In the Resolution to Incur Bonded Indebtedness, the City Council fixed Tuesday, February 24, 2015, at 6:00 p.m., in the Council Chambers in New City Hall, 915 I Street, Sacramento, California, as the time and place for a public hearing (the “**Public Hearing**”) to be held by the City Council to consider incurring the proposed Debt and any other matters set forth in the Resolution to Incur Bonded Indebtedness.
- D. On February 24, 2015, at or shortly after the time set for the Public Hearing, the City Council opened the Public Hearing to consider the incurrence of the proposed Debt and any other matters set forth in the Resolution to Incur Bonded Indebtedness.

- E. At the Public Hearing, any persons interested, including all taxpayers, property owners, and registered voters within the CFD, were given an opportunity to appear and be heard, and the City Council heard and considered the testimony of all interested persons for and against the incurrence of the proposed Debt and any other matters set forth in the Resolution to Incur Bonded Indebtedness.
- F. All registered voters residing within the boundaries of the proposed CFD and all owners of land within the boundaries of the proposed CFD that would not be exempt from the proposed levy of the special tax were allowed to submit written protests to any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness and were permitted to withdraw their protests before the close of the Public Hearing.
- G. The City Council has duly adopted on this date Resolution No. 2015-0051 establishing the CFD (the “**Resolution of Formation**”), setting forth the special tax to be authorized within the CFD and the public facilities that may be financed with the proceeds of the special tax and the proposed Debt.
- H. There is on file with the City Clerk a proof of publication of the Notice of Public Hearing in the *Sacramento Bulletin*.

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

- Section 1. The City Council finds that the statements in the Background are true.
- Section 2. The City Council accepts the proof of publication of the Notice of Public Hearing and finds, based thereon, that proper notice of the Public Hearing has been given in accordance with the Act and that the Public Hearing was conducted with proper and legal notice in all respects.
- Section 3. The City Council finds and determines that at the close of the Public Hearing written protests, if any, to the incurrence of the proposed Debt or any other matters set forth in the Resolution to Incur Bonded Indebtedness were submitted by less than 50% of the registered voters residing within the CFD or by less than six of the registered voters residing within the CFD, whichever is more. The City Council also finds that, at the close of the Public Hearing, the 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 CFD and not exempt from the special tax. Thus, finding that it is not precluded by the Act from proceeding further in this matter, the City Council hereby orders and determines that it has considered, and that it overrules, all protests to the incurrence of the proposed Debt and to any other matters set forth in the Resolution to Incur Bonded Indebtedness that may have been submitted.

- Section 4. The City Council hereby deems it necessary that a Debt be incurred to finance the acquisition, improvement, and construction of the facilities described in the Resolution of Formation. The authorization to finance the acquisition, improvement, and construction of the facilities includes incidental expenses for the facilities consisting of the costs of planning and designing the facilities, together with the costs of environmental evaluations thereof; all costs associated with the creation of the CFD, the issuance of Debt, the determination of the amount of any special taxes, and the collection or payment of any special taxes; and any costs otherwise incurred to carry out the authorized purposes of the CFD, together with any other expenses incidental to the acquisition, improvement, and construction of the facilities. A representative list of these incidental expenses is set forth in Exhibit C to the Resolution of Formation.
- Section 5. The whole of the territory within the CFD 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, improvement, and construction of the facilities may not exceed \$38 million, which amount includes 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 and 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 under the Act; fees for architectural, engineering, inspection, legal, fiscal, and financial-consultant services; bond and other reserve funds; discount fees; interest on any Debt estimated to be due and payable within two years of issuance or incurrence of the Debt; election costs; and all costs of issuance or incurrence of the Debt, including but not limited to fees for bond counsel and disclosure 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 issue of Debt may not exceed 40 years from the date of issuance of that issue of Debt.
- Section 8. The maximum annual rate or rates of interest to be paid on any Debt may not exceed 12%.
- Section 9. Under Government Code section 53353.5, the authorization to levy the special tax to finance the facilities, the question of setting the appropriations limit for the CFD, and the question whether the CFD will be authorized to incur the Debt will be combined into a single ballot question and submitted to the qualified electors of the CFD at a special mailed-ballot election with ballots to be delivered to the

Sacramento County Registrar of Voters (the “**Registrar**”) no later than 8:00 p.m. on Tuesday, June 2, 2015. If before that time the Registrar has received all of the eligible ballots to be cast, then the Registrar will declare the election closed.

- Section 10. The election is to be conducted in accordance with City Council Resolution No. 2015-0053 Calling Special Mailed-Ballot Election, adopted this date, to which reference is made for further particulars.
- Section 11. As provided in section 53352 of the Act, this resolution constitutes the notice of the special bond election, and the City Clerk is hereby authorized and directed to publish this resolution in the *Sacramento Bulletin*, a newspaper of general circulation published in the area of the CFD.
- Section 12. If the ballot proposition receives the approval of two-thirds or more of the votes cast on the proposition, then 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) will be paid exclusively from the annual levy of the special tax and in any and all cases is not and may not be secured by any other taxing power or funds of the City.
- Section 13. Any Debt issued will be callable (may be redeemed before its maturity date) in accordance with the Act.
- Section 14. This resolution takes effect when adopted.

Adopted by the City of Sacramento City Council on February 24, 2015, by the following vote:

Ayes: Members Ashby, Carr, Hansen, Jennings, Schenirer, Warren and Mayor Johnson

Noes: None

Abstain: Member Hansen

Absent: None

Vacant: District 6

Attest:

Digitally signed by Shirley A. Concolino
DN: cn=Shirley A. Concolino, o=City of Sacramento, ou=City Clerk, email=sconcolino@cityofsacramento.org, c=US
Date: 2015.02.25 21:11:14 -08'00'



Shirley Concolino, City Clerk