

RESOLUTION NO. 2018-0460

Adopted by the Sacramento City Council

November 27, 2018

Resolution Deeming it Necessary to Incur Bonded Indebtedness to Finance the Acquisition and Construction of Public Facilities and to Finance Governmental Fees for Public Facilities in and for Each Improvement Area within the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements)

BACKGROUND

- A. On Tuesday, October 23, 2018, the City Council duly adopted Resolution No. 2018-0410 (the “**Resolution of Intention**”) declaring its intention to (1) 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 the “City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements)” (the “**CFD**”); (2) designate within the CFD two improvement areas, proposed to be known as “Improvement Area No. 1 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements)” (“**IA-1**”) and “Improvement Area No. 2 of the City of Sacramento Greenbriar Community Facilities District No. 2018-03 (Improvements)” (“**IA-2**”); and (3) levy a special tax within IA-1 and IA-2 to finance the acquisition and construction of certain public facilities (the “**Facilities**”) and to finance certain governmental fees for public facilities (the “**Fees**”).
- B. On Tuesday, October 23, 2018, the City Council also duly adopted Resolution No. 2018-0411 (the “**Resolution of Intention to Incur Bonded Indebtedness**”) declaring its intention to incur bonded indebtedness or other debt (as defined in the Act) (collectively, “**Debt**”), in a principal amount not to exceed \$55 million for IA-1 and \$50 million for IA-2, to finance the acquisition, improvement or construction of the Facilities and the financing of the Fees.
- C. In the Resolution of Intention to Incur Bonded Indebtedness, the City Council fixed Tuesday, November 27, 2018, at 5:00 p.m., in the City 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 of Intention to Incur Bonded Indebtedness.
- D. On November 27, 2018, 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 for

IA-1 and IA-2, and any other matters set forth in the Resolution of Intention 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 of Intention 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 in IA-1 and IA-2 were allowed to submit written protests to any aspect of the proposals contained in the Resolution of Intention 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. 2018-0459 establishing the CFD and designating IA-1 and IA-2 (the “**Resolution of Formation**”), setting forth the special tax authorized to be levied within IA-1 and IA-2 and the Facilities and Fees that may be financed with the proceeds of the special tax authorized to be levied within IA-1 and IA-2, and the proposed Debt for IA-1 and IA-2.
- H. There are on file with the City Clerk a proof of publication of the Notice of Public Hearing in the *Sacramento Bulletin* and a Certificate of Mailing of Notice of Public Hearing showing mailed notice to the owners of land within the CFD.

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 the Certificate of Mailing of 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 of Intention to Incur Bonded Indebtedness were submitted by less than 50% of the registered voters residing within IA-1 or by less than six of the registered voters residing within IA-1, whichever is more. The City Council also finds that, at the close of the Public Hearing, 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 IA-1 and not exempt from the special tax levied in IA-1. 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 for IA-1, and to any other matters set forth in the Resolution of Intention to Incur Bonded Indebtedness that may have been submitted. 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 of Intention to Incur Bonded Indebtedness were submitted by less than 50% of the registered voters residing within IA-2 or by less than six of the registered voters residing within IA-2, whichever is more. The City Council also finds that, at the close of the Public Hearing, 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 IA-2 and not exempt from the special tax levied in IA-2. 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 for IA-2, and to any other matters set forth in the Resolution of Intention to Incur Bonded Indebtedness that may have been submitted.

- Section 4. The City Council hereby deems it necessary that Debt be incurred, in one or more series, to finance the acquisition, improvement and construction of the Facilities and to finance the Fees. The authorization to finance the acquisition, improvement and construction of the Facilities and the facilities to be financed with the Fees, includes incidental expenses for the facilities consisting of the costs of planning and designing the facilities, together with the costs of related environmental evaluations; all costs associated with the establishment of the CFD and designation of IA-1 and IA-2, the issuance of bonds and other Debt for IA-1 and IA-2, 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 and construction of the Facilities and the financing of the Fees. 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 aggregate principal amount of the proposed Debt to be incurred, in one or more series, to finance the acquisition and construction of the Facilities and to finance the Fees for may not exceed \$55 million for IA-1 and \$50 million for IA-2, which amount, in each case, 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 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 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 of the Debt; election costs; and all costs of issuance or incurrence of the Debt, including 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. Bonds or other Debt will be issued in such series, will bear interest payable semi-annually (or in any other manner as the City Council determines) at a rate not to exceed the maximum rate of interest authorized by applicable law at the time of sale of the bonds or other debt, and must mature not later than 40 years after the date of issuance
- Section 8. Under Government Code section 53353.5, (1) the question of levying the special tax in IA-1 to finance the construction, improvement and acquisition of the Facilities and to finance the Fees, the question of setting the appropriations limit for IA-1, and the question of whether Debt may be incurred for IA-1 will be combined into a single ballot question and submitted to the qualified electors of IA-1 at a special mailed-ballot election with ballots to be delivered to the City Clerk no later than 5:00 p.m. on Tuesday, November 27, 2018, and (2) the question of levying the special tax in IA-2 to finance the construction, improvement and acquisition of the Facilities and to finance the Fees, the question of setting the appropriations limit for IA-2, and the question of whether Debt may be incurred for IA-2 will be combined into a single ballot question and submitted to the qualified electors of IA-2 at a special mailed-ballot election with ballots to be delivered to the City Clerk no later than 5:00 p.m. on Tuesday, November 27, 2018. If before that time the City Clerk has received all of the eligible ballots to be cast, then the City Clerk will declare the election closed.
- Section 9. The elections must be conducted in accordance with City Council Resolution No. 2018-0461 Calling Special Mailed-Ballot Election, adopted this date, to which reference is made for further particulars.
- Section 10. If the ballot proposition related to the incurrence of Debt for each improvement area 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 in the

applicable improvement area, and in any and all cases is not and may not be secured by any other taxing power or funds of the City.

Section 11. Any Debt issued will be callable (i.e., may be redeemed or prepaid before maturity) in accordance with the Act.

Section 12. This resolution takes effect when adopted.

Adopted by the City of Sacramento City Council on November 27, 2018, by the following vote:

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

Noes: None

Abstain: None

Absent: Member Guerra

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2018.12.20 09:44:01 -08'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.