

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION DETERMINING NECESSITY TO INCUR BONDED INDEBTEDNESS FOR A COMMUNITY FACILITIES DISTRICT

CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2024-1 (SOUTH STOCKTON FACILITIES AND SERVICES)

On September 17, 2024, pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with section 53311, of the California Government Code (the "Act"), this City Council adopted Resolution No. 2024-09-17-1502-01 (the "Resolution of Intention"), stating its intention to form "City of Stockton Community Facilities District No. 2024-1 (South Stockton Facilities and Services) (the "CFD") and establish a future annexation area related thereto entitled "City of Stockton Community Facilities District No. 2024-1 (South Stockton Facilities and Services) (Future Annexation Area) (the "Future Annexation Area"); and

On September 17, 2024, this City Council also adopted Resolution No. 2024-09-17-1502-02 (the "Resolution of Intention to Incur Indebtedness") stating its intention to incur bonded indebtedness (as contemplated by the Act) within the boundaries of the CFD for the purpose of financing the costs of certain facilities specified in the Resolution of Intention; and

This City Council has held a noticed public hearing as required by the Act about the determination to proceed with the formation of the CFD and establishment of the Future Annexation Area, the provision of certain public facilities and public services by the CFD and the rate and method of apportionment of the special tax to be levied within the CFD to pay the cost of the facilities and the services, the principal and interest on proposed bonded indebtedness in the CFD and the administrative costs of the City relative to the CFD; and

Subsequent to the public hearing, this City Council adopted a resolution titled "RESOLUTION TO FORM A COMMUNITY FACILITIES DISTRICT, ESTABLISH A FUTURE ANNEXATION AREA AND TO LEVY A SPECIAL TAX THEREIN TO FINANCE PUBLIC SERVICES AND THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES IN AND FOR SUCH DISTRICT" (the "Resolution of Formation"); and

This City Council has also held a noticed public hearing as required by the Act relative to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness; and

No written protests with respect to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness have been filed with the City Clerk; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The foregoing recitals are true and correct.
2. In order to finance the costs of the Facilities, including, but not limited to, the costs of issuing and selling bonds to finance all or a portion of the Facilities and the costs of the City in establishing and administering the CFD, it is necessary for the City to incur bonded indebtedness in one or more series on behalf of the CFD in an aggregate amount not to exceed \$50,000,000.
3. The whole of the CFD shall pay for the bonded indebtedness issued by the City for the CFD through the levy of the facilities special tax within the CFD. The tax shall be apportioned in accordance with the formula for set forth in Exhibit 2 to the Resolution of Formation.
4. Subject to Section 2 above, bonds (as contemplated by the Act) in the aggregate maximum amount not to exceed \$50,000,000 (the "Authorization") are hereby authorized for the CFD subject to voter approval. Bonds subject to this limit shall only include indebtedness evidenced by bonds or notes and shall not include bonds described in Section 53364.2(e) of the Act. The bonds for the CFD may be issued in one or more series and mature and bear interest at such rate or rates, payable semiannually or in such other manner, all as this City Council or its designee shall determine, at the time or times of sale of such bonds; provided, however, that the interest rate or rates shall not to exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds and the bonds or any series thereof shall have a maximum term of not to exceed 40 years.

In the event a parcel or parcels is annexed into the CFD from the Future Annexation Area as a separate improvement area (each, an "Improvement Area") pursuant to the unanimous consent process, the unanimous consent of the owner(s) (each, a "Unanimous Consent") shall include an authorization to incur bonded indebtedness for such Improvement Area in a maximum amount specified, which shall reduce the Authorization applicable to any other portion of the CFD by such amount. Such allocation may be made without any requirement for further public hearings, City Council action or other additional proceedings, and the City shall include the Unanimous Consent in the records for the CFD. The whole of each such Improvement Area shall pay for the bonded indebtedness and other debt issued by the City for such Improvement Area through the levy of the facilities special tax. The tax shall be apportioned in accordance with the formula approved via Unanimous Consent.

5. The proposition of the City incurring the bonds for the CFD as herein authorized shall be submitted to the qualified electors of the CFD and shall be consolidated with elections on the proposition of levying special taxes within the CFD and the establishment of an appropriations limit for the CFD pursuant to Section 53353.5 of the Act. The time, place and further particulars and conditions of such election shall be as specified by separate resolution of this City Council. In accordance with Section 53350 of the Act, approval of a limit for the incurrence of bonded indebtedness and other debt for any Improvement Area established in the future shall be submitted by the owner or owner(s) of parcels in such Improvement Area and specified in a Unanimous Consents, without any other proceedings or hearings required.

6. This Resolution shall take effect upon its adoption.

7. The City Manager is authorized to take such further actions as are necessary and appropriate to carry out the purpose and intent of this resolution.

PASSED, APPROVED, and ADOPTED November 12, 2024.

KEVIN J. LINCOLN II
Mayor of the City of Stockton

ATTEST:

KATHERINE ROLAND, CMC, CPMC
Interim City Clerk of the City of Stockton