

Resolution No.

STOCKTON CITY COUNCIL

A RESOLUTION AUTHORIZING THE ISSUANCE OF REFUNDING BONDS, APPROVING AND DIRECTING THE EXECUTION OF FISCAL AGENT AGREEMENTS AND AN ESCROW DEPOSIT AND TRUST AGREEMENT, AUTHORIZING SALE OF BONDS, AND OTHER RELATED DOCUMENTS AND ACTIONS WITH RESPECT THERETO

**City of Stockton
Reassessment District No. 2016-1 (March Lane/Holman)
Reassessment District No. 2016-2 (Waterford Estates East Phase II)**

On June 28, 2016, this City Council of the City of Stockton (the "City") has conducted proceedings under and pursuant to a Resolution of Intention to Levy Reassessments and to Issue Refunding Bonds Upon the Security Thereof (the "Resolution of Intention"), to authorize the levy of reassessments upon the land within the City's Reassessment District No. 2016-1 (March Lane/Holman) and Reassessment District No. 2016-2 (Waterford Estates East Phase II) (together, the "Reassessment Districts"), and to issue bonds secured by said reassessments, the proceeds of which are to be used to refund certain existing bonds (together, the "Prior Bonds"), all as described therein; and

Pursuant to the Resolution of Intention, this City Council has provided for the issuance of limited obligation refunding improvement bonds pursuant to the Refunding Act of 1984 for 1915 Improvement Act Bonds, Division 11.5 of the Streets and Highways Code of the State of California (the "Bond Law"); and

This Council wishes to sell the limited obligation refunding improvement bonds to the Stockton Public Financing Authority (the "Authority"); and

The Authority wishes to issue revenue bonds (the "Authority Bonds") pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Authority Bond Law") for the purpose of financing the acquisition of the bonds described herein; and

There is on file with the Finance Director of the City a list of all of the reassessments within each Reassessment District which remain unpaid (the "Lists of Unpaid Reassessments"); and

There have been submitted to this City Council certain documents providing for the issuance of the bonds by the City for the Reassessment Districts, and the use of the proceeds of those bonds to refund the Prior Bonds, including the form of a Fiscal Agent Agreement to be entered into with respect to each Reassessment District, an Escrow

Deposit and Trust Agreement, a preliminary Official Statement and Refunding Assessment Bonds Purchase Agreements, and this City Council, with the aid of its staff, has reviewed said documents and found them to be in proper order; and

All conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of said bonds and the levy of said special reassessments as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Bond Law; now therefore,

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

1. Unpaid Reassessments. The reassessments that remain unpaid in each Reassessment District as of _____, 2016 are as shown on the List of Unpaid Reassessments for each Reassessment District, each list of which is hereby approved and incorporated herein by this reference. The total amount of the unpaid reassessments is not-to-exceed \$2,355,000 for the March Lane/Holman Reassessment District and is not-to-exceed \$2,490,000 for the Waterford Estates East Phase II Reassessment District. For a particular description of the lots, pieces and parcels of land bearing the respective reassessment numbers set forth in the Lists of Unpaid Reassessments, reference is hereby made to the reassessments and to the diagrams for the Reassessment Districts, and any amendments thereto approved by this City Council, all as recorded in the office of the Superintendent of Streets of the City.

2. Bonds Authorized. Pursuant to the Bond Law, this Resolution and the Fiscal Agent Agreements (hereafter defined), refunding improvement bonds of the City are hereby authorized to be issued (i) for the City's Reassessment District No. 2016-1 (March Lane/Holman) and designated, "City of Stockton Limited Obligation Refunding Improvement Bonds, Reassessment District No. 2016-1 (March Lane/Holman)" in an aggregate principal amount not-to-exceed \$2,355,000 and (ii) for the City's Reassessment District No. 2016-2 (Waterford Estates East Phase II) and designated "City of Stockton Limited Obligation Refunding Improvement Bonds, Reassessment District No. 2016-2 (Waterford Estates East Phase II)" in an aggregate principal amount not-to-exceed \$2,490,000 (together, the "Bonds"). Alternatively, if the refunding savings parameters under the Bond Law cannot be met with respect to either series of Prior Bonds, a single series of Bonds may be issued to refund the applicable series of Prior Bonds only.

3. Fiscal Agent Agreement. The Council hereby approves the form of Fiscal Agent Agreement by and between the City and Wells Fargo Bank, National Association, as fiscal agent, to be entered into for each series of Bonds, with one fiscal agent agreement to be entered into with respect to each series of Bonds (collectively, the "Fiscal Agent Agreements"), in substantially the form on file with the City Clerk. The Mayor, City Manager or the Finance Director or such other official of the City as may be

designated by any such officer (each, an "Authorized Official") is hereby authorized and directed to execute and deliver the Fiscal Agent Agreements in substantially said form, with such additions thereto or changes therein as are approved by the Authorized Official executing the same upon consultation with Jones Hall, A Professional Law Corporation, the City's bond counsel ("Bond Counsel"), including such additions or changes as are necessary or advisable, provided that no additions or changes shall authorize an aggregate principal amount of Bonds in excess of the parameters set forth in Section 2, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of each Fiscal Agent Agreement by an Authorized Official. The date, manner of payment, principal amount, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption, costs of issuing and other terms of each series of the Bonds shall be completed by staff and shall be as provided in the Fiscal Agent Agreement with respect to each series of the Bonds as finally executed and delivered. The terms and provisions of the Fiscal Agent Agreements, as executed, are incorporated herein by this reference as if fully set forth herein. An Authorized Official is hereby authorized and directed to execute the Fiscal Agent Agreements on behalf of the City and the City Clerk is hereby authorized and directed to attest thereto.

4. Escrow Agreement. The form of an Escrow Deposit and Trust Agreement by and between the City and a corporate trustee, as escrow holder, in the form presented to this City Council at this meeting is hereby approved. The Authorized Official is hereby authorized and directed to cause the same to be completed and executed on behalf of the City in substantially said form, with such additions thereto or changes therein as are approved by the Authorized Official upon consultation with Bond Counsel. Alternatively, an Authorized Official is hereby authorized and directed to execute a separate Escrow Deposit and Trust Agreement for each series of the Prior Bonds if determined to be appropriate by Bond Counsel.

5. Sale of Bonds. The purchase of the Bonds by the Authority from the City is hereby approved. The form of the Reassessment Bonds Purchase Agreement (the "Purchase Contract"), providing for the sale of the Bonds by the City to the Authority presented at this meeting is hereby approved and each of the Authorized Officials is hereby authorized to execute the Purchase Contract in the form so approved, with such additions thereto and changes therein as are necessary to conform the Purchase Contract to the dates, amounts and interest rates applicable to the Bonds as of the sale date or to cure any defect or ambiguity therein. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Purchase Contract by one or more of such officers.

6. Official Statement. This City Council hereby approves the preliminary Official Statement prepared in connection with the Authority Bonds and the Bonds in substantially the form submitted to this City Council, together with any changes therein or additions thereto deemed advisable by an Authorized Official. This City Council hereby approves and authorizes the distribution by RBC Capital Markets and Hilltop Securities, as underwriters of the Authority Bonds, of the preliminary Official Statement

to prospective purchasers of the Authority Bonds, and authorizes and directs an Authorized Official on behalf of the City to deem the Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") prior to its distribution to prospective purchasers of the Authority Bonds. The execution of the final Official Statement, which shall include then current financial information regarding the City and such other changes and additions thereto deemed advisable by an Authorized Official and such information permitted to be excluded from the preliminary version of the Official Statement pursuant to the Rule, shall be conclusive evidence of the approval of the Official Statement by the City.

7. Bonds Printed and Delivered. Upon execution of the Purchase Contract, the Bonds shall be printed, authenticated and delivered, all in accordance with the applicable terms of the Fiscal Agent Agreements and the Authorized Officials and other responsible City officials are hereby authorized and directed to take such actions as are required under the Purchase Contract and the Fiscal Agent Agreements to complete all actions required to evidence the delivery of the Bonds upon the receipt of the purchase price thereof.

8. Actions. All actions heretofore taken by the officers and agents of the City with respect to the reassessments and the sale and issuance of the Bonds are hereby approved, confirmed and ratified, and the appropriate officers of the City are hereby authorized and directed to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds in accordance with this resolution, and any certificate, agreement, and other document described in the documents herein approved. The City Manager or his designee is authorized to appropriate budget as necessary in accordance with the bond refunding authorized herein and for administrative costs incurred as part of the refunding. All actions to be taken by an Authorized Official, as defined herein, may be taken by such Authorized Official or any designee, with the same force and effect as if taken by the Authorized Official.

9. Effective Date. This resolution shall take effect from and after its adoption.

PASSED, APPROVED AND ADOPTED: June 28, 2016.

ANTHONY SILVA, Mayor
of the City of Stockton

ATTEST:

BONNIE PAIGE, City Clerk
of the City of Stockton