

Ordinance No.

STOCKTON CITY COUNCIL

AN ORDINANCE OF THE CITY OF STOCKTON, CALIFORNIA AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 2018-1 (ARCH ROAD/NEWCASTLE ROAD)

ORDAINED, by the City Council of the City of Stockton, California that:

On May 15, 2018, the City Council (the "City Council") of the City of Stockton, State of California, adopted its Resolution No. 2018-05-15-1106-02 (the "Resolution of Intention to Establish the District") stating its intention to form Community Facilities District No. 2018-1 (Arch Road/Newcastle Road) (the "District") pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with section 53311) of the California Government Code, commonly known as the "Mello-Roos Community Facilities Act of 1982," as amended (the "Act"); and

On May 15, 2018, the City Council also adopted Resolution No. 2018-05-15-1106-03 (the "Resolution of Intention to Incur Bonded Indebtedness") stating its intention to incur bonded indebtedness in an amount not to exceed \$4,000,000 within the District for the purpose of financing the costs of certain public facilities specified in the Resolution of Intention to Establish the District (the "Facilities") and other related incidental costs; and

Notice was published as required by law relative to the intention of this City Council to form the proposed District and to incur such bonded indebtedness within the District; and

On June 19, 2018, this City Council held a noticed public hearing, as required by law, (1) to determine whether it should proceed with the formation of the District and authorize the rate and method of apportionment of a special tax to be levied within the District sufficient to pay all costs necessary to administer and pay debt service on the bonds of the District issued to finance the costs of the Facilities, as described in the Resolution of Formation (defined below), to establish or replenish any necessary reserve and sinking funds, to pay any rebatable arbitrage and to pay any other costs or expenses of the District authorized by law, and (2) on the proposal to incur the bonded indebtedness; and

At the hearing, all persons desiring to be heard on all matters pertaining to the formation of the District, the levy of the special tax, the proposed issuance of the bonded indebtedness, and all other matters set forth in the Resolution of Intention to Establish the District and the Resolution of Intention to Incur Bonded Indebtedness, were heard and considered and full and fair hearings were held thereon; and

At the hearing, there were no written or oral protests against the establishment of the District, the extent of the District, the furnishing of the specified Facilities or any

other matters pertaining to the District, the levy of a special tax or the incurring of bonded indebtedness; and

This City Council, subsequent to said hearing, on June 19, 2018, adopted its Resolution of Formation (the "Resolution of Formation") which established the District, determined the validity of prior proceedings relative to the formation of the District, authorized the levy of a special tax within the District and called an election for June 19, 2018, on the propositions of levying a special tax and establishing an appropriations limit within the District; and

This City Council, subsequent to said hearing, on June 19, 2018 adopted its Resolution to Incur Bonded Indebtedness (the "Resolution to Incur Bonded Indebtedness") which determined the necessity of incurring bonded indebtedness in an amount not to exceed \$4,000,000 and called an election within the District for June 19, 2018, on the proposition of incurring bonded indebtedness; and

In accordance with the Resolution of Formation and the Resolution to Incur Bonded Indebtedness, a consolidated election was held within the District with hand-delivered ballots due by 5:30 p.m. June 19, 2018, in which the qualified electors approved by more than a two-thirds vote the propositions of incurring the bonded indebtedness, levying a special tax, and establishing an appropriations limit within the District; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STOCKTON AS FOLLOWS:

1. The above recitals are true and correct and this City Council so finds and determines.

2. By the passage of this Ordinance, a special tax is hereby levied by this City Council on all nonexempt properties within the District at the Rate and Method of Apportionment of Special Tax set forth in Exhibit 1 attached hereto and incorporated by reference herein, being the Rate and Method of Apportionment of Special Tax specified in the Resolution of Formation. The special taxes are hereby levied commencing in fiscal year 2018-19 and in each fiscal year thereafter, at the rates determined in accordance with this Ordinance.

3. The Chief Financial Officer of the City of Stockton, or his designee, is hereby authorized each year to determine the special tax rate and amount to be levied for the next ensuing fiscal year and to prepare the current roll of special tax levy obligations by assessor's parcel number on nonexempt property in the District, except that the special tax rate to be levied shall not exceed the Maximum Special Tax rate set forth in the Rate and Method of Apportionment of Special Tax. The Chief Financial Officer or his designee also shall be responsible for estimating future special tax levies within the District.

4. No properties or entities are exempt from the special tax unless the properties or entities are expressly exempted in the Resolution of Formation (and Exhibit 1 hereto), or in any subsequent resolution of consideration to levy a new special

tax or special taxes or to alter the rate or method of apportionment of an existing special tax as provided in section 53334 of the Act.

5. All of the collections of the special tax shall be used as provided for in the Act and the Resolution of Formation. The special tax shall be levied only so long as needed for its purpose as described in the Resolution of Formation and the Resolution to Incur Bonded Indebtedness.

6. The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected (except that the special tax due for 2018-19 may be hand-billed) and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes, as such procedure may be modified by law from time to time.

7. Pursuant to Section 508 of the Charter of the City, this Ordinance shall become effective immediately upon passage by the City Council.

PASSED, APPROVED, and ADOPTED June 19, 2018.

MICHAEL D. TUBBS, Mayor
of the City of Stockton

ATTEST:

BRET HUNTER, CMC
City Clerk of the City of Stockton