

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION DETERMINING NECESSITY TO INCUR BONDED INDEBTEDNESS FOR A COMMUNITY FACILITIES DISTRICT AND TWO IMPROVEMENT AREAS THEREIN

CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2018-2 (WESTLAKE VILLAGES II)

On May 15, 2018, 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 a resolution titled "Resolution of Intention to Form a Community Facilities District and Two Improvement Areas 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 Intention"), stating its intention to form (i) the "City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II) (the "CFD"), (ii) "Improvement Area 1 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II)" ("Improvement Area 1"), and (iii) "Improvement Area 2 of the City of Stockton Community Facilities District No. 2018-2 (Westlake Villages II)" ("Improvement Area 2" and together with Improvement Area 1, the "Improvement Areas"); and

On May 15, 2018, this City Council also adopted a resolution titled "Resolution of Intention to Incur Bonded Indebtedness to Finance the Acquisition and Construction of Certain Public Facilities in and for Improvement Areas Within Proposed Community Facilities District No. 2018-2 (Westlake Villages II)" (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 and the Improvement Areas 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 the Improvement Areas, 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 Improvement Areas to pay the cost of the facilities and the services, the principal and interest on proposed bonded indebtedness in each Improvement Area 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 and Two Improvement Areas 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 COUNCL 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 Improvement Areas in an aggregate amount not to exceed \$15,000,000 for Improvement Area 1 and not to exceed \$60,000,000 for Improvement Area 2.
3. The whole of each Improvement Area shall pay for the bonded indebtedness issued by the City for each respective Improvement Area through the levy of the facilities special tax within such Improvement Area. The tax shall be apportioned in accordance with the respective formula for each Improvement Area set forth in Exhibits 2 and 3 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 \$15,000,000 for Improvement Area 1 and \$60,000,000 for Improvement Area 2 are hereby authorized for each Improvement Area 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 each Improvement Area 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.
5. The proposition of the City incurring the bonds for each Improvement Area as herein authorized shall be submitted to the qualified electors of each Improvement Area and shall be consolidated with elections on the proposition of levying special taxes within each Improvement Area and the establishment of an appropriations limit for each Improvement Area 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.

6. This Resolution shall take effect upon its adoption.

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