

Resolution No.

STOCKTON CITY COUNCIL

RESOLUTION CALLING SPECIAL ELECTION FOR A COMMUNITY FACILITIES DISTRICT AND TWO IMPROVEMENT AREAS THEREIN

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

Pursuant to the Mello-Roos Community Facilities Act of 1982, 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 has 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"), ordering the formation of (i) "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"), authorizing the levy of a special tax on property within the Improvement Areas and preliminarily establishing an appropriations limit for each Improvement Area; and

This City Council has also adopted a resolution titled "Resolution Determining the Necessity to Incur Bonded Indebtedness for a Community Facilities District and Two Improvement Areas Therein" (the "Resolution Determining Necessity"), determining the necessity to incur bonded indebtedness in the maximum aggregate principal amount of \$15,000,000 for Improvement Area 1 and \$60,000,000 for Improvement Area 2 upon the security of the facilities special tax to be levied within each respective Improvement Area pursuant to the Act; and

Pursuant to the provisions of the Resolution of Formation and the Resolution Determining Necessity, the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness shall be submitted to the qualified electors of each Improvement Area as required by the provisions of the Act; now, therefore,

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

1. Pursuant to sections 53326, 53351, and 53325.7 of the Act, the issues of the levy of the special tax, the incurring of bonded indebtedness and the establishment

of the appropriations limit shall be submitted to the qualified electors (as defined below) of each respective Improvement Area at an election called therefor as provided below.

2. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory of each Improvement Area for each of the 90 days preceding the close of the public hearings heretofore conducted and concluded by this Council for the purposes of these proceedings. Accordingly, and pursuant to section 53326 of the Act, this Council finds that, for these proceedings, the qualified electors for each Improvement Area are the landowners within each respective Improvement Area and that the vote shall be by such landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in such Improvement Area not exempt from the special tax as of the close of the public hearings.

3. This Council hereby calls a special election in each Improvement Area to consider the measures described in section 1 above, which election shall be held on June 19, 2018, and the results thereof canvassed at the meeting of this Council on June 19, 2018. The City Clerk is hereby designated as the official to conduct the election and to receive all ballots until 7:00 p.m. on the election date. It is hereby acknowledged that the City Clerk has on file the Resolution of Formation, a certified map of the boundaries of the CFD and each Improvement Area, and a sufficient description to allow the City Clerk to determine the electors of each Improvement Area. Pursuant to section 53327 of the Act, the election shall be conducted by messenger or mail-delivered ballot pursuant to section 4000 of the California Elections Code, except as modified by waivers of the electors, and except that sections 53326 and 53327 of the Act shall govern for purposes of determining the date of election.

4. As authorized by section 53353.5 of the Act, the three propositions described in section 1 above shall be combined into a single ballot measure for each Improvement Area, the form of which is attached hereto as Exhibit "1" and by this reference incorporated herein and the form of ballot is hereby approved. The City Clerk is hereby authorized and directed to cause a ballot for each respective Improvement Area, in substantially the forms of Exhibit "1," to be delivered to each of the qualified electors of each Improvement Area. Each ballot shall indicate the number of votes to be voted by the respective landowner to which the ballot pertains. This Council hereby finds that the provisions of sections 53327 and 53327.5 of the Act requiring that each ballot be accompanied by all supplies and written instructions necessary for the use and return of the ballot and the envelope to be used to return the ballot shall be enclosed with the ballot, return postage prepaid, and containing representations and requirements as to certain election procedures are for the protection of the qualified electors of each Improvement Area and there is on file with the City Clerk a written waiver such procedures and requirements executed by all of the qualified electors of each Improvement Area, all electors of which have requested formation of the Improvement Areas and levy of special taxes. Accordingly, this Council finds and determines that the qualified electors have been fully apprised of and have agreed to the conduct of the election without such procedures and requirements, and have

thereby been fully protected in these proceedings upon distribution and return of the ballots in the manner deemed appropriate by the City and all of the electors.

5. This Council hereby further finds that the provisions of section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before the special election are for the protection of the qualified electors of each Improvement Area. There is on file with the City Clerk a written waiver executed by all of the qualified electors of each Improvement Area allowing for a shortening of the time for the special election to expedite the process of formation of each Improvement Area and waiving any requirement for notice, analysis and arguments in connection with the election. Accordingly, this Council finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully protected in these proceedings. This Council also finds and determines that the City Clerk has concurred in the shortened time for the election. Analysis and arguments with respect to the ballot measures are hereby waived, as provided in section 53327 of the Act.

6. The City Council hereby finds that the proposed issuance of bonds and other debt for each Improvement Area constitutes a "local bond measure" within the meaning of sections 53410, *et seq.* of the California Government Code. As a result, the bond measure shall include the propositions set forth above and the following: (a) the specific purpose of the bonds and other debt shall be as set forth in the propositions; (b) any proceeds received from the sale of any bonds and other debt shall be applied only to the purposes set forth in the propositions; (c) the proceeds of any bonds and other debt shall be deposited into special accounts to be created therefor as part of the issuance of the bonds and other debt; and (d) the City shall cause a report to be prepared annually under section 53411 of the Government Code.

Under section 50075.1 of the Government Code, the following accountability provisions shall apply to the special taxes: (a) the provision and/or acquisition of the Facilities and the Services, the payment of debt service on the bonds and other debt and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the proceeds of the special tax shall be applied only to the specific purposes identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the proceeds shall be deposited; and (d) there shall be caused to be prepared an annual audit and report of the CFD.

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7. 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