

RESOLUTION NO. _____ (N.C.S.)

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SALINAS, CALIFORNIA, TO INCUR
BONDED INDEBTEDNESS WITHIN COMMUNITY
FACILITIES DISTRICT NO. 2016-1 (MONTE BELLA)
OF THE CITY OF SALINAS AND IMPROVEMENT
AREA NOS. 1, 2 AND 3 THEREIN**

WHEREAS, upon receipt of a petition as provided in Section 53339.2 of the Act, the City Council of the City of Salinas, California (the “City Council”) instituted proceedings to establish Community Facilities District No. 2016-1 (Monte Bella) of the City of Salinas (the “Community Facilities District”) and Improvement Area No. 1, Improvement Area No. 2 and Improvement Area No. 3 therein (each an “Improvement Area” and, together, the “Improvement Areas”) with boundaries coterminous with the property described in Exhibit A to Resolution No. ____ (N.C.S.) (the “Resolution of Intention”) adopted on October 18, 2016 (the “Property”). The Resolution of Intention stated the City Council’s intention to establish the Community Facilities District and each Improvement Area therein and to finance (1) the purchase, construction, expansion, improvement or rehabilitation of the public facilities described in Exhibit B to the Resolution of Intention, including all furnishings, equipment and supplies related thereto (collectively, the “Facilities”), and (2) the incidental expenses to be incurred in connection with financing the Facilities and forming the Community Facilities District and each Improvement Area therein and administering the Community Facilities District (the “Incidental Expenses”); and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the City Council intends to authorize the issuance of bonds in an amount not to exceed \$11,000,000 for the Community Facilities District, including \$3,575,000 for Improvement Area No. 1, \$3,025,000 for Improvement Area No. 2 and \$4,400,000 for Improvement Area No. 3, the repayment of which is to be secured by special taxes levied in accordance with Section 53328 of the Act on all property in the applicable Improvement Area, other than those properties exempted from taxation in the rates and methods of apportionment set forth in Exhibit C to the Resolution of Intention;

NOW, THEREFORE, the City Council of the City of Salinas hereby finds, determines and resolves as follows:

1. The above recitals are true and correct.
2. It is necessary to incur bonded indebtedness within the boundaries of the Community Facilities District in an amount not to exceed \$11,000,000 for the Community Facilities District, including \$3,575,000 for Improvement Area No. 1, \$3,025,000 for Improvement Area No. 2 and \$4,400,000 for Improvement Area No. 3, in order to finance certain of the costs of the Facilities and Incidental Expenses, as permitted by the Act.
3. The indebtedness will be incurred for the purpose of financing the costs of the Facilities and the Incidental Expenses, including, but not limited to, the funding of reserve funds

for the bonds, the financing of costs associated with the issuance of the bonds and all other costs and expenses necessary to finance the Facilities which are permitted to be financed pursuant to the Act.

4. It is the intent of the City Council to authorize the sale of bonds for each Improvement Area in one or more series, which bonds may be issued to fund Facilities costs and Incidental Expenses in the maximum amount set forth in Section 2, and which bonds may bear interest at a rate not in excess of the maximum rate permitted by law at the time that the bonds are issued. The term of the bonds of each series shall be determined pursuant to a resolution of this City Council authorizing the issuance of the bonds of such series, but such term shall in no event exceed 30 years from the September 1 next following the date of issuance of the bonds of such series, or such longer term as is then permitted by law.

5. A combined public hearing (the "Hearing") on the proposed debt issue and the levy of special taxes shall be held at 4:00 p.m. or as soon thereafter as practicable, on November 29, 2016, at the City Council's Chambers, 200 Lincoln Avenue, Salinas, California.

6. At the time and place set forth in this Resolution for the Hearing, any interested persons, including all persons owning land or registered to vote within the proposed Community Facilities District and each Improvement Area therein, may appear and be heard.

7. The City Clerk is hereby directed to publish a notice of the Hearing (the "Notice") pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed Community Facilities District. Such publication shall be completed at least seven days prior to the date of the Hearing. The City Clerk is further directed to mail a copy of the Notice to each of the landowners within the boundaries of the proposed Community Facilities District and each Improvement Area therein at least 15 days prior to the Hearing.

8. Certification. The City Clerk of the City of Salinas shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

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

ADOPTED, SIGNED AND APPROVED this 18th day of October, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk

STATE OF CALIFORNIA)
) ss.
COUNTY OF MONTEREY)

I hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Salinas at a regular meeting thereof held on the 18th day of October, 2016, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Patricia M. Barajas, City Clerk