

RESOLUTION NUMBER R- 293976

ADOPTED ON OCT 16 2000

RESOLUTION OF INTENTION OF THE CITY COUNCIL TO
INCUR BONDED INDEBTEDNESS WITHIN COMMUNITY
FACILITIES DISTRICT NO. 4 (BLACK MOUNTAIN RANCH
VILLAGES).

WHEREAS, the City Council (the "Council") upon receipt of a petition as provided in Section 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District No. 4 (Black Mountain Ranch Villages) (the "Community Facilities District No. 4" or the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California (the "Act"), as amended, pursuant to Resolution No. R- 293975 adopted by the Council on the date hereof to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation of public facilities identified in Attachment "A" hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto (collectively, the "Facilities"); and (2) the incidental expenses to be incurred in financing the Facilities and forming and administering the District (the "Incidental Expenses"); and

WHEREAS, the Council estimates that the amount required to finance the Facilities and Incidental Expenses is approximately \$25,000,000; and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the Council intends to authorize the issuance of bonds by the District in the maximum aggregate principal amount of \$25,000,000; and

WHEREAS, the repayment of the bonds is to be secured by special taxes levied in the District in accordance with Section 53328 of the Act, other than those properties exempted from taxation in the rate and method of apportionment set forth in Attachment "C" to Resolution No.

R- 293975, NOW, THEREFORE,

BE IT RESOLVED, by the Council as follows:

1. That the above recitals are true and correct.
2. That it is necessary to incur bonded indebtedness within the proposed boundaries of proposed Community Facilities District No. 4 in an amount not to exceed \$25,000,000 to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.
3. That the bonds will be issued 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. That it is the intent of the Council to authorize the sale of bonds for the District in one or more series, in the maximum aggregate principal amount of \$25,000,000 and at a maximum interest rate not in excess of 12 percent per annum, or a higher 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 Council acting in its capacity as the legislative body of the District authorizing the issuance of the bonds of such series, but such term shall in no event exceed 30 years from the date of issuance of the bonds of such series, or such longer term as is then permitted by law.

5. That a public hearing (the "Hearing") on the proposed debt issue shall be held at 10:30 a.m. or as soon thereafter as practicable, on November 21, 2000, at the Council Chambers, 202 C Street, San Diego, California.

6. That 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 No. 4, may appear and be heard.

7. That the City Clerk is hereby directed to publish a notice (the "Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed Community Facilities District No. 4. 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 proposed Community Facilities District No. 4 at least 15 days prior to the Hearing.

APPROVED: CASEY GWINN, City Attorney

By Kelly J. Salt
Kelly J. Salt
Deputy City Attorney

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