

RESOLUTION NUMBER R- 296473

ADOPTED ON MAY 07 2002

RESOLUTION OF INTENTION OF THE CITY COUNCIL TO  
INCUR BONDED INDEBTEDNESS WITHIN COMMUNITY  
FACILITIES DISTRICT NO. 3 (LIBERTY STATION).

WHEREAS, the City Council [City Council] upon its own initiative instituted proceedings to form Community Facilities District No. 3 (Liberty Station) [Community Facilities District No. 3 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 [Act], as amended, pursuant to Resolution No. R-296472 adopted by the City 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 [collectively, the Facilities]; and (2) the incidental expenses to be incurred in financing the Facilities and forming and administering the District [Incidental Expenses]; and

WHEREAS, the City Council estimates that the amount required to finance the Facilities and Incidental Expenses is approximately \$30,000,000; and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the City Council intends to authorize the issuance of bonds by the District in the maximum aggregate principal amount of \$30,000,000; and

WHEREAS, the repayment of the bonds is to be secured by special taxes levied in proposed Improvement Area No. 1 and proposed Improvement Area No. 2 of the District in accordance with Section 53328 of the Act, other than those properties exempted from taxation in

the rate and method of apportionment for each Improvement Area set forth in Attachment "C" to Resolution No. R-296472, NOW, THEREFORE,

BE IT RESOLVED, by the City 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. 3 in an amount not to exceed \$30,000,000 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 City Council to authorize the sale of bonds for the District in one or more series, in the maximum aggregate principal amount of \$30,000,000 and at a maximum interest rate not in excess of the maximum interest 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 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. The first series of bonds for the District shall be sold in a principal amount such that the value-to-lien ratio for the property within the District is not less than 4 to 1 unless the City Manager, or his designee, determines at the time of the bonds sale that the security behind the payment of special taxes, and assurances provided by the developer, that the development will be completed as envisioned and on time, present very solid assurances and that such assurances

offset the concentration of risk. Provided further that the minimum value-to-lien ratio for the property within the District shall be consistent with Council Policy 800-03 of 3 to 1.

5. That a public hearing [Hearing] on the proposed authorization of the bonded indebtedness for the District shall be held at 10:00<sub>9</sub> .m. or as soon thereafter as practicable, on JUNE 25, 2002, at the City 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. 3, may appear and be heard.

The City Clerk is hereby directed to publish a notice [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. 3. 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. 3 at least 15 days prior to the Hearing.

APPROVED: CASEY GWINN, City Attorney

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

KJS:pev  
4/22/02  
Or.Dept:FinSvcs  
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## ATTACHMENT A

### **Types of Facilities To Be Financed By Community Facilities District No. 3**

The proposed type of public facilities to be financed by the District include:

1. Major street improvements and improvements to collector streets determined by the City to have benefit outside of the District which are required by the City in connection with development within the District, including, but not limited to, right of way acquisition, roadway improvements, traffic signals, storm drains, water, sewer and dry utilities, street lighting, landscaping and other incidental and appurtenant work.
2. Regional park improvements, including demolition, grading, landscaping, irrigation and other incidental and appurtenant work.