

**RESOLUTION NO. 2016-002**

**RESOLUTION DETERMINING NECESSITY TO INCUR BONDED AND OTHER  
INDEBTEDNESS**

**SANTA CRUZ LIBRARIES FACILITIES FINANCING AUTHORITY  
Community Facilities District No. 2016-1**

**WHEREAS**, on December 17, 2015, this Board (the "Board") of the Santa Cruz Libraries Facilities Financing Authority (the "Authority") adopted a resolution entitled "Resolution of Intention to Establish a Community Facilities District" (the "Resolution of Intention"), stating its intention to form the "Santa Cruz Libraries Facilities Financing Authority Community Facilities District No. 2016-1" (the "CFD"), 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");

**WHEREAS**, on December 17, 2015, this Board also adopted a resolution entitled "Resolution of Intention to Incur Bonded and Other Indebtedness" (the "Resolution of Intention to Incur Indebtedness") stating its intention to incur bonded indebtedness and other debt (as defined in the Act) within the boundaries of the CFD for the purpose of financing the costs of certain facilities specified in the Resolution of Intention;

**WHEREAS**, this Board has held a noticed public hearing as required by the Act about the determination to proceed with the formation of the CFD, the provision of certain public facilities by the CFD and the rate and method of apportionment of the special tax to be levied within the CFD to pay the cost of the facilities, the principal and interest on the proposed bonded indebtedness and other debt in the CFD and the administrative costs of the Authority relative to the CFD;

**WHEREAS**, subsequent to the public hearing, this Board adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation");

**WHEREAS**, this Board 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

**WHEREAS**, 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 Secretary of the Board.

**NOW, THEREFORE, IT IS ORDERED**, by the Board of the Santa Cruz Libraries Facilities Financing Authority, as follows:

1. **Recitals.** The foregoing recitals are true and correct.
2. **Necessity.** This Board deems it necessary to incur bonded indebtedness and other debt in the maximum aggregate principal amount of \$67,000,000 within the boundaries of the CFD for the purpose of financing the costs of all or a portion of the facilities defined in the Resolution of Formation (the "Facilities"), including, but not limited to, the costs of issuing and

selling bonds and incurring debt to finance all or a portion of the Facilities and the costs of the Authority in establishing and administering the CFD.

**3. Entire CFD Liabile.** The whole of the CFD shall pay for the bonded indebtedness and other debt through the levy of the special tax. The tax is to be apportioned in accordance with the formula set forth in Exhibit "B" to the Resolution of Formation.

**4. Bonds and Other Debt.** Bonds and other debt in the maximum amount of \$67,000,000 are hereby authorized subject to voter approval. The bonds and other debt 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 Board or its designee shall determine, at the time or times of sale of such bonds or the incurrence of such other debt; 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 each series of the bonds or the incurrence of such other debt, and each series of the bonds or other debt shall have a maximum term not to exceed 30 years from its respective date of issuance.

**5. Election.** The proposition of incurring the bonded indebtedness and other debt herein authorized shall be submitted to the qualified electors of the CFD and shall be consolidated with elections on the proposition of levying special taxes within the CFD and the establishment of an appropriations limit for the CFD 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 Board.

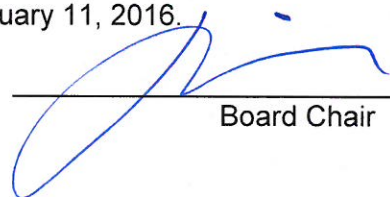
**6. Effective Date.** This Resolution shall take effect upon its adoption.

\*\*\*\*\*

Upon motion of Director Mauriello, seconded by Director Comstock, and on the following roll call vote, to wit:

AYES: Bernal, Comstock, Goldstein, Mauriello  
NOES:  
ABSENT:  
ABSTAINING:

the foregoing resolution is hereby adopted on February 11, 2016.

  
\_\_\_\_\_  
Board Chair

ATTEST:

  
\_\_\_\_\_  
Secretary