

RESOLUTION NO. 2010-05

RESOLUTION AUTHORIZING THE CITY OF SAN JUAN BAUTISTA TO JOIN THE CALIFORNIAFIRST PROGRAM; AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT CONTRACTUAL ASSESSMENT PROCEEDINGS AND LEVY CONTRACTUAL ASSESSMENTS WITHIN THE TERRITORY OF THE CITY; AND AUTHORIZING RELATED ACTIONS

WHEREAS, the California Statewide Communities Development Authority (“California Communities”) is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California, including the City of San Juan Bautista (the “City”); and

WHEREAS, California Communities has established the CaliforniaFIRST program (the “CaliforniaFIRST Program”) to allow the financing of certain renewable energy, energy efficiency and water efficiency improvements (the “improvements”) through the levy of contractual assessments pursuant to Chapter 29 of Division 7 of the Streets & Highways Code (“Chapter 29”) and the issuance of improvement bonds (the “Bonds”) under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the “1915 Act”) upon the security of the unpaid contractual assessments; and

WHEREAS, Chapter 29 provides that assessments may be levied under the provisions only with the free and willing consent of the owner of each lot or parcel on which the assessment is levied at the time the assessment is levied; and

WHEREAS, the City desires to allow the owners of property within the jurisdiction (“Participating Property Owners”) to participate in the CaliforniaFIRST program and to allow California Communities to conduct assessment proceedings under Chapter 29 and to issue Bonds under the 1915 Act to finance the improvements; and

WHEREAS, California Communities will conduct assessment proceedings under Chapter 29 and issue Bonds under the 1915 Act to finance improvements; and

WHEREAS; there has been presented to this meeting a proposed form of Resolution of Intention to be adopted by California Communities in connection with such assessment proceedings (the “ROI”), a copy of which is attached hereto as Exhibit A, and the territory within which assessments may be levied for the CaliforniaFIRST Program shall be coterminous with the City’s official boundaries of record at the time of adoption of the ROI (the “Proposed Boundaries”); and

WHEREAS; the City will not be responsible for the conduct of any assessment proceedings; the levy of assessments or any required remedial action in the case of delinquencies in such assessment payments; or the issuance, sale or administrating of the Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

WHEREAS, pursuant to Government Code Section 6586.5, a notice of public hearing has been published once at least five days prior to the date hereof in a newspaper of general circulation in the City and a public hearing has been duly conducted by the City Council concerning the significant public benefits of the CaliforniaFIRST Program and the financing of the improvements;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of San Juan Bautista as follows:

Section 1. On the date hereof, the City Council held a public hearing and the City Council hereby finds and declares that the issuance of bonds by California Communities in connection with the CaliforniaFIRST Program will provide significant public benefits, including without limitation, savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs and reductions in effective user charges levied by water and electricity providers within the boundaries of the County.

Section 2. In connection with the CaliforniaFIRST Program, the City hereby consents to the conduct of special assessment proceedings by California Communities pursuant to Chapter 29 on any property within the Proposed Boundaries and the issuance of Bonds under the 1915 Act; provided, that

(1) Such proceedings are conducted pursuant to one or more Resolutions of Intention in substantially the form of the ROI;

(2) The Participating Property Owners, who shall be the legal owners of such property, execute a contract pursuant to Chapter 29 and comply with other applicable provisions of California law in order to accomplish the valid levy of assessment; and

(3) The City will not be responsible for the conduct of any assessment proceedings; the levy of assessments or any required remedial action in the case of delinquencies in such assessments or the issuance, sale or administration of the Bonds or any other bonds issued in connection with the CaliforniaFIRST Program; and

(4) The issuance of Bonds will occur following receipt of a final judgment in a validation action filed by California Communities pursuant to Code of Civil Procedure Section 860 that the Bonds are legal obligations of California Communities.

Section 3. Pursuant to the requirements of Chapter 29, California Communities has prepared and will update from time to time the “Program Report” for the CaliforniaFIRST Program (the “Program Report”), and California Communities will undertake assessment proceedings and the financing of improvements as set forth in the Program Report.

Section 4. The appropriate officials and staff of the City are hereby authorized and directed to make applications for the CaliforniaFIRST program available to all property owners who wish to finance improvements; provided, that California Communities shall be responsible for providing such applications and related matters at its own expense. The following staff persons, together with any other staff persons chose by the County Administrator from time to time, are hereby designated as the contact persons for California Communities in connection with the CaliforniaFIRST Program: Stephen B. Julian, City Manager, City of San Juan Bautista.

Section 5. The appropriate officials and staff of the City are hereby authorized and directed to execute and deliver such closing certificates, requisitions, agreements and related documents as are reasonably required by California Communities in accordance with the Program Report to implement the CaliforniaFIRST Program for Participating Property Owners.

Section 6. The appropriate officials and staff of the City are hereby authorized and directed to pay California Communities a fee in an amount not to exceed \$10,000 which California will use to pay for the costs of implementing the CaliforniaFIRST program in the City, including the payment of legal costs incurred in connection with judicial validation of the CaliforniaFIRST Program.

Section 7. The City Council hereby finds that adoption of this Resolution is not a “project” under the California Environmental Quality Act, because the Resolution does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment, as contemplated by Title 14, California Code of Regulations, Section 15378(b)(4).

Section 8. This Resolution shall take effect immediately upon its adoption. The City Clerk is hereby authorized and directed to transmit a certified copy of this resolution to the Secretary of California Communities.

THE FOREGOING RESOLUTION WAS ADOPTED at a regular meeting of the San Juan Bautista City Council on the 15th day of February, 2010, by the following vote:

AYES: Laverone, Bilich, Hill, Edge, Moore

NOES: None

ABSENT: None

ABSTAIN: None

Maggie Bilich, Vice Mayor

ATTEST:

Trish Paetz, Deputy City Clerk