



# *County of El Dorado*

OFFICE OF AUDITOR-CONTROLLER

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Auditor-Controller

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March 20, 2015

El Dorado County  
Board of Supervisors  
330 Fair Lane  
Placerville, CA 95667

**RE: El Dorado County Community Facilities District No. 2014-1 (Carson Creek)**

Dear Board Members:

**Recommendation:**

The Auditor-Controller recommending the Board adopt Resolution Authorizing the Issuance of Special Tax Bonds and Approving and Authorizing A Form of Fiscal Agent Agreement and Additional Action in Connection Therewith for Community Facilities District No. 2014-1 (Carson Creek).

**Reasons for Recommendation:**

The Board of Supervisors will recall that the developer of Carson Creek (Lennar) submitted an application to the County to form a Community Facilities District for the Carson Creek project. In accordance with the County's Development Agreement for the Carson Creek Specific Plan Public Facilities Financing Plan, the County is required to assist the Developer in obtaining community facilities district or assessment district financing for infrastructure needed for the Carson Creek subdivision. In connection with the request, on January 27, 2015, the Board, by resolution, formed its Community Facilities District No. 2014-1 (Carson Creek) (the "CFD"). At the same meeting, the Board held a public hearing and conducted a special election in which unanimous approval was given to the levy of a special tax of the CFD and the issuance of bonds for the CFD.

The purpose of the CFD is to fund the construction of certain major infrastructure improvements, and to pay certain impact fees associated with projects of this nature. The CFD is authorized to issue indebtedness in an amount not to exceed \$50,000,000 to finance the authorized improvements and fees.

The developer now desires to proceed with the issuance of the first series of Special Tax Bonds for and on behalf of the CFD and has requested the Board of Supervisors to adopt the attached Resolution to commence the approval process. This is the first of what will be two resolutions approving the issuance of the first series of Special Tax Bonds for the CFD. The Resolution approves the issuance of bonds in accordance with a Fiscal Agent Agreement, the form of which is approved by the Resolution. At a future

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meeting anticipated to be at least 60 days in the future, a Bond Purchase Agreement for sale of the Bonds to Stifel, Nicolaus & Company, as underwriter, and a Preliminary Official Statement, in forms to be presented at that meeting, will be subject to Board approval to complete the authorization process. The Preliminary Official Statement is the offering document used by the underwriter to market the bonds.

The Fiscal Agent Agreement is the document that authorizes the terms and conditions for the bonds. It provides that a fiscal agent will receive moneys generated from the special taxes levied in the CFD and use the moneys to pay bondholders. It also provides for the safekeeping of a reserve fund to cover payments should any deficiencies occur because of non-payment of special taxes.

Members of the Board of Supervisors should note that the Special Tax Bonds are not an obligation of the County of El Dorado. The sole source of revenue to pay debt service on the Bonds comes from the special tax levied within the District.

**Fiscal Impact:**

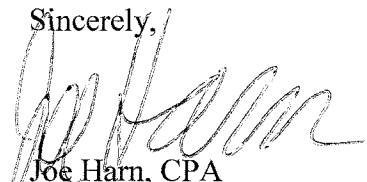
None.

**Action to be Taken Following Approval:**

Following Board approval:

1. Board Clerk's Office will forward one fully executed Resolution to the Auditor-Controller's Office.

Sincerely,



Joe Harn, CPA  
Auditor-Controller