



Legislation Text

File #: 15-0791, **Version:** 1

Auditor-Controller, on behalf of the Bond Screening Committee, recommending the Board adopt and authorize the Chair to sign Resolution **106-2015** Authorizing and Approving Form of Preliminary Official Statement and Bond Purchase Agreement; Authorizing Changes Thereto and Additional Actions in Connection Therewith for the Issuance, Sale, Execution, and Delivery of Special Tax Bonds for Community Facilities District No. 2001-1. (Promontory Specific Plan)

DEPARTMENT RECOMMENDATION

The Auditor-Controller on behalf of the Bond Screening Committee is recommending the Board adopt Resolution Authorizing and Approving Forms of Preliminary Official Statement and Purchase Agreement; Authorizing Changes Thereto and Additional Actions in Connection Therewith for the Issuance of Special Tax Bonds for Community Facilities District No. 2001-1 (Promontory Specific Plan).

DISCUSSION / BACKGROUND

In accordance with the County's Development Agreement for the Promontory Specific Plan, in 2002 the County issued, sold and delivered its \$10,940,000 original principal amount of CFD 2001-1 Special Tax Bonds Series 2002 and the \$7,950,000 original principal amount of the CFD 2001-1 Special Tax Bonds Series 2005 to finance facilities necessary for development of property within the CFD.

In accordance with the County's Development Agreement, the County is required to assist the developer in obtaining community facilities district or assessment district financing for infrastructure needed for the Promontory subdivision. 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 Bond Screening Committee believes it is prudent to proceed with the refinancing of the original bond issue. The developer desires to proceed with the issuance of the additional Special Tax Bonds Series 2015 (for and on behalf of the CFD). This refunding may result in a lower interest cost to payers of special taxes of the CFD than that of prior bonds.

On April 7, 2015, your board adopted the first of the two resolutions, Resolution 047-2015, authorizing the issuance of special tax bonds and approved forms of fiscal agent agreements within CFD 2001-1. The required waiting period of 60 days has been reached and this Resolution ____-2015 Authorizing and Approving Form of Preliminary Official Statement and Bond Purchase Agreement; Authorizing Changes Thereto and Additional Actions in Connection Therewith for the Issuance, Sale, Execution, and Delivery of Special Tax Bonds for Community Facilities District No. 2001-1 (Promontory Specific Plan) is the second of the two resolutions required for the issuance of additional Special Tax Bonds for the CFD.

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. The only foreseeable circumstance that would make the

County partially responsible for debt service payments or damages to bond investors would be if an error or omission is made by the County in the formation of the district, in the preparation of the offering statement, in the ongoing SEC required disclosures, or in the administration of the CFD.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

[This section is completed by the CAO's Office. This section is required]

FINANCIAL IMPACT

None

CLERK OF THE BOARD FOLLOW UP ACTION

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

STRATEGIC PLAN COMPONENT

CONTACT

Joe Harn