

CITY OF ALAMEDA RESOLUTION NO. _____

OF CONSIDERATION TO ALTER THE RATE AND METHOD OF
APPORTIONMENT OF SPECIAL TAXES FOR COMMUNITY
FACILITIES DISTRICT NO. 13-1 (ALAMEDA LANDING PUBLIC
IMPROVEMENTS)

WHEREAS, on January 7, 2014, the City Council of the City of Alameda (the "City Council") adopted Resolution No. 14880 (the "Resolution of Formation"), forming the City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements) (the "District") pursuant to the City of Alameda Special Tax Financing Improvement Code, constituting Section 3-70.1 et seq. of the Alameda Municipal Code (the "Law"); and

WHEREAS, the Resolution of Formation approved a Rate and Method of Apportionment of Special Taxes for the District (the "Original Rate and Method of Apportionment"); and

WHEREAS, the City Council conducted proceedings to alter the Original Rate and Method of Apportionment pursuant to the Law and Resolution No. 15015 adopted by the City Council on April 7, 2015 (the Original Rate and Method, as altered pursuant to said proceedings, being referred to below as the "Rate and Method of Apportionment"); and

WHEREAS, on March 17, 2016, the City of Alameda (the "City") issued, for and on behalf of the District, \$15,415,000 principal amount of its City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements) 2016 Special Tax Bonds (the "Bonds") to provide funds to finance improvements eligible to be funded by the District; and

WHEREAS, the City Council has received a petition (the "Petition") requesting that it alter the Rate and Method of Apportionment to exempt from the levy of special taxes for the District certain property (referred to below as "Conveyance Parcel 7") currently owned by the Successor Agency to the Community Improvement Commission of the City of Alameda (the "Successor Agency"), unless and until the Conveyance Parcel 7 is conveyed by the Successor Agency to a private entity and is subsequently developed for a use other than its existing use, thereby better assuring that Conveyance Parcel 7 will be adaptably reused for maritime commercial purposes; and

WHEREAS, in the Petition, the petitioner has advised that, without the requested alteration to the Rate and Method of Apportionment, it is unlikely that any private entity will agree to acquire Conveyance Parcel 7 from the Successor Agency due to the special tax levy that would apply to Conveyance Parcel 7 in that event under the current Rate and Method of Apportionment even though the use of Conveyance Parcel 7 has not changed from its current use; and

WHEREAS, the City has been advised by NBS, the City's Special Tax Consultant, that: (a) Conveyance Parcel 7 is currently classified under the Rate and Method of Apportionment as "Exempt Property" not subject to the levy of the special taxes; (b) the alteration to the Rate and Method of Apportionment proposed by petitioner will not diminish the maximum special tax that is currently being levied on parcels in the District to repay the Bonds, and will not result in increases in the current annual special tax levies on other parcels in the District that are now classified as Developed Property under the Rate and Method of Apportionment; and (c) if the ownership of Conveyance Parcel 7 is transferred from the Successor Agency to a private entity such that it becomes classified as Taxable Property under the Rate and Method of Apportionment, based on its current use it would not be classified as Developed Property under the Rate and Method of Apportionment such that the current annual levy of special taxes on parcels in the District that are now classified as Developed Property would not increase; however, if the use of Conveyance Parcel 7 does change in the future and after it becomes classified as Taxable Property and the requested alteration of the Rate and Method of Apportionment does not occur, future special tax levies on all properties then classified as Developed Property could potentially decrease as a result of the Conveyance Parcel 7 becoming Taxable Property; and

WHEREAS, in its Petition, the petitioner has agreed to pay the costs of the City to conduct proceedings under the Law to so alter the Rate and Method of Apportionment, whether or not the proceedings successfully result in the requested alteration of the Rate and Method of Apportionment; and

WHEREAS, in light of the foregoing, the City Council now desires to conduct proceedings to alter the Rate and Method of Apportionment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Alameda that:

1. This City Council hereby finds and determines that the public convenience and necessity require that the Rate and Method of Apportionment be altered as provided for in this Resolution.

2. The name of the District is "City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements)." Reference is hereby made to the Resolution of Formation for further particulars regarding the District.

3. The territory included in the District, and the original boundaries of the District, are as shown on the map of the District recorded in the office of the Alameda County Recorder on December 12, 2013 in Book 18 at Page 45 of Maps of Assessment and Community Facilities Districts. The territory annexed to the District, and the boundaries thereof, are as shown on the map of the annexation area recorded in the office of the Alameda County Recorder on May 1, 2015 in Book 317 at Page 45 of Maps of Assessment and Community Facilities Districts.

4. The Rate and Method of Apportionment for the District is proposed to be altered by adding certain defined terms to Section A thereof, and to amend and restate Section E thereof, all as described in Exhibit A hereto. Based on the analysis completed by NBS, the City's Special Tax Consultant, the City Council hereby finds that the proposed alteration of the Rate and Method of Apportionment will not result in a decrease in the maximum special taxes that may be levied in the District below an amount, for any fiscal year, equal to 110% of the aggregate debt service due on the Bonds in such fiscal year plus a reasonable estimate of expenses to administer the District for such fiscal year.

5. The alteration of the Rate and Method of Apportionment as described in Exhibit A shall be subject to the approval of the qualified electors of the District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the qualified electors of the District, with each person registered to vote with an address located in the District at the time of the close of the public hearing described below, as confirmed by the County Registrar of Voters, having one vote.

6. Tuesday, October 3, 2017, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of the City Council, City Council Chambers, City Hall, 2263 Santa Clara Avenue, Alameda, California, are hereby set as the time and place when and where the City Council, as legislative body for the District, will conduct a public hearing on the alteration of the Rate and Method of Apportionment, and consider and finally determine whether the public interest, convenience and necessity require said alteration.

7. The City Clerk is hereby directed to cause notice of the public hearing described in Section 6 above to be given by publication one time in a newspaper published in the area of the District. The publication of the notice shall be completed at least seven days before the date herein set for the public hearing. The notice shall be substantially in the form of Exhibit B hereto.

8. The City has engaged the firm of NBS as Special Tax Consultant and the law firm of Quint & Thimmig LLP as Bond Counsel, in each case to assist the City in connection with these proceedings. The execution by the City Manager of agreements with said firms is hereby ratified.

9. This Resolution shall take effect upon its adoption.

EXHIBIT A

DESCRIPTION OF PROPOSED ALTERATION OF THE RATE AND METHOD OF APPORTIONMENT

Proposed language to be added to Section A of the Rate and Method of Apportionment:

“Conveyance Parcel 7” means the property described and depicted in Schedule A attached hereto.

“New Construction” means the redevelopment of Conveyance Parcel 7 with development other than the existing use, and excluding (a) the reuse and rehabilitation of the approximate 364,000 square feet of existing warehouses and associated wharf and land areas, (b) subject to compliance with applicable Building Code requirements, repair and/or replacement of the existing warehouses in the event of casualty (including damage or destruction due to fire, flood, earthquake, or other circumstances outside the reasonable control of the property owner), and/or (c) subject to compliance with applicable Building Code requirements, replacement in kind of all or any portion of the existing 364,000 square feet of warehouses, consisting of replacement within the same footprint with buildings of substantially similar exterior design as the existing warehouses, with no increase in square footage and no new or substantially more severe significant environmental impacts than the existing warehouses.

Proposed language to replace the current Section E of the Rate and Method of Apportionment:

The City (i) shall not levy Special Taxes on Public Property within the boundaries of the CFD, provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 3-70.17 of the Act shall be taxed and classified in accordance with its use excluding property classified as Affordable Housing Units; and (ii) shall not levy Special Taxes on Conveyance Parcel 7 unless there is New Construction on such Conveyance Parcel 7, at which time Conveyance Parcel 7 shall be taxed and classified in accordance with its use.

SCHEDULE A

DESCRIPTION OF CONVEYANCE PARCEL 7

All that certain real property situate in the City of Alameda, County of Alameda, State of California, and described as follows:

BEING a portion of Parcel No. 1. described in the deed recorded December 13, 1944, in Book 4652 at Page 168, a portion of the parcel described in the deed recorded December 13, 1944, in Book 4652 at Page 172, a portion of Parcel No. 1 described in the deed recorded December 18, 1944; in Book 4663 at Page 35, and a portion of Parcel 1 described in the deed recorded August 9, 1945, in Book 4757 at Page 138, said parcels being also portions of FISC North as described in the Quitclaim Deed recorded June 2, 2003, as Document Number 2003316321, and a portion of the lands described in the Quitclaim Deed to Catellus Alameda Development, LLC, recorded December 12, 2013, as Document Number 2013096672, Alameda County Official Records, said portions being more particularly described as follows:

BEGINNING at the northwesterly corner of said FISC North;

THENCE easterly along the northerly line of said FISC North the following three (3) courses:

- 1) North 86°38'46" East 402.97 feet;
- 2) South 84°06'14" East 567.60 feet;
- 3) North 87°53'46" East 296.93 feet;

THENCE leaving the last said line South 747.47 feet to the southerly line of said land of Catellus (2013096672);

THENCE westerly along said southerly line the following three (3) courses:

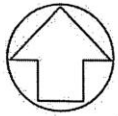
- 1) North 89°46'04" West 958.16 feet;
- 2) along a curve to the left having a radius of 1136.01 feet through a central angle of 03°03'09", an arc distance of 60.52 feet;
- 3) South 87°10'47" West 238.39 feet to the westerly line of said lands of Catellus (2013096672);

THENCE northerly along said westerly line and the westerly line of said FISC North (2003316321) North 00°30'14" West 780.54 feet to the **POINT OF BEGINNING**.

Containing an area of 22.122 acres, more or less

Bearings are based on the California Coordinate System of 1927, Zone III. All distances shown herein are ground distances; multiply ground distances by 0.9999295 to obtain grid distances.

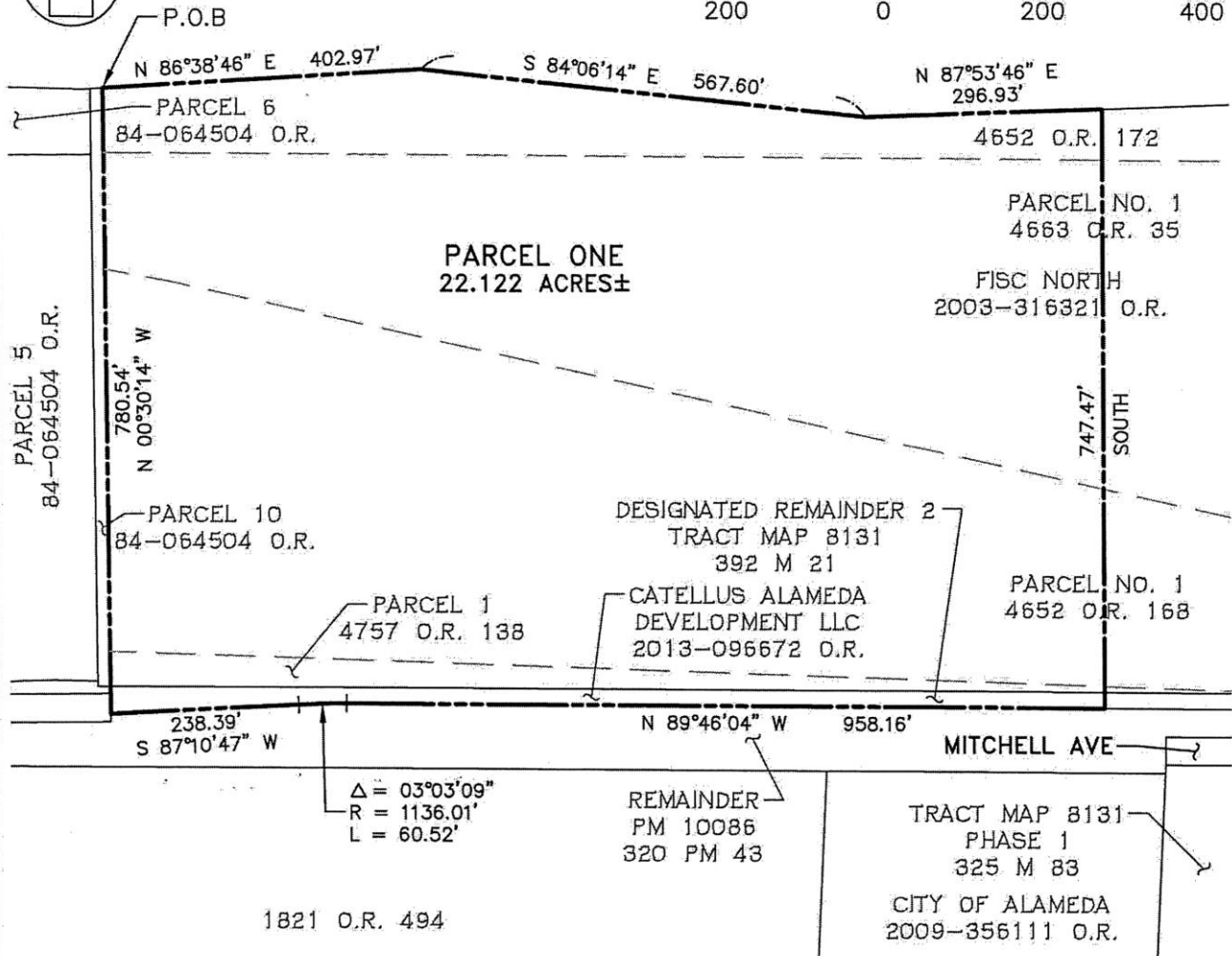
A plat showing the above described property is attached hereto and made a Part hereof.



OAKLAND ESTUARY

GRAPHIC SCALE

200 0 200 400



LEGEND:

M MAP
O.R. OFFICIAL RECORDS
PM PARCEL MAP
P.O.B. POINT OF BEGINNING

CITY OF ALAMEDA
COUNTY OF ALAMEDA
STATE OF CALIFORNIA

EXHIBIT "B"



1646 NORTH CALIFORNIA BLVD.
SUITE 400
WALNUT CREEK, CA 94596
925-940-2200
925-940-2299 (FAX)

Subject PLAT TO ACCOMPANY
DESCRIPTION
Job No. 20065092-35
By MLH Date 06/30/17 Chkd. BTW
SHEET 1 OF 1

EXHIBIT B

CITY OF ALAMEDA COMMUNITY FACILITIES DISTRICT NO. 13-1 (ALAMEDA LANDING PUBLIC IMPROVEMENTS)

NOTICE OF PUBLIC HEARING

Notice is hereby given that on September 19, 2017, the City Council of the City of Alameda adopted A Resolution of Consideration to Alter the Rate and Method of Apportionment of Special Taxes for Community Facilities District No. 13-1 (Alameda Landing Public Improvements) (the "Resolution of Consideration"). Pursuant to the Resolution of Consideration and the City of Alameda Special Tax Financing Improvement Code, the City Council of the City of Alameda hereby gives notice as follows:

A. The text of the Resolution of Consideration is as follows:

WHEREAS, on January 7, 2014, the City Council of the City of Alameda (the "City Council") adopted Resolution No. 14880 (the "Resolution of Formation"), forming the City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements) (the "District") pursuant to the City of Alameda Special Tax Financing Improvement Code, constituting Section 3-70.1 et seq. of the Alameda Municipal Code (the "Law"); and

WHEREAS, the Resolution of Formation approved a Rate and Method of Apportionment of Special Taxes for the District (the "Original Rate and Method of Apportionment"); and

WHEREAS, the City Council conducted proceedings to alter the Original Rate and Method of Apportionment pursuant to the Law and Resolution No. 15015 adopted by the City Council on April 7, 2015 (the Original Rate and Method, as altered pursuant to said proceedings, being referred to below as the "Rate and Method of Apportionment"); and

WHEREAS, on March 17, 2016, the City of Alameda (the "City") issued, for and on behalf of the District, \$15,415,000 principal amount of its City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements) 2016 Special Tax Bonds (the "Bonds") to provide funds to finance improvements eligible to be funded by the District; and

WHEREAS, the City Council has received a petition (the "Petition") requesting that it alter the Rate and Method of Apportionment to exempt from the levy of special taxes for the District certain property (referred to below as "Conveyance Parcel 7") currently owned by the Successor Agency to the Community Improvement Commission of the City of Alameda (the "Successor Agency"), unless and until the Conveyance Parcel 7 is conveyed by the Successor

Agency to a private entity and is subsequently developed for a use other than its existing use, thereby better assuring that Conveyance Parcel 7 will be adaptably reused for maritime commercial purposes; and

WHEREAS, in the Petition, the petitioner has advised that, without the requested alteration to the Rate and Method of Apportionment, it is unlikely that any private entity will agree to acquire Conveyance Parcel 7 from the Successor Agency due to the special tax levy that would apply to Conveyance Parcel 7 in that event under the current Rate and Method of Apportionment even though the use of Conveyance Parcel 7 has not changed from its current use; and

WHEREAS, the City has been advised by NBS, the City's Special Tax Consultant, that: (a) Conveyance Parcel 7 is currently classified under the Rate and Method of Apportionment as "Exempt Property" not subject to the levy of the special taxes; (b) the alteration to the Rate and Method of Apportionment proposed by the petitioner will not diminish the maximum special tax that is currently being levied on parcels in the District to repay the Bonds, and will not result in increases in the current annual special tax levies on other parcels in the District that are now classified as Developed Property under the Rate and Method of Apportionment; (c) if the ownership of Conveyance Parcel 7 is transferred from the Successor Agency to a private entity such that it becomes classified as Taxable Property under the Rate and Method of Apportionment, based on its current use it would not be classified as Developed Property under the Rate and Method of Apportionment such that the current annual levy of special taxes on parcels in the District that are now classified as Developed Property would not increase; however, if the use of Conveyance Parcel 7 does change in the future and after it becomes classified as Taxable Property and the requested alteration of the Rate and Method of Apportionment does not occur, future special tax levies on all properties then classified as Developed Property could potentially decrease as a result of the Conveyance Parcel 7 becoming Taxable Property; and

WHEREAS, in its Petition, the petitioner has agreed to pay the costs of the City to conduct proceedings under the Law to so alter the Rate and Method of Apportionment, whether or not the proceedings successfully result in the requested alteration of the Rate and Method of Apportionment; and

WHEREAS, in light of the foregoing, the City Council now desires to conduct proceedings to alter the Rate and Method of Apportionment.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Alameda that:

1. This City Council hereby finds and determines that the public convenience and necessity require that the Rate and Method of Apportionment be altered as provided for in this Resolution.

2. The name of the District is “City of Alameda Community Facilities District No. 13-1 (Alameda Landing Public Improvements).” Reference is hereby made to the Resolution of Formation for further particulars regarding the District.

3. The territory included in the District, and the original boundaries of the District, are as shown on the map of the District recorded in the office of the Alameda County Recorder on December 12, 2013 in Book 18 at Page 45 of Maps of Assessment and Community Facilities Districts. The territory annexed to the District, and the boundaries thereof, are as shown on the map of the annexation area recorded in the office of the Alameda County Recorder on May 1, 2015 in Book 317 at Page 45 of Maps of Assessment and Community Facilities Districts.

4. The Rate and Method of Apportionment for the District is proposed to be altered by adding certain defined terms to Section A thereof, and to amend and restate Section E thereof, all as described in Exhibit A hereto. Based on the analysis completed by NBS, the City’s Special Tax Consultant, the City Council hereby finds that the proposed alteration of the Rate and Method of Apportionment will not result in a decrease in the maximum special taxes that may be levied in the District below an amount, for any fiscal year, equal to 110% of the aggregate debt service due on the Bonds in such fiscal year plus a reasonable estimate of expenses to administer the District for such fiscal year.

5. The alteration of the Rate and Method of Apportionment as described in Exhibit A shall be subject to the approval of the qualified electors of the District at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the qualified electors of the District, with each person registered to vote with an address located in the District at the time of the close of the public hearing described below, as confirmed by the County Registrar of Voters, having one vote.

6. Tuesday, October 3, 2017, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of the City Council, City Council Chambers, City Hall, 2263 Santa Clara Avenue, Alameda, California, are hereby set as the time and place when and where the City Council, as legislative body for the District, will conduct a public hearing on the alteration of the Rate and Method of Apportionment, and consider and finally determine whether the public interest, convenience and necessity require said alteration.

7. The City Clerk is hereby directed to cause notice of the public hearing described in Section 6 above to be given by publication one time in a newspaper published in the area of the District. The publication of the notice shall be completed at least seven days before the date herein set for the public hearing. The notice shall be substantially in the form of Exhibit B hereto.

8. The City has engaged the firm of NBS as Special Tax Consultant and the law firm of Quint & Thimmig LLP as Bond Counsel, in each case to assist

the City in connection with these proceedings. The execution by the City Manager of agreements with said firms is hereby ratified.

9. This Resolution shall take effect upon its adoption.

B. A complete copy of the Resolution of Consideration, including the exhibit to the Resolution of Consideration which describes the proposed alteration of the rate and method of apportionment of special taxes for the District, is on file in the office of the City Clerk.

C. The time and place established under the Resolution of Consideration for the public hearing required under the Law are Tuesday, October 3, 2017, at the hour of 7:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of the City Council, City Council Chambers, City Hall, 2263 Santa Clara Avenue, Alameda, California.

D. At the public hearing, the testimony of all interested persons or taxpayers for or against the alteration of the rate and method of apportionment of special taxes for the District will be heard. Any person interested may file a protest in writing with the City Clerk. If fifty percent or more of the registered voters, or six registered voters, whichever is more, residing in the territory in the District, or the owners of one-half or more of the area of land in the territory included in the District and not exempt from the special tax file written protests against the alteration of the rate and method of apportionment of special taxes for the District, and the protests are not withdrawn to reduce the value of the protests to less than a majority, the City Council shall take no further action to so alter the rate and method of apportionment for a period of six months from the date on which the public hearing was closed.

E. The proposed voting procedure shall be by special mail or hand-delivered ballot of the persons registered to vote using an address located in the District, as of the date of the close of the public hearing.

/s/ Lara Weisiger

City Clerk,
City of Alameda

* * * * *

I, the undersigned, hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Council of the City of Alameda in a regular meeting assembled on the 19th day of September, 2017, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

IN WITNESS, WHEREOF, I have hereunto set my hand and affixed the official seal of said City this 20th day of September, 2017.

Lara Weisiger, City Clerk
City of Alameda

Approved as to Form:

Janet C. Kern, City Attorney
City of Alameda