



---

OFFICE OF THE  
CITY TREASURER

THOMAS P. FRIERY  
TREASURER

CITY OF SACRAMENTO  
CALIFORNIA

December 16, 2004  
F190NWCD04.DOC

926 J STREET  
SUITE 300  
SACRAMENTO, CA  
95814-2709

PH 916-808-5168  
FAX 916-808-5171

### **PRESS RELEASE**

Contact: Kimberlie Gladden, Senior Debt Analyst

(916) 808-5168

Sacramento City Treasurer, Thomas P. Friery, announced today the successful sale of \$6,355,000 of City of Sacramento, Development Fee Financing Community Facilities District No. 95-01 Series B & C Special Tax Bonds. The \$1,055,000 Series B Bonds will refinance the City's outstanding 1998 Series B Bonds, thereby reducing annual debt service payments made by property owners. The \$5,300,000 Series C Bonds will finance development fees related to the Meadowview Estates Community developed by JTS Communities. Meadowview Estates is a 519 unit residential development located south of Meadowview Road at 19th Street, east of Interstate 5 in Sacramento.

The Series B Bonds were sold with bonds maturing from 2005 through 2008 at a true interest cost of 3.071%. The Series C Bonds featured serial maturities from 2005 to 2022 and a term bond due in 2024 with a true interest cost of 4.952%. Friery stated "strong investor interest resulted in a low average interest rate for these two non-rated issues. This is another indicator of the market's favorable acceptance of land-secured debt issued by the City."

Friery further explained that, "although the City of Sacramento issued the bonds, they are not an obligation of the City. The bonds are secured by a special tax levied and collected against the taxable property within the District. The Series B Bonds are secured by six parcels of commercial property in a portion of the District while the Series C Bonds are secured solely by the property in the Meadowview Estates development."

Sacramento Mayor Heather Fargo stated, "While this is the third installment of a truly unique Mello-Roos fee financing program, this is the City's first attempt at using the Development Fee Program for a residential project. The program was seen as an economic development incentive in that it was designed to minimize cash outlay by developers for commercial projects in the City." continued Mayor Fargo.

Council Member Bonnie Pannell commented, "This development by JTS has provided move up housing opportunities not previously available to many who wished to stay in the Meadowview Community. It has also been a catalyst for additional investment in the area, both residential and commercial. The Developer Fee Financing Program has created a win-win situation between developers, new home buyers and the community."

“We are very grateful for the backing of the City on this project, especially with support from Mayor Heather Fargo and Council Member Bonnie Pannell,” said Bill Greer, Director of Land Development for JTS Communities. “We are pleased to be in the Meadowview area of the City and are happy with the progressive home sales,” continued Mr. Greer.

The bonds were structured and underwritten by Stone & Youngberg LLC with legal representation from Nossaman, Guthner, Knox & Elliot. The City’s bond counsel firm for this issue is Orrick, Herrington & Sutcliffe LLP. U.S. Bank National Association shall serve as the Paying Agent for the issue.

The City Treasurer’s Office will provide continuing updates to keep the investment community informed. Please see the City Treasurer’s website at [www.cityofsacramento.org](http://www.cityofsacramento.org) to view future press releases relating to the City’s bond financings.

--END--