



OFFICE OF THE
CITY TREASURER

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CALIFORNIA

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PRESS RELEASE

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Sacramento, Calif. (October 15, 2003) – Sacramento City Treasurer, Thomas P. Friery announced today the successful sale of \$29,765,000 of Community Facilities District No. 4 Series C Special Tax Bonds for the City of Sacramento. The Bonds will finance public improvements such as drainage related projects and roadways. The issue represents the third series of bonds for this community facilities district and is secured by a levy of special taxes on property in the District.

“We are pleased with the outcome of this financing,” stated Friery. “Community Facilities District No. 4 is an important component of the City’s larger North Natomas Planning area. This third series of Community Facilities District No. 4 bonds brings us closer to completing the public improvements for the north-east portion of the North Natomas planning area”, Friery added.

Mayor Heather Fargo added, “these drainage facilities are critical to the successful development of North Natomas. This financing signals a major milestone in the North Natomas drainage and infrastructure funding program. We’re over the hump.”

Sacramento City Manager Robert Thomas stated that “the successful sale of this issue is another example of the investment community’s continued interest in the North Natomas area as well as in our City. Our partnership with the investment community has allowed us to sell nearly \$60 million of bonds for this community facilities district and over \$150 million of bonds for the North Natomas area as a whole.”

Deputy City Treasurer Lydia Abreu noted that City staff and the finance team invested considerable time in this effort. In addition, she commented that “with this financing, the bond financing element of the North Natomas infrastructure funding program nears completion. The remaining financings are relatively small”.

The District is located north of the City’s downtown and covers 1,774 gross acres of land. A significant portion of property within the District has been developed into residential communities by the Lennar Corporation. At buildout, residential portions of the District are anticipated to include approximately 8,220 single family detached homes, as well as 4,200 units of medium to high-density housing, in addition to school sites, parks, public transit and retail and employment centers.

“The Bonds were very well received by investors and benefited from the project’s strong underlying quality and market’s favorable perception of Sacramento,” commented Jim Cervantes, Managing Director, at Stone & Youngberg, the underwriter of the Bonds. “We are quite pleased with the marketing effort and with the 6.14 % all-in financing cost,” he continued.

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 to view future press releases relating to the City’s Bond Financings.

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