RESOLUTION DECLARING NECESSITY OF
A COMMUNITY FACILITIES DISTRICT
TO INCUR A BONDED INDEBTEDNESS

CITY OF STOCKTON
COMMUNITY FACILITIES DISTRICT NO. 2006-2 (WESTLAKE VILLAGES)
COUNTY OF SAN JOAQUIN, STATE OF CALIFORNIA

WHEREAS, the CITY COUNCIL of the CITY OF STOCKTON, CALIFORNIA
("City Council"), desires to initiate proceedings to create a Community Facilities District
pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of
1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the
State of California (the "Act") to finance the acquisition or construction of certain
authorized facilities. This Community Facilities District shall hereinafter be designated
as "CITY OF STOCKTON COMMUNITY FACILITIES DISTRICT NO. 2006-2
(WESTLAKE VILLAGES)" (the "District"); and,

WHEREAS, it is the intention of this legislative body to finance the acquisition or
construction of all or a portion of such facilities through the issuance of bonds to be
issued by the District, such bonds to be secured by special taxes to be levied on taxable
property within the District, all as authorized pursuant to the Act.

NOW, THEREFORE, BE IT RESOLVED, as follows:

SECTION 1. Recitals. The above recitals are all true and correct.

SECTION 2. Declaration of Necessity to Incur Bonded Indebtedness. This City
Council declares that the public convenience and necessity require that a bonded
indebtedness be incurred by the District to contribute to the financing of all or a portion
of the authorized public facilities described in Exhibit A attached hereto and
incorporated herein by this reference (the "Facilities")

SECTION 3. Purpose of the Proposed Debt. The purpose for the proposed debt
of the District is to be incurred is to contribute to the financing of the acquisition or
construction of the Facilities and the payment of other expenses related to the financing
of the acquisition or construction of such Facilities as described in Government Code
Section 53345.3.

SECTION 4. Amount of the Proposed Debt. The amount of the bonded
indebtedness of the District may include all costs and estimated costs incidental to, or
connected with, the accomplishment of the purpose for which the indebtedness is proposed to be incurred as described in Section 3 above and as authorized pursuant to the Act. The amount of the indebtedness proposed to be authorized for the District is $35,000,000.

SECTION 5. Public Hearing. Notice given that on June 6, 2006, at the hour of 5:30 o'clock p.m. in the regular meeting place of the legislative body, being the Council Chambers, City Hall, located at 425 North El Dorado Street, Stockton, California, a hearing will be held on the intention of this legislative body to incur a bonded indebtedness of the District to finance the Facilities, such indebtedness to be secured by the levy of special taxes within the District. At the time and place fixed for said public hearing any persons interested, including persons owning property within the District, may appear and present any matters relating to the proposed intention and necessity for incurring a bonded indebtedness of the District.

SECTION 6. Notice of the Public Hearing. Notice of the time and place of the public hearing shall be given by the City Clerk by publishing a Notice of Public Hearing in a legally designated newspaper of general circulation, said publication pursuant to Section 6081 of the Government Code, with said publication to be completed at least seven (7) days prior to the date set for the public hearing.

SECTION 7. Effective Date. This Resolution shall take effect from and after its date of adoption.

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PASSED, APPROVED AND ADOPTED APR 25 2006

2006

EDWARD CHAVEZ Mayor of the City of Stockton

ATTEST:

KATHERINE GONG City Clerk of the City