NEW ISSUE -- FULL BOOK-ENTRY **2014-0942** **NOT RATED**

In the opinion of Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, Sacramento, California, Bond Counsel, based upon an analysis of existing statutes, regulations, rulings, and court decisions and assuming, among other things, the accuracy of certain representations and compliance with certain covenants, interest on the Series 2014 Bonds is excludable from gross income for federal income tax purposes and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Series 2014 Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest on, the Series 2014 Bonds. See "TAX MATTERS."

$6,820,000
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
(NEWPORT ESTATES)
SPECIAL TAX BONDS, SERIES 2014
(Refunding and Capital Projects)

Dated: Date of Issuance Due: September 1, as shown on inside cover

The City of West Sacramento (the "City") is issuing the above-captioned bonds (the "Series 2014 Bonds") to (i) finance the costs of certain capital improvements to serve the property within the City's Community Facilities District No. 14 (Newport Estates) (the "District") and (ii) refund on a current basis, the City of West Sacramento Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2004 (the "Series 2004 Bonds"). See "PLAN OF REFUNDING." Proceeds of the Series 2014 Bonds will also be used to fund a debt service reserve fund, to fund a portion of the interest accruing on the Series 2014 Bonds through September 1, 2016, and to pay costs of issuance. The Series 2014 Bonds are being issued pursuant to a Indenture dated July 1, 2001 (as thereafter amended and supplemented, the "Indenture"), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee").

The Series 2014 Bonds are payable from the proceeds of annual Special Taxes (as defined herein) levied on property located within the District (see "THE DISTRICT – Development in the District"), and from moneys in certain funds established under the Indenture. The Special Tax is levied according to a rate and method of apportionment of Special Tax approved on June 6, 2001, by the qualified elector of the District. See "SECURITY FOR THE BONDS – The Special Tax" and Appendix B – "Rate and Method of Apportionment of Special Tax."

Interest on the Series 2014 Bonds is payable on September 1, 2014, and semiannually thereafter on March 1 and September 1 of each year. The Series 2014 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of the Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2014 Bonds. Individual purchases of the Series 2014 Bonds will be made in book-entry form only. Purchasers of the Series 2014 Bonds will not receive physical certificates representing their ownership interests in the Series 2014 Bonds purchased. The Series 2014 Bonds will be issued in the principal amount of $5,000 and any integral multiple thereof. Principal of and interest on the Series 2014 Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Series 2014 Bonds. See "THE SERIES 2014 BONDS" and Appendix F – "DTC and the Book-Entry Only System."

The Series 2014 Bonds are subject to redemption prior to their stated maturities as described herein. See "THE SERIES 2014 BONDS—Redemption."

The City may issue additional indebtedness that is secured by a lien on the Special Taxes and by the funds and accounts established under the Indenture for the payment of the Series 2014 Bonds on a parity with the City of West Sacramento Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2012, but only for the purpose of refunding other bonds issued under the Indenture and subject to the conditions and limitations contained in the Indenture. See "SECURITY FOR THE BONDS – Additional Debt."

Neither the faith and credit nor the general taxing power of the City, the County of Yolo or the State of California or of any of their respective political subdivisions is pledged to the payment of the Series 2014 Bonds. The Series 2014 Bonds are not general obligations of the City but are limited obligations of the City payable solely from the proceeds of the Special Tax and moneys in certain funds and accounts as provided in the Indenture.

This cover page contains certain information for quick reference only. Investors should read the entire Official Statement to obtain information essential to the making of an informed investment decision with respect to the Series 2014 Bonds. The purchase of the Series 2014 Bonds involves risks, and the Series 2014 Bonds are not appropriate investments for all types of investors. See "SPECIAL RISK FACTORS" for a discussion of certain risk factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the Series 2014 Bonds.

The Series 2014 Bonds are offered when, as and if issued, subject to the approval as to their legality by Kronick, Moskovitz, Tiedemann & Girard, A Professional Corporation, Sacramento, California, Bond Counsel. Kronick, Moskovitz, Tiedemann & Girard, A Professional Corporation, is also serving as Disclosure Counsel and City Attorney to the City. McFarlin & Anderson is serving as counsel to the Underwriter. It is anticipated that the Series 2014 Bonds in definitive form will be available for delivery to Cede & Co., as nominee of The Depository Trust Company, on or about July 15, 2014.

[PiperJaffray Logo]

The date of this Official Statement is June 26, 2014.

MATURITY SCHEDULE

$4,590,000 Serial Bonds; CUSIP† Base No 955656

Maturity Date (September 1)	Principal Amount	Interest Rate	Yield	CUSIP†
2015	$160,000	2.000%	0.700%	NN9
2016	175,000	2.000	1.050	NP4
2017	175,000	2.000	1.400	NQ2
2018	180,000	2.000	1.850	NR0
2019	180,000	2.000	2.210	NS8
2020	180,000	2.250	2.530	NT6
2021	190,000	2.500	2.840	NU3
2022	190,000	2.875	3.110	NV1
2023	200,000	3.125	3.340	NW9
2024	200,000	3.250	3.480	NX7
2025	205,000	3.500	3.650	NY5
2026	215,000	3.625	3.800	NZ2
2027	220,000	3.750	3.890	PA5
2028	230,000	3.875	4.010	PB3
2029	240,000	4.000	4.060	PC1
2030	250,000	4.000	4.140	PD9
2031	260,000	4.000	4.210	PE7
2032	560,000	4.125	4.280	PH0
2033	580,000	4.200	4.340	PF4

$1,800,000 4.375% Term Bonds due September 1, 2036, Yield 4.510% CUSIP† No. 955656 PG2
$430,000 3.750% Term Bonds due September 1, 2024, Yield 3.750% CUSIP† No. 955656 PJ6

In connection with the offering of the Series 2014 Bonds, the Underwriter may overallot or effect transactions that stabilize or maintain the market prices of the Series 2014 Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

† CUSIP is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services, managed by Standard & Poor's Financial Services LLC on behalf of The American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. Neither the Underwriter, the City, nor Bond Counsel/Disclosure Counsel is responsible for the selection or correctness of the CUSIP numbers set forth above.

CITY OF WEST SACRAMENTO

City Council

Christopher Cabaldon, *Mayor*
Mark Johannessen, *Mayor Pro Tem*
William Kristoff, *Council Member*
Christopher Ledesma, *Council Member*
Beverly Sandeen, *Council Member*

City Officials and Staff

Martin Tuttle, *City Manager*
Phil Wright, *Director of Administrative Services*
Paul Blumberg, *Public Finance Manager*
Charline Hamilton, *Director of Community Development*
Kryss Rankin, *City Clerk*
Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, *City Attorney*

PROFESSIONAL SERVICES

Bond Counsel and Disclosure Counsel
Kronick, Moskovitz, Tiedemann & Girard
A Professional Corporation
Sacramento, California

Financial Advisor
Del Rio Advisors, LLC
Modesto, California

Special Tax Administrator
Willdan Financial Services

Trustee and Escrow Agent
The Bank of New York Mellon Trust Company, N.A.
San Francisco, California

Verification Agent
Grant Thornton LLP
Minneapolis, Minnesota

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Series 2014 Bonds and may not be reproduced or used, in whole or in part for any other purpose. This Official Statement is not a contract between any bond owner and the City or the Underwriter.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the City or the Underwriter to give any information or to make any representations with respect to the Series 2014 Bonds other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the City or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Series 2014 Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Information in Official Statement. The information set forth in this Official Statement has been furnished by the City and other sources that are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

Estimates and Forecasts. When used in this Official Statement and in any press release and in any oral statement made with the approval of an authorized officer of the City, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "estimate," "project," "forecast," "expect," "intend' and similar expressions identify "forward-looking statements." Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material.

Involvement of Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Documents. All summaries of the Indenture or other documents referred to in this Official Statement are made subject to the provisions of such documents, are qualified in their entirety by reference to such documents, and do not purport to be complete statements of any or all of such provisions. Copies of documents referred to herein and other information concerning the Series 2014 Bonds are available from the City of West Sacramento, 1110 West Capitol Avenue, Sacramento, CA 95691, telephone number (916) 617-4500. The City may impose a charge for copying, handling, and mailing.

No Securities Laws Registration. The Series 2014 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Series 2014 Bonds have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Series 2014 Bonds will, under any circumstances, give rise to any implication that there has been no change in the affairs of the City or other information contained herein since the date of this Official Statement.

Website. The City maintains an Internet website, but the information on the website is not incorporated in this Official Statement.

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West Sacramento, California – Regional Location Map

OFFICIAL STATEMENT

$6,820,000
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
(NEWPORT ESTATES)
SPECIAL TAX BONDS, SERIES 2014
(REFUNDING AND CAPITAL PROJECTS)

INTRODUCTION

The purpose of this Official Statement, which includes the cover page, the inside cover page, and the attached appendices, is to provide information concerning the City of West Sacramento Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2014 (Refunding and Capital Projects) (the "Series 2014 Bonds"), to be issued by the City of West Sacramento (the "City") in the aggregate principal amount specified above.

The Series 2014 Bonds are being issued pursuant to the Third Supplemental Indenture dated July 1, 2014 (the "Third Supplemental Indenture"), between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Third Supplemental Indenture is supplemental to the Indenture dated as of July 1, 2001 (the "2001 Indenture"), between the City and the Trustee, as amended and supplemented by the First Supplemental Indenture, dated as of March 1, 2004 (the "First Supplemental Indenture"), and the Second Supplemental Indenture, dated July 1, 2012 (the "Second Supplemental Indenture"), all between the City and the Trustee. The 2001 Indenture, as so amended and supplemented, is referred to herein as the "Indenture." Summaries of certain provisions of the Indenture that are not described elsewhere in this Official Statement are included in Appendix C.

The Indenture provides for the issuance of special tax bonds (the "Bonds"), including the Series 2014 Bonds, that are secured by an annual special tax (the "Special Tax") levied on and collected from taxable property in the City's Community Facilities District No. 14 (the "District").

The Series 2014 Bonds are being issued to (i) finance the costs of certain capital improvements (the "Improvements") to serve the property within the District and to (ii) refund on a current basis the City of West Sacramento Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2004 (the "Series 2004 Bonds"). See "THE DISTRICT" and "PLAN OF REFUNDING." Proceeds of the Series 2014 Bonds will also be used to (i) establish a reserve account for the Series 2014 Bonds, (ii) fund the interest accruing on the Series 2014 Term Bonds that mature on September 1, 2024 (the "2024 Term Series 2014 Bonds"), through September 1, 2016, and (iii) pay the costs of issuance of the Series 2014 Bonds.

On the date of delivery of the Series 2014 Bonds a portion of the proceeds in the amount of $430,000 will be deposited into an Acquisition Escrow Fund pending recording of the final map for Unit 10 of the Newport Estates development, which comprises 59 single-family lots. The amounts on deposit in the Acquisition Escrow Fund will be applied either to acquire certain of the Improvements or to redeem on September 1, 2016, the 2024 Term Series 2014 Bonds. See "THE SERIES 2014 BONDS–Acquisition Escrow Fund."

The Series 2014 Bonds are payable solely from the proceeds of the Special Tax and from moneys in certain funds and accounts established under the Indenture. The Special Tax is to be levied according to the rate and method of apportionment approved on June 6, 2001, by the vote of the qualified landowner elector in the District. See "SECURITY FOR THE BONDS — The Special Tax" and Appendix B — "Rate and

Method of Apportionment of Special Tax." The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes.

General information about the City is included in Appendix A hereto. However, the Series 2014 Bonds are not general obligations of the City; they are limited obligations payable solely from the proceeds of the Special Tax and from moneys in certain funds and accounts established under the Indenture.

There are risks inherent in the purchase of the Series 2014 Bonds. See "SPECIAL RISK FACTORS" for a discussion of some of the special risk factors that should be considered, in addition to the other matters set forth herein, in evaluating the investment quality of the Series 2014 Bonds.

PLAN OF REFUNDING

The Series 2004 Bonds were issued on March 24, 2004, in the principal amount of $4,800,000, of which $3,995,000 principal amount remains outstanding. A portion of the proceeds of the sale of the Series 2014 Bonds, together with available funds held in the Special Tax Fund and the Bond Reserve Account under the Indenture will be deposited in an escrow fund (the "Escrow Fund") held by The Bank of New York Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent"), pursuant to an Escrow Agreement dated July 1, 2014, between the City and the Escrow Agent. Amounts in the Escrow Fund will be applied on September 1, 2014, to pay the principal of and interest on the Series 2004 Bonds that comes due on September 1, 2014, and to redeem on that date the outstanding Series 2004 Bonds that mature on and after September 1, 2015, at a price of par.

Grant Thornton, LLP, has certified the mathematical accuracy of the computations that demonstrate that the principal amount of the United States Treasury securities to be purchased with money in the Escrow Fund, together with the income to accrue on such securities and the other money on deposit in the Escrow Fund, will be sufficient to provide for the payment and redemption of the outstanding Series 2004 Bonds. The Series 2004 Bonds will be deemed paid upon the funding of the Escrow Fund and will no longer be entitled to the benefits of, or be secured by, the Indenture or the Special Taxes levied in the District.

Amounts deposited in the Escrow Fund are not in any way available to pay debt service on the Series 2014 Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The sources and uses of funds in connection with the Series 2014 Bonds are expected to be as follows:

Sources of Funds	
Principal of Series 2014 Bonds	$6,820,000.00
Original Issue Discount	(89,764.95)
Amounts available under the Indenture	505,073.53
Total Sources	$7,235,308.58
Uses of Funds	
Deposit to Project Fund	$1,855,460.29
Deposit to Escrow Fund	4,096,862.50
Deposit to Acquisition Escrow Fund (1)	430,000.00
Capitalized Interest (2)	32,562.40
Costs of Issuance (3)	249,237.70
Bond Reserve Account (4)	571,185.69
Total Uses	$7,235,308.58

(1) Amounts in this fund will either be used to redeem on September 1, 2016, the 2024 Term Series 2014 Bonds, in the circumstances described in "THE SERIES 2014 BONDS — Acquisition Escrow Fund" below, or be transferred to the Project Fund.

(2) The amount deposited in this fund represents interest through September 1, 2016, on the 2024 Term Series 2014 Bonds. In the circumstances described in "THE SERIES 2014 BONDS — Capitalized Interest Fund" below, a portion of this amount would be transferred to the Project Fund.

(3) Costs of issuance include, without limitation, Underwriter's discount; the fees and expenses of Bond Counsel, Disclosure Counsel, the Trustee, the Special Tax Consultant, the Verification Agent, the Escrow Agent, and printing costs.

(4) The Bond Reserve Account will be funded in the amount of 125% of average annual debt service on the Series 2014 Bonds other than the 2024 Term Series 2014 Bonds. If the 2024 Term Series 2014 Bonds remain outstanding after September 1, 2016, the additional amount required to increase the balance to the Required Bond Reserve calculated on the basis of debt service on all the Series 2014 Bonds will be deposited in the Bond Reserve Account from the Acquisition Escrow Fund.

THE SERIES 2014 BONDS

Authority for Issuance

The District was formed by the City on June 6, 2001, under the authority of the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311 and following of the California Government Code) (the "Act"). On June 6, 2001, the sole qualified landowner elector of the District approved the levy of the Special Tax within the District and the issuance of up to $12,000,000 principal amount of bonds (the "2001 Authorization"). The Series 2014 Bonds are issued pursuant to the authority of the Act, the 2001 Authorization, and the Indenture.

Parity Bonds

Pursuant to such authority, the City has previously issued three series of Bonds. On August 1, 2001, the City issued its Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2001 (the "Series 2001 Bonds"), in the principal amount of $3,860,000. Proceeds of the Series 2001 Bonds were used to finance public infrastructure facilities. On March 24, 2004, the City issued its Community Facilities District No. 14 (Newport Estates), Special Tax Bonds, Series 2004 (the "Series 2004 Bonds"), in the principal amount of $4,800,000. Proceeds of the Series 2004 Bonds were used to fund additional facilities. On July 31, 2012, the City issued its Community Facilities District No. 14 (Newport Estates), Special Tax

Refunding Bonds, Series 2012 (the "Series 2012 Bonds"), in the principal amount of $3,855,000. Of that amount, $605,000 principal amount was attributed to financing additional facilities and the balance to the refunding of the Series 2001 Bonds.

Of the Series 2014 Bonds, Bonds in the principal amount of $2,735,000 will be attributed to financing additional facilities and the balance to the refunding of the Series 2004 Bonds. After the issuance of the Series 2014 Bonds, there will be no unissued Bonds and only the Series 2012 Bonds and the Series 2014 Bonds will be outstanding under the 2001 Authorization.

General Provisions

The Series 2014 Bonds will be issued as fully registered bonds, in denominations of $5,000 and any integral multiple thereof. The Series 2014 Bonds will be dated their date of delivery and will bear interest from their date at the rates and will mature on September 1, in the principal amounts and years, set forth on the inside cover page of this Official Statement. Interest on the Series 2014 Bonds will be computed on the basis of a 360-day year comprising twelve 30-day months and will be payable on September 1, 2014, and each March 1 and September 1 thereafter until maturity.

The Series 2014 Bonds will be issued in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2014 Bonds. Individual purchases of the Series 2014 Bonds will be made in book-entry form only. Purchasers of the Series 2014 Bonds will not receive physical certificates representing their ownership interests in the Series 2014 Bonds purchased. Principal and interest payments on the Series 2014 Bonds are payable directly to DTC by the Trustee. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to the beneficial owners of the Series 2014 Bonds. See Appendix F – "DTC and the Book-Entry Only System." So long as the Series 2014 Bonds are registered in the name of Cede & Co., as nominee of DTC, references in this Official Statement to the owners shall mean Cede & Co., and shall not mean the purchasers or Beneficial Owners of the Series 2014 Bonds.

Acquisition Escrow Fund

The intention of the City is to maintain the tax rate levied on Developed Parcels at approximately 80% or less of the Maximum Special Tax rate. After the Series 2014 Bonds are issued, to achieve that goal, the parcels within Unit 10 of the Newport Estates development need to be added to the tax roll as Developed Parcels. In order to assure that the tax rate is maintained at the desired level, on the date of delivery of the Series 2014 Bonds, a portion of the proceeds in the amount of $430,000 will be deposited in the Acquisition Escrow Fund established under the Indenture and held by the Trustee. If the final map for Unit 10 of the Newport Estates development has not been recorded by July 1, 2016, the amounts on deposit in the Acquisition Escrow Fund will be applied to redeem on September 1, 2016, the 2024 Term Series 2014 Bonds. If the final map is recorded by July 1, 2016, the amounts on deposit in the Acquisition Escrow Fund will be applied to acquire certain of the Improvements and to increase the balance in the Reserve Account to the Required Bond Reserve calculated on the basis of debt service on all the Series 2014 Bonds.

Capitalized Interest Fund

The amount deposited into the Capitalized Interest Account on the date of delivery of the Series 2014 Bonds is sufficient to pay interest through September 1, 2016, on the 2024 Term Series 2014 Bonds. If the final map for Unit 10 of the Newport Estates development has been recorded by July 1, 2015, and prior to the adoption by the City Council of the special tax roll for the 2015-2016 tax year, the amounts set aside for the March 1, 2016, and September 1, 2016, interest payments will be transferred to the Project Fund.

Redemption

Optional Redemption. Series 2014 Bonds maturing on or after September 1, 2025, are subject to redemption prior to their respective stated maturities, at the option of the City, from any source of available funds, as a whole or in part (by such maturities as may be specified by the City and at random within a maturity) on any date on or after September 1, 2024, at a redemption price equal to the principal amount of Series 2014 Bonds called for redemption, plus accrued interest to the date fixed for redemption, without premium.

Mandatory Term Bond Redemption. 2036 Term Bonds. The Series 2014 Term Bonds maturing on September 1, 2036, are subject to redemption prior to their stated maturity, at random, from amounts deposited in the Redemption Account, in the following amounts and on the following dates, at the principal amount thereof, without premium:

Mandatory Redemption Dates (September 1)	Principal Amount
2034	$605,000
2035	630,000
2036*	565,000

**Maturity*

The amount of each such redemption shall be reduced proportionately in the event and to the extent of any and all optional redemptions of the 2036 Term Series 2014 Bonds, as set forth in a schedule produced by the City.

2024 Term Bonds. The Series 2014 Term Bonds maturing on September 1, 2024, are subject to redemption prior to their stated maturity, at random, from amounts deposited in the Redemption Account, in the following amounts and on the following dates, at the principal amount thereof, without premium:

Mandatory Redemption Dates (September 1)	Principal Amount
2017	$50,000
2018	55,000
2019	55,000
2020	60,000
2021	60,000
2022	65,000
2023	60,000
2024*	25,000

**Maturity*

Mandatory Redemption From Proceeds of Property Owner Prepayments. Series 2014 Bonds are subject to redemption by the City prior to their respective stated maturities, as a whole or in part on any Interest Payment Date from the proceeds of property owner prepayments of the Special Tax obligation deposited in the Prepayment Subaccount within the Optional Redemption Fund, at the following redemption prices (expressed as a percentage of the principal amount of Series 2014 Bonds called for redemption):

Redemption Dates	Redemption Price
September 1, 2014, through March 1, 2020	103%
September 1, 2020, and March 1, 2021	102
September 1, 2021, and March 1, 2022	101
September 1, 2022, and thereafter	100

Mandatory Redemption from Amounts Held in the Acquisition Escrow Fund. The 2024 Term Series 2014 Bonds are subject to mandatory redemption by the City prior to their stated maturity on September 1, 2016, from amounts held in the Acquisition Escrow Fund, if the final map for Unit 10 of the Newport Estates development has not been recorded by July 1, 2016, at a redemption price equal to the principal amount thereof, without premium. See "–Acquisition Escrow Fund" above.

Selection of Series 2014 Bonds for Redemption. If less than all the outstanding Series 2014 Bonds of any maturity are to be redeemed, the Trustee will select the particular Series 2014 Bonds to be redeemed from the outstanding Series 2014 Bonds of such maturity that have not previously been called for redemption, in minimum denominations of $5,000, at random in any manner that the Trustee in its sole discretion shall deem appropriate and fair.

Notice of Redemption. The Trustee is required to mail notice of redemption not less than 30 nor more than 60 days prior to the date fixed for redemption, by first class mail, to the respective registered owners of the Series 2014 Bonds to be redeemed at their addresses appearing on the bond register. Each notice of redemption shall state the date of such notice, the Series 2014 Bonds to be redeemed, the date of issue of such Series 2014 Bonds, the redemption date, the redemption price, the place or places of redemption (including the name and appropriate address or addresses of the Trustee), the CUSIP number (if any) of the maturity or maturities to be redeemed, and if less than all of any such maturity is to be redeemed, the numbers of the Series 2014 Bonds of such maturity to be redeemed, and, in the case of Series 2014 Bonds to be redeemed in part only, the respective portions of the principal amount thereof to be redeemed, and shall give notice that further interest on such Series 2014 Bonds or the portions thereof redeemed will not accrue from and after the redemption date and will require that such Series 2014 Bonds be surrendered at the address or addresses of the Trustee so designated. The notice is also required to state that upon presentation of a Refunding Bond to be redeemed in part, there will be issued, in lieu of the unredeemed portion of principal, a new Refunding Bond or Series 2014 Bonds of the same maturity date of authorized denominations equal in aggregate principal amount to the unredeemed portion.

Failure of any owner to receive notice or any defect in any such notice shall not affect the sufficiency of the proceedings for redemption. Failure by the Trustee to mail notice to any one or more of the respective owners of any Series 2014 Bonds designated for redemption shall not affect the sufficiency of the proceedings for redemption with respect to the owner or owners to whom such notice was mailed. So long as the book-entry system is used for determining beneficial ownership of the Series 2014 Bonds, the notice of redemption will be given to DTC as registered owner of the Series 2014 Bonds. The City may, at its option, prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption.

The City may, at its option, prior to the date fixed for redemption in any notice of redemption, rescind and cancel such notice of redemption.

Effect of Redemption. From and after the date fixed for redemption, if funds available for the payment of the principal of, and interest and any premium on, the Series 2014 Bonds so called for redemption are held by the Trustee, such Series 2014 Bonds so called will cease to be entitled to any benefit under the Indenture other than the right to receive payment of the redemption price, and no interest will accrue thereon on or after the redemption date specified in such notice.

Transfer or Exchange of Series 2014 Bonds

So long as the Series 2014 Bonds are registered in the name of Cede & Co., as nominee of DTC, transfers and exchanges of Series 2014 Bonds shall be made in accordance with DTC procedures. See Appendix F – "DTC and the Book-Entry Only System." If the book-entry only system for the Series 2014 Bonds is ever discontinued, any Refunding Bond may, in accordance with its terms, be transferred or exchanged by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Refunding Bond for cancellation, accompanied by delivery of a duly written instrument of transfer in a form approved by the Trustee. Whenever any Series 2014 Bonds are surrendered for transfer or exchange, the City will execute and the Trustee will authenticate and deliver new Series 2014 Bonds, for a like aggregate principal amount of Series 2014 Bonds of authorized denominations and of the same maturity. The Trustee will collect from the Owner requesting such transfer any tax or other governmental charge required to be paid with respect to such transfer or exchange.

No transfers or exchanges of Series 2014 Bonds will be required to be made (i) within the 15 days prior to the date designated by the Trustee as the date for selecting Series 2014 Bonds for redemption, or (ii) with respect to any Refunding Bond after such Refunding Bond has been selected for redemption.

Scheduled Debt Service*

The following is the estimated debt service schedule for the Series 2014 Bonds and the actual debt service for the Series 2012 Bonds, assuming no optional or extraordinary redemption of the outstanding Bonds from Special Tax prepayments:

	Series 2014 Bonds						
Period Ending	Serial Bonds and 2036 Term Bonds		2024 Term Bonds			Series 2012 Bonds	Total Debt
September 1	Principal	Interest	Principal	Interest	Total	Total	Service
2014	--	$ 29,741	--	$ 2,060	$ 31,801	$ 293,009	$ 324,810
2015	$ 160,000	232,754	--	16,125	408,879	289,809	698,688
2016	175,000	229,554	--	16,125	420,679	291,609	712,288
2017	175,000	226,054	$50,000	16,125	467,179	293,309	760,488
2018	180,000	222,554	55,000	14,250	471,804	289,484	761,288
2019	180,000	218,954	55,000	12,188	466,141	294,809	760,950
2020	180,000	215,354	60,000	10,125	465,479	294,409	759,888
2021	190,000	211,304	60,000	7,875	469,179	288,628	757,806
2022	190,000	206,554	65,000	5,625	467,179	292,384	759,563
2023	200,000	201,091	60,000	3,188	464,279	290,559	754,838
2024	200,000	194,841	25,000	938	420,779	293,059	713,838
2025	205,000	188,341	--	--	393,341	294,869	688,210
2026	215,000	181,166	--	--	396,166	291,069	687,235
2027	220,000	173,373	--	--	393,373	291,788	685,160
2028	230,000	165,123	--	--	395,123	291,800	686,923
2029	240,000	156,210	--	--	396,210	290,775	686,985
2030	250,000	146,610	--	--	396,610	289,300	685,910
2031	260,000	136,610	--	--	396,610	287,375	683,985
2032	560,000	126,210	--	--	686,210	--	686,210
2033	580,000	103,110	--	--	683,110	--	683,110
2034	605,000	78,750	--	--	683,750	--	683,750
2035	630,000	52,281	--	--	682,281	--	682,281
2036	565,000	24,719	--	--	589,719	--	589,719
Total	$6,390,000	$3,721,256	$430,000	$104,623	$10,645,879	$5,248,040	$15,893,919

* All amounts rounded to nearest dollar.

SECURITY FOR THE BONDS

General

Neither the faith and credit nor the general taxing power of the City or the State of California or of any of their respective political subdivisions is pledged to the payment of the Bonds. The Bonds are not general obligations of the City but are limited obligations of the City payable solely from and secured by the Special Taxes and the amounts in the Special Tax Fund, the Redemption Account, and the Bond Reserve Account, which are held by the Trustee under the Indenture.

Although the Special Tax constitutes a lien on property subject to taxation in the District, it will not constitute a personal indebtedness of the owners of such property. There is no assurance that the owners will be financially able to pay the annual Special Tax or that they will pay such tax even if financially able to do so. The risk of nonpayment by property owners is more fully described in “SPECIAL RISK FACTORS — Collection of the Special Tax.”

The Special Tax

Capitalized terms used in this section, “The Special Tax,” and otherwise not defined have the meanings specified in Appendix B — “Rate and Method of Apportionment of the Special Tax.”

Covenant to Levy. Pursuant to the Indenture, so long as any Bonds are outstanding, the City is required to annually levy the Special Tax against all Taxable Parcels in the District in an amount that will be sufficient, after making reasonable allowances for contingencies, errors in the levy, and anticipated delinquencies, to pay debt service on the Bonds as they become due, to pay the expenses of administering the District, and to replenish the Bond Reserve Account to the Required Bond Reserve (defined below under “Bond Reserve Account”) as necessary.

Special Tax Formula. The Special Tax is currently levied in accordance with the rate and method of apportionment set forth in Appendix B (the “Special Tax Formula”). The Special Tax Formula is to be applied by the City on an annual basis for the purpose of determining the total amount of the levy against the Taxable Parcels. The process involves a number of separate steps to be performed by the City, which are described in Appendix B and summarized below. For purposes of this section, capitalized terms not otherwise defined in this Official Statement shall have the meanings assigned to them in Appendix B.

Annual Costs. The City first determines the “Annual Costs” for the upcoming fiscal year. Annual Costs are the total of (i) debt service to be paid from the Special Taxes collected during such fiscal year; (ii) administrative expenses for such fiscal year; (iii) any amounts needed to replenish the Bond Reserve Account; (iv) an amount equal to the amount of delinquencies in payments of Special Taxes levied in the previous fiscal year and/or anticipated for the current fiscal year; and (v) pay-as-you-go expenditures for authorized facilities to be constructed or acquired for the District.

Taxable Parcels. The City identifies the Taxable Parcels and the Tax-Exempt Parcels, the latter consisting of (i) parcels that are or are intended to be publicly owned and are exempt from the levy of general *ad valorem* property taxes, such as public streets, schools, parks, public drainageways, public landscaping, wetlands, greenbelts and public open space, (ii) parcels on which the Special Tax has been prepaid as described below, and (iii) certain privately owned parcels, including common areas owned by homeowners' associations, wetlands, detention basins, water quality ponds, and open space.

Allocation of the Special Tax. The Special Tax Formula annually allocates the Special Tax required among the Taxable Parcels in the District based upon development status, land uses, and lot sizes, subject to the Maximum Special Tax assigned to each category (as set forth in Attachments 1 and 2 in Appendix B) for each year. (The Maximum Annual Special Tax for each category escalates at 2% per year through 2015-16.)

If Annual Costs are less than or equal to the Maximum Special Tax Revenue from all Developed Parcels, only Developed Parcels will be taxed, with the Special Tax levy being decreased proportionately among Developed Parcels to the extent Annual Costs are lower than such amount. If Annual Costs are greater than the Maximum Special Tax Revenue from all Developed Parcels, the Special Tax will be levied on each Undeveloped Parcel on a pro rata basis to each Parcel's Maximum Annual Special Tax until the total levy equals the Annual Costs.

Notwithstanding the foregoing, under no circumstances may the Special Tax levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the District by more than 10%.

Termination of the Special Tax. The Special Tax will be levied for as long as is needed to pay the principal of and interest on debt and other costs incurred in order to construct the authorized facilities for the

District and to pay the Annual Costs. However, in no event will the Special Tax be levied on any parcel in the District after fiscal year 2036-37.

Prepayment of Special Tax. Landowners may permanently satisfy the Special Tax obligation by a cash settlement with the City as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

1. The City determines that the prepayment of the Special Tax obligation does not jeopardize its ability to make timely payments of debt service on outstanding Bonds.

2. Any landowner prepaying the Special Tax obligation must pay any and all delinquent Special Taxes and penalties prior to prepayment.

The prepayment amount is established by the calculation shown in Appendix B.

Collection of the Special Tax

In accordance with the Act, the Special Tax is collected in the same manner as ordinary *ad valorem* property taxes are collected and is subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for *ad valorem* taxes. The County Tax Collector may deduct the reasonable administrative costs incurred in collecting the Special Tax.

Bills for property taxes on the secured roll are mailed annually by the first of November. Such taxes are due in two installments, on November 1 and February 1 of each Fiscal Year. If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax-defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. Pursuant to Section 3691 of the California Revenue and Taxation Code, tax-defaulted property not so redeemed within five years after it has become tax-defaulted becomes subject to sale by the County Tax Collector. See also "Covenant for Foreclosure" below.

The County has made the Special Tax subject to the "Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds" (the "Teeter Plan"), under which the City will receive 100% of the annual Special Taxes levied without regard to actual collections. However, the Board of Supervisors may discontinue the procedures under the Teeter Plan altogether, or with respect to any tax or assessment levying agency in the County if the rate of secured tax and assessment delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency.

Covenant for Foreclosure

The Act provides the additional remedy of judicial foreclosure for delinquencies in the payment of a special tax for so long as debt secured by the special tax is outstanding. Pursuant to the Act, the City may order the institution of a superior court action to foreclose the lien securing a delinquent Special Tax within four years after the due date of the last installment of the principal thereof. A judgment in such an action will include the amount of the delinquency for each parcel to be foreclosed, reasonable attorneys' fees, interest, penalties, and other authorized charges and costs and will order the parcel to be sold on execution as in other cases of the sale of real property by process of the court.

Under the Act, a judicial foreclosure action is not mandatory. However, the City has covenanted in the Indenture for the benefit of the owners of the Bonds as follows: The City will review the County's records in connection with the collection of the Special Tax not later than September 1 of each year to determine the amount of the Special Tax collected in the prior Fiscal Year. If the amount collected is deficient by more than 5% of the total amount of the Special Tax levied in such Fiscal Year, the City will within 60 days thereafter institute civil actions to foreclose the lien of the Special Tax against all delinquent parcels and will diligently prosecute such foreclosure proceedings to judgment and sale. Additionally, if property owned by any single property owner in the District is delinquent by more than $5,000 with respect to the Special Tax, the City will institute and prosecute foreclosure proceedings against such property.

No assurances can be given that real property subject to foreclosure sale will be sold or, if sold, that the proceeds of sale will be sufficient to pay any delinquent Special Tax installment. The Act does not require the City to purchase or otherwise acquire any lot or parcel of property sold if there is no other purchaser at such sale. Pursuant to the Act, the property foreclosed upon may not be sold for less than the amount of the judgment in the foreclosure action (which may include reasonable attorneys' fees, interest, penalties, and other authorized charges and costs), plus post-judgment interest and authorized costs, unless the owners of 75% by value of the outstanding Bonds consent.

Special Tax Fund

The City has agreed in the Indenture that it will transfer all proceeds of the Special Tax to the Trustee for deposit in the Special Tax Fund, except for prepaid Special Taxes, which are deposited into the Prepayment Account. The Indenture requires the Trustee to transfer moneys from the Special Tax Fund to other funds, as follows:

First: on or before each Interest Payment Date, to the Redemption Fund the amount of interest due on the Bonds on the next Interest Payment Date;

Second: on or before each September 1, to the Redemption Fund the amount of principal due on the Bonds on that date;

Third: on or before each Interest Payment Date, to the Bond Reserve Account the amount required to restore the balance in the Bond Reserve Account to an amount equal to the Required Bond Reserve;

Fourth: on or before each Interest Payment Date, to the Expense Account a sum equal to the amount required by the City for the payment of budgeted expenses during the six-month period beginning on such date, or to reimburse the City for the payment of unbudgeted expenses during the prior six-month period;

Fifth: as required, to the Rebate Fund, the amount required to be deposited therein to satisfy a rebate liability; and

Sixth: on September 1 of each year, after making the preceding payments, to the City for deposit into the Community Facilities Fund, all money remaining in the Special Tax Fund.

For each series of Bonds, the Indenture establishes a subaccount in the Bond Reserve Account to secure the payment of debt service on such series. The City is required to maintain each subaccount in an amount equal to the Required Bond Reserve for the series, which is defined as the least of (a) maximum annual debt service on the Outstanding Bonds of such series, (b) 125% of average annual debt service on such series, and (c) 10% of the original stated principal amount of such series of Outstanding Bonds (plus or minus original issue premium or discount, if more than 2%). On the date of the issuance of the Series 2014 Bonds, the Required Bond Reserve will be $571,185.69, which is calculated based on debt service on the Series 2014 Bonds other than the 2024 Term Series 2014 Bonds. (For purposes of this calculation, the 2024 Term Series 2014 Bonds are not deemed to be Outstanding before September 1, 2016.) If the 2024 Term Series 2014 Bonds are not redeemed on September 1, 2016, the additional amount required to increase the balance in the Bond Reserve Account to the Required Bond Reserve (calculated based on debt service on all the Series 2014 Bonds) will be transferred from the Acquisition Escrow Fund.

If funds in the Bond Reserve Account are depleted, the City may levy Special Taxes in an amount in excess of the amount required to pay debt service on the Series 2014 Bonds, but the City may not levy such taxes at rates in excess of the Maximum Special Tax rates, nor may the City increase Special Taxes levied on residential property by more than 10% of the amount levied in the prior Fiscal Year owing to delinquencies or defaults of other property owners in the District.

Additional Debt

Additional Bonds. After the issuance of the Series 2014 Bonds, there will be no unissued Bonds under the 2001 Authorization. The City may issue Bonds to refund Outstanding Bonds, but only if, following the issuance, (1) projected Special Taxes plus projected investment earnings on amounts held in the Bond Reserve Account to be transferred to the Special Tax Fund pursuant to the terms of the Indenture for each Fiscal Year are at least 110% of maximum Debt Service for the next Fiscal Year; and (2) the aggregate value of property within the District subject to the Special Tax, is at least three times the principal amount of all outstanding Bonds upon the issuance of such series as determined by: (a) an independent appraisal performed, within 90 days preceding the date of this determination, by an MAI appraiser selected by the City and consistent with the methodology of the appraisal used in conjunction with the Series 2001 Bonds, (b) the assessed value of the property subject to the Special Tax, including any improvements thereon, as shown on the then current County Assessor's property tax roll; or (c) the use of method (b) for those parcels where the County Assessor shows an assessed value for structural improvements, and the use of method (a) for the remainder of such property.

Subordinate Debt. The City may issue debt payable from money in the Community Facilities Fund if the payments due thereunder are subordinate in all respects to the use of the proceeds of the Special Tax under the Indenture.

SOUTHPORT

Location and Description

The District is located within the "Southport" area of the City, a formerly rural area now characterized in part by various residential subdivisions constructed beginning in the mid-1990s. This geographic area is bounded by the Sacramento River on the east, the Sacramento River Deep Water Ship Channel on the north and west, and unincorporated Yolo County on the south. With water on three sides, the Southport area is essentially a peninsula that is connected to the northern portion of the City by means of two bridges. Jefferson Boulevard is the primary traffic arterial that bisects Southport from northeast to southwest and is near two points of access to U.S. Highway 50, Interstate 5 and Interstate 80. The City is in close proximity to downtown Sacramento. The completion of the Palamidessi Bridge in 1997, which connects the Southport area to other parts of the City and to the City of Sacramento, was instrumental to the development of the Southport area, as the accessibility of the Southport area was significantly improved.

The Southport area, so named due to its location immediately south of the Port of Sacramento, comprises approximately 7,120 acres. The population of the area is currently 18,389 and, at build-out, is estimated by the City to increase to more than 65,000 persons. The Southport area is primarily reclaimed land that is protected by levees. The area's generally level topography and good soils contribute to the prevalence of agricultural uses there, which uses remain prominent today. However, residential subdivisions have been constructed in Southport since the 1970's, and construction of homes in new subdivisions, including in the District, accelerated in the mid 1990's and continued until the recent nationwide economic slowdown. Although substantial portion of the Southport area remains undeveloped, the City is looking to Southport to meet the majority of its future residential needs, in addition to providing areas for expanding its industrial and commercial bases.

Southport Framework Plan

Following incorporation in January 1987, the City adopted a General Plan in May 1990. Under the General Plan, the primary land use designations in Southport are Industrial and Planned Residential. In May 1991, the City hired the firm of Willdan Associates as the Project Manager to assist the City with preparation of an area plan, the "Southport Framework Plan," for the entire Southport area. The City selected PBR, an Irvine, California, architect and urban planning firm, in November 1991 to act as the master designer to refine the land use plan and prepare design guidelines for development within the Southport project area. The City adopted the Southport Framework Plan on May 10, 1995.

The Southport Framework Plan comprises three components: the Land Use Map, the Design Guidelines and the Implementation Plan. The Land Use Map identifies the planned land use designations for the entire Southport area. The Design Guidelines provide development and architectural standards and design principles for sites and structures. The Implementation Plan provides an overview of the approval process, development and infrastructure phasing, natural resource issues, and affordable housing requirements. As part of the Implementation Plan, a regional financing and phasing plan has been developed for public facilities and services to serve the Southport area.

As of the date of this Official Statement, tentative and final map approvals have been given for seventeen separate residential subdivisions for approximately 5,890 residential units, some of which have been completed, and considerable commercial development has been completed in the Southport Industrial Park, however no assurances of continued development can be given.

Land Use Within the Southport Specific Plan

The proposed Land Use Map includes a mixture of residential, commercial, industrial, public/quasi-public, and parks and open space uses. It provides for approximately 16,109 residential dwelling units, 1,720,000 square feet of commercial, 2,114,400 square feet of office/business park uses, 7,660,000 square feet of industrial uses, 544 acres of public/quasi-public, and 915 acres of parks and open space at build-out.

Four distinct planning areas have been developed within the Southport Framework Plan. These planning areas are designated as (1) the Southwest Village Plan (2,318 acres), (2) the Southeast Village Plan (648 acres), (3) the Northeast Village Plan (2,038 acres) and (4) the Northwest Village Plan (2,116 acres). The amount of community uses is planned to be limited in Southport to encourage residents to utilize more regional commercial projects within the existing portion of the City and to maintain the strong link between Southport and the downtown area. Industrial uses will also be accommodated at the northeast end of the project, along the Sacramento Deep Water Channel.

The designated land uses under the Southport Framework Plan is shown below. land within the District is contained in the Northwest Quadrant and designated for low and medium density residential development. See "THE DISTRICT – Description of the District."

City of West Sacramento
Southport Framework Plan
Designated Land Uses in Acres

Designated Land Use	Southwest Quadrant	Southeast Quadrant	Northeast Quadrant	Northwest Quadrant
Agricultural Cluster	551.2	0.0	0.0	0.0
Rural Estate	594.7	42.5	0.0	13.7
Rural Residential	38.5	62.8	405.3	92.0
Low Residential	430.1	313.5	522.9	425.1
Medium Residential	114.3	27.5	225.0	173.0
High Residential	17.2	23.0	123.5	48.8
Neighborhood Commercial	10.0	5.0	37.0	28.0
General Commercial	2.0	0.0	0.0	20.1
Water Related Commercial	0.0	0.0	3.6	0.0
Office/Business Park	0.0	0.0	0.0	161.8
Mixed-Use	0.0	0.0	86.3	8.7
Riverfront Mixed-Use	0.0	0.0	49.8	0.0
Light Industrial	0.0	0.0	0.0	151.2
Heavy Industrial	0.0	0.0	0.0	390.2
Water Related Industrial	0.0	0.0	0.0	126.9
Public/Quasi Public	104.0	8.0	112.0	32.1
Parks	34.7	74.6	65.6	118.2
Golf Course	114.5	0.0	0.0	0.0
Open Space	151.3	52.5	165.4	138.0
Agricultural	0.0	0.0	0.0	0.0
Streets & Railroads	155.6	39.2	219.1	188.5
TOTAL	2,318.1	648.6	2,037.0	2,116.3

The City's development objectives for the Southport area, as described in the Southport Framework Plan, have guided the creation of four pedestrian-oriented villages along a backbone loop circulation system. Each village is envisioned to contain its own community services, shops, schools, parks and residential neighborhoods. The northern villages are projected to contain higher density residential development, while the more southern villages are designated to contain a lower density configuration. Each village is separated by greenbelts to provide for a clear community identity and to maintain a small town atmosphere within the planning area. Streetscapes, a community- wide trail system, and architectural guidelines are projected to provide continuity between villages. Urban uses are concentrated within each village and contain convenient public facilities such as schools, parks, child care facilities, and neighborhood shops, This feature is planned to provide services to the residents of the village while reducing overall traffic, noise, and air quality impacts in Southport.

The City's goal is that each village have its own character, with a predominant architectural theme. Each village is planned to be connected by a roadway network as well as by trails. Through-block and open space trails connect village centers and community services. Within each village, the pedestrian system radiates out from the village core to each neighborhood. Part of this open space network is the treatment of the canal sections and drainage detention basins. The canals and detention facilities are planned to be enhanced to create pedestrian trails, bikeways, recreational opportunities, flood control, and habitat for sensitive environmental species.

The land use concept is intended to promote a mass transit system. In this regard, the higher density villages and the Industrial/Business Park are located at the north end of the plan area, creating densities that would support extension of the City's proposed streetcar line. In addition, Yolo County's bus service has been extended throughout the Southport area to provide more convenient mass transit options.

Substantial employment is being created through the build out of a large industrial complex and business park at the northwest end of the project (the Southport Industrial Park) as well as community commercial and service uses developed as a part of the Southport Town Center and Westbridge Plaza projects. These uses enhance the opportunities to provide jobs near housing, and allow for the creation of new jobs.

Required Infrastructure Improvements

In the late 1990's, the City's first priority for infrastructure improvements in connection with the implementation of the Southport Framework Plan was construction of the Palamidessi Bridge to provide a critically needed second source of access to the Southport area. Construction of the Palamidessi Bridge was completed in September 1997. The bridge crosses over the Deep Water Channel at the point where Industrial and Stone Boulevards intersect. Next, the City completed a widening of the Jefferson Bridge connection across the Deep Water Channel. In accordance with the Southport Framework Plan, another bridge as an extension of South River Road to Village Parkway is under construction and is scheduled to be completed in 2015.

The Southport Framework Plan requires that all development proposals within the plan area will be required to participate in the financing of the on and off-site regional facilities and services for the area. The City is utilizing a combination of Mello-Roos community facilities districts and development impact fees to finance the on and off-site regional facilities. The development impact fees received by the City are being used to finance sewer, water, drainage, park and traffic improvements. Each developer will be responsible for the construction of all individual project improvements that are not identified as regional improvements. Each project application is required to submit a Facilities Financing Plan that explains how all facilities will be funded and constructed. Where a developer proposes to construct public improvements using private funds, as opposed to improvements constructed by fees or assessments, the developer will be required to provide assurance satisfactory to the City that the public improvements will be constructed and completed in accordance with all applicable City and Southport Framework Plan standards. The City provides oversight and inspection of all public improvements whether constructed with public or private funds.

Current Development Within Southport

The Southport area has experienced significant residential development in the last few years, transforming what was previously a rural area. Over 5,000 residential units have been constructed within 1,422 acres of approved subdivisions. Development of a 600-acre light industrial development known as the “Southport Industrial Park” in the Northwest area of the Southport Framework Plan has recently accelerated with the addition of a number of major food distribution facilities. Construction of the Southport Industrial Park commenced in 1997 and over 2.07 million square feet of space has been completed with a total Fiscal Year 2014 assessed valuation of $189 million. The neighborhood of the District includes the existing Southport Town Center, a neighborhood shopping center situated at the corner of Jefferson and Lake Washington Boulevards. With 275,000 square feet, this is one of two primary retail centers for the Southport area. The center is anchored by a Nugget Market grocery store and includes restaurants and neighborhood services and retail.

Environmental Approvals

A final Environmental Impact Report for the development contemplated under the Southport Framework Plan was circulated in August of 1994 and was certified by the City prior to its taking action to approve and adopt the Southport Framework Plan. The approval of the Southport Framework Plan on May 10, 1995, satisfied the sub-area planning requirements of the General Plan and eliminated any need to prepare multiple specific plans, each with its own EIR.

Flood Zone

According to the City's Planning Department, Southport is not located in an area identified by the Federal Emergency Management Agency as having special flood hazards. The area is designated as located in Zone X, which is an area protected by levees from 100-year flood, per Community Panel Number 060728-0010 B, dated January 19, 1995.

The City is bounded on the west by the Yolo Bypass, on the north by the Sacramento Bypass and the Sacramento River, on the east by the Sacramento River, and on the south by the cross-levee that separates Reclamation District 900 and Reclamation District 999. A construction project was undertaken by the local flood control agency in 2007 to construct improvements needed to provide "200-year" protection along the Sacramento River, Sacramento Bypass, Yolo Bypass, Deep Water Ship Channel and South Cross levees protecting the City. To fund a portion of the cost of the project and related maintenance, all parcels in the City are subject to annual assessments of the West Sacramento Area Flood Control Agency. For single family residences, the current assessment is approximately $130 per year. Major elements of the entire project are expected to be completed by 2016, but such timing is dependent upon the availability of federal, state and local funding. With the implementation of flood control improvements, the regional economic base is expected to be protected from short-term disruption and potential long-term relocation due to severe flooding.

Earthquake Risk

The City (including Southport) is located in a zone 3 seismic area. Seismic zones aid in identifying and characterizing certain geological conditions and the risk of seismic damage at a particular location and are used in establishing building codes to minimize seismic damage. The five seismic zones are: zone 0 (no measurable damage), zone 1 (minor damage), zone 2 (moderate damage), zone 3 (major damage), and zone 4 (major damage and greater proximity than zone 3 to certain major fault systems).

THE DISTRICT

Description of the District

The District comprises the "Newport Estates" residential development, which is situated entirely within the Northeast Quadrant of the Southport Framework Plan along a portion of Linden Road between Jefferson Boulevard and South River Road. The District contains a total area of approximately 225 acres. Jefferson Boulevard is the primary north/south arterial serving West Sacramento and provides direct access to Interstate 80 approximately two miles north of the District. South River Road is a two-way public street running in an east-west direction from Jefferson Boulevard and then north-south along the Sacramento River. The District is in the vicinity of the Southport Gateway and Bridgeway Island subdivisions, together comprising nearly 2,000 single family residences, as well as open space, parks and other recreational uses.

Seecon Financial and Construction Company, Inc. (the "Developer"), has served as the master developer of Newport Estates. The City and the Developer entered into a Development Agreement dated January 14, 2004 (the "Development Agreement"), in accordance with Sections 65864 through 65869.5 of the California Government Code, as implemented through City ordinance. The Development Agreement binds the Developer and any successor owner-developer of property in the District. Development of the property in the District is subject to the Development Agreement as well as the City's General Plan and the Southport Framework Plan. The Development Agreement facilitated, among other things, entitlement to develop the planned 883 residential lots and the widening of Jefferson Boulevard to serve the development in the Southport area It also revised the scope of construction for a portion of Lake Washington Boulevard and Village Parkway fronting the Developer's project. In the Development Agreement, the Developer committed to accelerated payment of traffic impact fees. The Development Agreement allows the Developer to construction houses upon City approval of subdivision maps, satisfaction of certain design requirements and conditions of such maps, and issuance of building permits.

Set forth below is a general site plan of the District.

[insert boundary map]

Land Use Contemplated Within the District

Land uses within the District under the Southport Framework Plan land uses consist primarily of residential neighborhoods and supporting uses such as schools, parks, recreation, open space and commercial land uses. The land within the District is zoned for low and medium density residential development for 883 dwelling units. Property within the District has full land-use entitlements, including a vesting tentative map and the Development Agreement. The entitlements permit a development proposal related to a particular parcel to proceed through design review permitting processes and final mapping and building permit, provided the development application is in accord with the entitlements.

Development in the District

The Developer acquired the property in the District in 1992 as undeveloped land. The vesting tentative map for the project (initially approved in 1998 and modified in 2003) allows development of 883 single-family lots. Development has proceeded in three phases. Phase I (260 homes) was substantially completed in 2004. Completion of Phase II (280 homes), slowed by the economic downturn, occurred in 2013. For Phase III (343 lots), the Developer has improved and has applied for building permits for 53 lots (Unit 9) and expects to obtain a final map for 59 lots (Unit 10) late in 2014 or early in 2015. For Phases I and II, the Developer has constructed and sold the homes to individual homeowners and intends to do the same for Phase III. The Developer expects construction of homes to continue over several years, with development occurring according to market demands.

As of May 2014, the approximate development status of the property in the District was as follows:

Finished Homes – sold	556
Homes Under Construction	25
Finished Lots	53
Unimproved lots	249
TOTAL	883

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services, and Seecon Financial/Construction Inc.

Lot sizes within the Newport Estates development range from 5,000 to 6,000 square feet. The floor plans for houses in Phase III range from 1,867 to 3,264 square feet with expected prices from approximately $405,000 to $487,000.

Infrastructure Development

The District was formed to finance a portion of the public infrastructure necessary for development. The improvements consist of both "in-tract roadway, water, wastewater, and drainage improvements and portions of facilities providing regional benefits, primarily oversizing of water lines and providing land needed for two park sits and detention basin, drainage and sewer improvements (the "Improvements"). The Developer has received reimbursement of approximately $3. 5 million from the City from impact fee credits for the regional component of the Improvements. Bond proceeds were also used to pay certain of the Developer's traffic impact fees.

The Developer has supervised construction of the completed improvements and expects to supervise the construction of the remaining improvements. As of May 2014, the public infrastructure necessary for Phase I and Phase II has been completed at an approximate cost of $20.6 million. The public infrastructure remaining to be constructed is estimated to cost $6.25 million. The Developer and the City entered into an Acquisition and Shortfall Agreement, pursuant to which the Developer agreed to fund the shortfall between the cost of the public infrastructure and the amount of available Bond proceeds. The Developer has funded and will fund the shortfall from its available cash, proceeds of home sales, and bank lines of credit.

OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICT

The Developer has provided the information set forth under the heading "Ownership of Property" below. No assurance can be given that all information is complete. No assurance can be given that development of the property will be completed, or that it will be completed in a timely manner. The Special Taxes are not personal obligations of the Developer or of any subsequent landowners; the Series 2014 Bonds are secured only by the Special Taxes and moneys available under the Fiscal Agent Agreement. See "SECURITY FOR THE BONDS" and "SPECIAL RISK FACTORS" herein.

Ownership of Property

All of the land within the District, other than the 556 homes sold to homeowners, is owned by Seecon Financial and Construction Company, Inc. The Developer is an affiliate of Albert D. Seeno Construction Co., which has been constructing homes in the Northern California and Nevada areas since its formation in 1938. Since its inception over 70 years ago, the Seeno organization, including its affiliate Discovery Builders, which was formed in 1999, has constructed and sold over 30,000 homes and has developed apartments, office buildings, and shopping centers, which it owns and operates, in Northern California and Nevada. The Developer has previously constructed and sold homes in the Southport area of the City and is currently active in home construction in several locations in Northern California and Nevada.

The Developer's address is Seecon Financial and Construction Company, Inc., 4021 Port Chicago Highway, Concord, California 94524: (925) 671-7711. For further information on Seeno Homes and Discovery Builders, see their Internet homepage located at *www.seenohomes.com* and *www.discoverybuilders.com*. The website addresses are given for reference and convenience only. The information on the websites may be incomplete or inaccurate and has not been reviewed by the City or the Underwriter. Nothing on the websites is a part of this Official Statement or incorporated into this Official Statement by reference.

There is a total of 583 parcels in the District. For the 2013-14 Special Tax levy, 581 parcels were levied; two large parcels, which have not yet been subdivided into single-family parcels, were not taxed. As of May 2014, the District included 516 completed homes (as indicated by having improvement assessed value on the 2013-14 tax roll), 40 single-family home lots that have received a building permit and have sold and closed after the roll was prepared, 25 single-family home lots that have received a building permit, 53 undeveloped single family home lots on a final subdivision map (12 of which have been issued a building permit), and two large parcels with vesting tentative maps providing for 249 single-family lots. A final map creating 59 residential lots within one of the tentative mapped parcels is expected to be submitted for approval by the City later this year or early next year. (These 59 lots are referred to as Newport Estates Unit 10. See "THE SERIES 2014 BONDS–Acquisition Escrow Fund" above.)

Assessed Property Values

No Appraisal of Property in the District. The City has not commissioned an appraisal of the Taxable Parcels in connection with the issuance of the Series 2014 Bonds. The valuation of Taxable Parcels used for the purposes of the Act and the Indenture, and as set forth in this Official Statement, is the County Assessor's value on the local secured assessment roll of land and improvements.

Assessed Valuation. The County Assessor reports assessed valuations at 100% of the full value of the property, as defined in Article XIIIA of the California Constitution. Article XIIIA of the California Constitution defines "full cash value" as the county assessor's valuation of the property as of March 1, 1975, and thereafter the appraised value of real property when purchased, newly constructed, or a change of ownership has occurred. Assessed value is also adjusted by not to exceed 2% per year to reflect inflation.

Accordingly, the assessed valuation presented in this Official Statement may not be representative of the market value of certain property. No assurance can be given that, if a delinquent parcel were offered for sale at a judicial foreclosure sale, any bid received for the property would be sufficient to pay such parcel's delinquent Special Taxes. See "THE DISTRICT – Development in the District," "SPECIAL RISK FACTORS—Property Value" and "—Insufficiency of the Special Tax."

Under California law, an owner of property may apply for a reduction in the assessed value of the property if the market value of the property has declined, including because of current market conditions (such as general declines in residential home prices), below its current assessed value. These market-driven appeals are known as Proposition 8 appeals.

Any reduction in the assessment ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than two percent) following the year for which the reduction application is filed. However, the County Assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

The Fiscal Year 2013-2014 total assessed value (land and improvements) of the 583 Taxable Parcels in the District on the local secured assessment roll was $147,887,547. The following table shows the County assessed valuation for taxable property in the District for the past five years.

Table 1
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Historical Assessed Valuation
Fiscal Year 2009-10 Through 2013-14

Fiscal Year	Assessed Land Value	Assessed Structure Value	Total Assessed Value	Annual % Change
2009-10	$33,098,557	$ 90,595,082	$123,693,639	N/A
2010-11	36,200,235	90,925,938	127,126,173	2.78%
2011-12	35,669,153	93,477,012	129,146,165	1.59%
2012-13	33,453,892	100,264,647	133,718,539	3.54%
2013-14	34,896,463	112,991,084	147,887,547	10.60%

Source: Yolo County Secured Roll, as compiled by Willdan Financial Services.

Special Tax Levy by Development Status and Ownership

Fiscal Year 2013-14. The following tables show the distribution by development status and ownership in fiscal year 2013-14 of assessed value, the annual Special Tax levy, and the share of the levy of each such category. They include additional detail as to the two parcels in the District shown on the roll as undeveloped (part of which has been developed since the roll was prepared). The tables include 67 properties listed at the time of preparation of the tax roll as having no valuation for structural improvements, however the City has identified certain parcels that have either received a final building permit (indicating a completed home) or building permit, as detailed below. Any structural improvements on the 65 single family lots have not been estimated or included in the valuation shown in the tables, notwithstanding that 45 of the 65 lots now have completed homes.

The debt burden shown in the following tables includes the Series 2012 Bonds and the Series 2014 Bonds but does not include the other overlapping tax and assessment debt, as reflected in the overlapping debt table shown under the caption "Direct and Overlapping Debt" below.

Table 2
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
FY 2013-14 Assessed Values, Special Taxes, and CFD Debt Burden By Development Status

Development[1]	Number of Parcels	Number of Lots/ Units	CFD 14 2013-14 Assessed Values Land	Structure	Total	2013-14 Maximum Special Tax	2013-14 Special Tax	Percent of Special Tax	Series 2012 Debt Burden[2]	Series 2014 Debt Burden[2]	Total CFD Debt Burden[2]
Developed											
Individual Property Owners	502	502	$29,764,336	$109,805,396	$139,569,732	$687,588	$549,921	86.40%	$3,196,902	$5,892,668	$9,089,570
Seecon Financial/Const Co Inc	3	3	62,145	731,340	793,485	4,109	3,286	0.52	19,105	35,215	54,320
Louie Travell D Irrev Trust	3	3	230,000	735,000	965,000	4,109	3,286	0.52	19,105	35,215	54,320
Matocq Family Trust	2	2	107,286	454,606	561,892	2,739	2,191	0.34	12,737	23,477	36,213
Tao Shumei	2	2	105,000	480,000	585,000	2,739	2,191	0.34	12,737	23,477	36,213
Henry Richard C & Tamara L	2	2	147,828	397,462	545,290	2,739	2,191	0.34	12,737	23,477	36,213
Kanoo 2011 Family Trust	2	2	111,100	387,280	498,380	2,739	2,191	0.34	12,737	23,477	36,213
Developed-Final Subdivision Map[3]											
Seecon Financial/Const Co Inc	55	55	1,230,518	0	1,230,518	75,333	60,250	9.47	350,258	645,611	995,869
Individual Property Owners	10	10	231,343	0	231,343	13,697	10,955	1.72	63,683	117,384	181,067
Undeveloped - Vesting Tentative Map											
Seecon Financial/Const Co Inc[4]	2	302	2,906,907	0	2,906,907	413,648	0	0.00	0	0	0
Grand Total:	**583**	**883**	**$34,896,463**	**$112,991,084**	**$147,887,547**	**$1,209,442**	**$636,462**	**100.00%**	**$3,700,000**	**$6,820,000**	**$10,520,000**

(1) In accordance with the Special Tax Rate and Method of Apportionment, "Developed Property" is defined as parcels that are included in a Final Subdivision Map as of the June 30th preceding the fiscal year in which the special tax is being levied. For purposes of this table, "Developed Property" is summarized parcels with or without Structural Value based on the 2013/2014 Secured Roll.

(2) Debt burden allocated based on percentage for the FY 2013/14 Special Tax Levy. Debt burden reflects CFD 14 Series 2012 and Series 2014 parity bonds; does NOT include overlapping debt

(3) Of the 65 parcels, 40 building permits were issued and houses were built and sold at an average price of $418,679. The remaining 25 parcels have not received building permits. FY 2013/14 Secured Roll does not reflect the sale price of the 40 homes that have sold and closed. Source: Seecon Financial/Construction Inc.

(4) The two parcels in this category, "Undeveloped - Vesting Tentative Map," comprise 302 lots/units. A final map creating 53 residential lots within one of the parcels was approved and recorded on September 10, 2013. The remaining 249 lots have not subdivided. Per the Special Tax Rate and Method of Apportionment, final subdivision map parcels are considered "Developed." The 53 lots/units were not charged for the FY 2013/14 Special Tax Levy.

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services.

Table 3
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Summary of FY 2013-14 Assessed Values, Special Taxes, and CFD Debt Burden by Development Status, including Value-to-CFD Debt Burden Ratio

Development Status[1]	Number of Parcels	Number of Lots/ Units	CFD 14 2013-14 Assessed Values Land	Structure	Total	2013-14 Maximum Special Tax	2013-14 Special Tax	Percent of Special Tax	Series 2012 Debt Burden[2]	Series 2014 Debt Burden[2]	Total CFD Debt Burden[2]	Value to CFD Debt Burden[2]
Developed – Structure Value	516	516	$30,527,695	$112,991,084	$143,518,779	$706,764	$565,257	88.81%	$3,286,059	$6,057,005	$9,343,064	15.36
Developed-Final Subd. Map[3]	65	65	1,461,861	0	1,461,861	89,030	71,205	11.19%	413,941	762,995	1,176,936	1.24
Undeveloped - Vesting Tentative Map[4]	2	302	2,906,907	0	2,906,907	413,648	0	0.00%	0	0	0	N/A
Grand Total:	**583**	**883**	**$34,896,463**	**$112,991,084**	**$147,887,547**	**$1,209,442**	**$636,462**	**100.00%**	**$3,700,000**	**$6,820,000**	**$10,520,000**	**14.06**

(1) In accordance with the Special Tax Rate and Method of Apportionment, "Developed Property" is defined as parcels that are included in a Final Subdivision Map as of the June 30th preceding the fiscal year in which the special tax is being levied. For purposes of this table, "Developed Property" is summarized parcels with or without Structural Value based on the 2013/2014 Secured Roll.

(2) Debt burden allocated based on percentage for the FY 2013/14 Special Tax Levy. Debt burden reflects CFD 14, Series 2012 and Series 2014 parity bonds; does NOT include overlapping debt

(3) Of the 65 parcels, 40 building permits were issued and houses were built and sold at an average price of $418,679. The remaining 25 parcels have not received building permits. FY 2013/14 Secured Roll does not reflect the sale price of the 40 homes that have sold and closed. Source: Seecon Financial/Construction Inc.

(4) The two parcels in this category, "Undeveloped - Vesting Tentative Map," comprise 302 planned lots/units. A final map creating 53 residential lots within one of these parcels was approved and recorded on September 10, 2013. The remaining 249 lots have not subdivided. Per the Special Tax Rate and Method of Apportionment, final subdivision map parcels are considered "Developed." The 53 lots/units were not charged for the FY 2013/14 Special Tax Levy.

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services.

General Information Regarding Value-to-CFD Debt Burden Ratios. The ratio between the assessed value of parcels and the share of such parcels of the principal amount of the outstanding Bonds (referred to in the table above as "Value-to-CFD Debt Burden") will vary over the life of the Bonds as a result of changes in the value of the property.

In comparing the aggregate assessed value of the real property within the District and the principal amount of the outstanding Bonds, it should be noted that an individual parcel may only be foreclosed upon to pay delinquent installments of the Special Tax attributable to that parcel. The principal amount of the Bonds is not allocated pro-rata among the parcels within the District; rather, the total Special Taxes have been allocated among the parcels within the District according to the Special Tax Formula.

Economic and other factors beyond the property owners' control, such as economic recession, deflation of land values, financial difficulty or bankruptcy by one or more property owners, or the complete or partial destruction of Taxable Parcels caused by, among other possibilities, earthquake, flood, fire or other natural disaster, could cause a reduction in the assessed value within the District. See "SPECIAL RISK FACTORS — Property Value" and "—Bankruptcy Delays."

Fiscal Year 2013-14 Aggregate Value-to-Lien Ratios.

Value-to CFD Debt Ratio**.** The aggregate value-to-CFD debt ratio for Taxable Parcels in the District, based on fiscal year 2013-14 assessed values ($147,887,547) and the principal amount of the Series 2012 Bonds ($3,700,000) plus the principal amount of the Series 2014 Bonds ($6,820,000) is 14.06.

Value-to-Lien Ratio including Overlapping Debt. Land within the District is also subject to liens securing other debt of other local agencies. As detailed shown in the table below under the caption "Overlapping Debt," overlapping tax and assessment debt (debt other than bonds issued for the District), totals $2,288,323. The aggregate value-to-direct-and-overlapping-debt ratio for Taxable Parcels in the District, based on fiscal year 2013-14 assessed values ($147,887,547) and the principal amount of the Series 2012 Bonds ($3,700,000), plus the principal amount of the Series 2014 Bonds ($6,820,000), plus overlapping tax and assessment debt ($2,288,323) is 11.55.

Projected Fiscal Year 2014-15. The following tables project for fiscal year 2014-15 the distribution of the Maximum Special Tax, the annual Special Tax levy, and the debt burden by development status and ownership. As described in the footnotes to the tables below, 53 parcels will be added as Developed Parcels to the roll for fiscal year 2014-15.

Table 4
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Projected FY 2014-15 Special Taxes and CFD Debt Burden by Development Status

Development[1]	Number of Parcels	Number of Lots/Units	2014-15 Maximum Special Tax	2014-15 Projected Special Tax[2]	Percent of Special Tax	Series 2012 Debt Burden[3]	Series 2014 Debt Burden[3]	Total CFD Debt Burden[3]
Developed								
Individual Property Owners	502	502	$701,344	$559,838	79.18%	$2,929,653	$5,400,063	$8,329,716
Seecon Financial/Const Co Inc	3	3	4,191	3,346	0.47%	17,508	32,271	49,779
Louie Travell D Irrev Trust	3	3	4,191	3,346	0.47%	17,508	32,271	49,779
Matocq Family Trust	2	2	2,794	2,230	0.32%	11,672	21,514	33,186
Tao Shumei	2	2	2,794	2,230	0.32%	11,672	21,514	33,186
Henry Richard C & Tamara L	2	2	2,794	2,230	0.32%	11,672	21,514	33,186
Kanoo 2011 Family Trust	2	2	2,794	2,230	0.32%	11,672	21,514	33,186
Developed-Final Subdivision Map								
Seecon Financial/Const Co Inc[4]	108	108	150,887	120,443	17.03%	630,284	1,161,767	1,792,050
Individual Property Owners	10	10	13,971	11,152	1.58%	58,360	107,571	165,931
Undeveloped - Vesting Tentative Map								
Seecon Financial/Const Co Inc[5]	2	249	347,878	0	0.00%	0	0	0
Grand Total:	**636**	**883**	**$1,233,639**	**$707,046**	**100.00%**	**$3,700,000**	**$6,820,000**	**$10,520,000**

(1) In accordance with the Special Tax Rate and Method of Apportionment, "Developed Property" is defined as parcels that are included in a Final Subdivision Map as of the June 30th preceding the fiscal year in which the special tax is being levied. For purposes of this table, "Developed Property" is summarized parcels with or without Structural Value based on the 2013/2014 Secured Roll.

(2) The 2014/15 Projected Special Tax Levy does not include debt service on the 2024 Term Series 2014 Bonds, as this is being funded by capitalized interest.

(3) Debt burden allocated based on percentage for the estimated FY 2014/15 Special Tax Levy. Debt burden reflects CFD 14 Series 2012 and Series 2014 parity bonds; does NOT include overlapping debt.

(4) This line item includes the 55 lots/units owned by Seecon that were charged in the FY 2013/14 Special Tax Levy plus an additional 53 lots/units, the final subdivision map for which was recorded on September 10, 2013. For the 2014/15 Projected Special Tax Levy, these 53 lots/units will be charged as "Developed" in accordance with the Special Tax Rate and Method of Apportionment. Source: Seecon Financial/Construction Inc.

(5) A final map creating 53 residential lots out of portion of one of these two parcels was approved and recorded on September 10, 2013. Those 53 parcels have been moved into the "Developed-Final Subdivision Map" category in the table above. See footnote 4. The two parcels in the category contain the remaining 249 lots/units not yet subdivided. These parcels are categorized as "Undeveloped-Vesting Tentative Map" in accordance with the Special Tax Rate and Method of Apportionment. For the FY 2014/2015 Projected Special Tax Levy these parcels will not levied.

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services.

Table 5
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Summary of Projected FY 2014-15 Special Taxes and CFD Debt Burden by Development Status

Development[1]	Number of Parcels	Number of Lots/ Units	2014-15 Maximum Special Tax	2014-15 Projected Special Tax[2]	Percent of Special Tax	Series 2012 Debt Burden[3]	Series 2014 Debt Burden[3]	Total CFD Debt Burden[3]
Developed – Structure value	516	516	$720,904	$575,451	81.39%	$3,011,356	$5,550,662	$8,562,019
Developed-Final Subdivision Map[4]	118	118	164,858	131,595	18.61%	688,644	1,269,338	1,957,981
Undeveloped - Vesting Tentative Map[5]	2	249	347,878	0	0.00%	0	0	0
Grand Total:	**636**	**883**	**$1,233,639**	**$707,046**	**100.00%**	**$3,700,000**	**$6,820,000**	**$10,520,000**

(1) In accordance with the Special Tax Rate and Method of Apportionment, "Developed Property" is defined as parcels that are included in a Final Subdivision Map as of June 30th preceding the fiscal year in which the special tax is being levied. For purposes of this table, "Developed Property" is summarized parcels with or without Structural Value based on the 2013/2014 Secured Roll.

(2) The 2014/15 Projected Special Tax Levy does not include debt service on the 2024 Term Series 2014 Bonds, as this is being funded by capitalized interest.

(3) Debt burden based on each property's percentage for the estimated FY 2014/15 Special Tax Levy and will change as development occurs. Debt burden reflects CFD 14, Series 2012 and 2014 parity bonds; does NOT include overlapping debt.

(4) This category includes the 65 lots/units that were charged in the FY 2013/14 Special Tax Levy plus an additional 53 lots, the final subdivision map for which was recorded on September 10, 2013. These 53 lots/units were not charged for the FY 2013/14 Special Tax Levy. For the 2014/15 Projected Special Tax Levy, these 53 lots/units will be charged as "Developed" in accordance with the Special Tax Rate and Method of Apportionment. Source: Seecon Financial/Construction Inc.

(5) The two parcels in the category "Undeveloped - Vesting Tentative Map" comprise of 302 planned lots/units. A final map creating 53 residential lots was approved and recorded on September 10, 2013. Per the Rate & Method, final subdivision map parcels are considered "Developed" and the special tax shown in the table represent the special tax for those 53 lots/units based on FY 2014/15 projected special tax and moved to the "Developed - Final Subdivision Map" category. The remaining 249 planned lots/units have not been subdivided.

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services.

Debt Service Coverage

The 2014-2015 Maximum Special Tax on Developed Parcels is $885,762, which would increase to $968,187 upon the addition of the Unit 10 parcels to the tax roll. The intent of the City is to maintain the tax rate levied on Developed Parcels at approximately 80% or less of the Maximum Special Tax rate, which would yield $708,609 from the Developed Parcels currently on the tax roll and $774,549 if the Unit 10 parcels are added. Maximum Annual Debt Service on the Bonds, excluding the 2024 Term Series 2014 Bonds, is $694,363 and is $761,288 on all of the Bonds. (If other properties in the District in addition to the Unit 10 parcels become Developed Parcels, the Maximum Special Tax amount that the City is authorized to levy would increase, while the amount of Special Tax levied per parcel would decline.)

Because the Special Tax levied in any fiscal year against any parcel used for private residential purposes may not be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the District by more than 10%, the effective debt service coverage ratio for Developed Property is 110%. If needed, Undeveloped Property can be levied; however, Undeveloped Property is not expected to be levied for fiscal year 2014-15.

The following table shows the distribution of the value-to-Bond lien among Taxable Parcels based on fiscal year 2013-14 assessed values.

Table 6
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Summary of Values and Value to CFD No. 14 Bond Lien Ratio
(Does not include Overlapping Debt)
Fiscal Year 2013-14

			Fiscal Year 2013/14								
Value to Debt	**Number of Parcels**	**Number of Lots/ Units**	**Assessed Land Value**	**Assessed Structure Value**	**Total Assessed Value**	**Maximum Special Tax**	**Special Tax Levy**	**Percent of Special Tax**	**Series 2012 Debt Burden[(1)]**	**Series 2014 Debt Burden[(1)]**	**Total CFD Debt Burden[(1)]**
Less than 2:1[(2)]	65	65	$1,461,861	$0	$1,461,861	$89,030	$71,205	11.19%	$413,941	$762,995	$1,176,936
3:1 to 4.99:1	8	8	170,894	445,000	615,894	10,958	8,764	1.38	50,947	93,907	144,854
5:1 to 9.99:1	10	10	208,091	1,130,800	1,338,891	13,697	10,955	1.72	63,683	117,384	181,067
10:1 to 14:99	98	98	5,921,712	17,091,322	23,013,034	134,230	107,355	16.87	624,096	1,150,361	1,774,458
15:1 to 19:99	398	398	24,093,072	93,693,855	117,786,927	545,139	435,993	68.50	2,534,596	4,671,876	7,206,472
20:1 to 29:99	2	2	133,926	630,107	764,033	2,739	2,191	0.34	12,737	23,477	36,213
N/A[(3)]	2	302	2,906,907	0	2,906,907	413,648	0	0.00	0	0	0
Total	**583**	**883**	**$34,896,463**	**$112,991,084**	**$147,887,547**	**$1,209,442**	**$636,462**	**100.00%**	**$3,700,000**	**$6,820,000**	**$10,520,000**

(1) Debt burden allocated based on percentage for the FY 2013/14 Special Tax Levy. Debt burden reflects CFD 14 Series 2012 and Series 2014 parity bonds; does NOT include overlapping debt.

(2) Of the 65 parcels, 40 building permits were issued and houses were built and sold at an average price of $418,679. The remaining 25 parcels have not received building permits. The FY 2013/14 Secured Roll does not reflect the sale price of the 40 homes that have sold and closed. Source: Seecon Financial/Construction Inc.

(3) The two parcels in this category under the "Undeveloped - Vesting Tentative Map" are comprised of 302 lots/units. A final map creating 53 residential lots was approved and recorded on September 10, 2013. The remaining 249 lots have not subdivided. Per the Special Tax Rate and Method of Apportionment, final subdivision map parcels are considered "Developed." The 53 lots/units were not charged for the FY 2013/14 Special Tax Levy.

Source: Yolo County 2013-14 Secured Roll, as compiled by Willdan Financial Services.

Delinquencies in the District

The following table summarizes the delinquency status of property in the District for the past five years.

Table 7
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
DELINQUENCY SUMMARY[1]

			As of June 30 of Fiscal Year			As of May 2014		
Fiscal Year	Number of Parcels	Annual Special Tax	Amount Delinquent	Number of Parcels Delinquent	Percent Delinquent	Remaining Amount Delinquent	Number of Parcels Delinquent	Percent Delinquent
2009-10	541	$635,405.00	$16,443.00	18	2.59%	$0.00	0	N/A
2010-11	541	635,707.00	14,100.72	18	2.22	0.00	0	N/A
2011-12	541	641,950.60	12,459.30	16	1.94	0.00	0	N/A
2012-13	541	643,573.60	10,706.40	13	1.66	1,784.40	2	0.28%
2013-14	581	636,462.26	9,859.14	15	1.55	9,859.14	15	1.55%

(1) There are no delinquencies prior to FY 2012-13
Source: Yolo County, as compiled by Willdan Financial Services.

Overlapping Debt

Contained within the boundaries of the District are certain overlapping local agencies providing public services and assessing property taxes, assessments, special taxes and other charges on the property in the District. Many of these local agencies have outstanding debt.

Debt service on the Series 2014 Bonds is payable from the Special Taxes, and payment of the Special Taxes is secured by a lien on real property within the District. Such lien is co-equal to and independent of the lien for general taxes and any other liens imposed under the Act, regardless of when they are imposed on the property in the District. The imposition of additional special taxes, special assessments, and property taxes will increase the amount of parity and co-equal liens that must be satisfied in foreclosure.

Private liens, such as deeds of trust securing loans, may be placed upon property in the District at any time. Under California law, the Special Taxes have priority over all existing and future private liens imposed on property subject to the lien of the Special Taxes.

The current and estimated overlapping debt obligations affecting the property in the District are shown in the following table. The table was prepared by California Municipal Statistics, Inc., and is included for general information purposes only. The City has not reviewed this report for completeness or accuracy and makes no representation in connection therewith.

The first column in the table names each public agency which has outstanding bonded debt as of the date of the report and whose territory overlaps the District in whole or in part. The second column shows the assessed value of the area common to the District and the other public agency (overlapping territory), as a percentage of the total assessed value of the other public agency. This percentage, multiplied by the total outstanding bonded debt of each overlapping agency (which is not shown in the table) produces the amount shown in the third column, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

Table 8
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
OVERLAPPING DEBT
As of June 1, 2014

2013-14 Local Secured Assessed Valuation: $147,887,547

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 6/1/14	
Los Rios Community College District General Obligation Bonds	0.100%	$ 370,901	
Washington Unified School District General Obligation Bonds	2.774	1,605,821	
City of West Sacramento Community Facilities District No. 14	**100.000**	**7,695,000**	(1)
West Sacramento Area Flood Control Agency Assessment Revenue Bonds	1.408	311,601	
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$9,983,323	
OVERLAPPING GENERAL FUND DEBT:			
Yolo County Certificates of Participation	0.714%	$184,526	
Yolo County Board of Education Certificates of Participation	0.714	49,267	
Los Rios Community College Certificates of Participation	0.100	5,680	
Washington Unified School District Certificates of Participation	2.774	1,810,606	
City of West Sacramento General Fund Obligations	2.771	672,741	
City of West Sacramento Pension Obligation Bonds	2.771	257,808	
TOTAL OVERLAPPING GENERAL FUND DEBT		$2,980,628	
COMBINED TOTAL DEBT		$12,963.951	(2)

(1) Excludes refunding Mello-Roos Act bonds to be sold.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2013-14 Assessed Valuation:
Direct Debt ($7,695,000) 5.20%
Total Direct and Overlapping Tax and Assessment Debt 6.75%
Combined Total Debt 8.77%

Source: California Municipal Statistics, Inc.

Tax Burden

The following table shows the tax rates for a randomly chosen representative parcel in the District as described in the caption.

Table 9
CITY OF WEST SACRAMENTO
COMMUNITY FACILITIES DISTRICT NO. 14
Actual Tax Bill of Single Family Property[(1)]
2013-14 Tax Bill and Assessed Value

Assessed Value		$ 55,000.00
Assessed Structure Value		235,000.00
Total Assessed Value		290,000.00
Assessment	**Rate**	**Amount**
Local Agencies	1.0000%	$2,900.00
Washington JUSD 1999 BD	0.0165	47.86
Los Rios CCD 2002 BD	0.0181	52.50
Washington JUSD 2004 BD	0.0530	153.70
N Delta Water		8.00
W. Sac Flood Control (JPA)		131.38
W. Sac L & L B		311.00
Reclam Dist #900		17.78
West Sac CFD 14		1,095.46
Total Tax Bill		$4,717.68
Percent of Assessed Value		1.63%

(1) This tax information is based on an actual tax bill from a single-family residence in the CFD. Actual tax bills will vary. This table is meant to be illustrative; tax bills and their percent of assessed value will vary throughout the District.
Source: Willdan Financial Services.

SPECIAL RISK FACTORS

The following is a description of certain risk factors affecting the District, the property owners in the District, the parcels subject to the levy of the Special Tax and the payment of and security for the Series 2014 Bonds. The following discussion of risks is not meant to be a complete list of the risks associated with the purchase of the Series 2014 Bonds and does not necessarily reflect the relative importance of the various risks. Potential investors are advised to consider the following factors along with all other information in this Official Statement in evaluating the investment quality of the Series 2014 Bonds. There can be no assurance that other risk factors will not become material in the future.

Payment of the Special Tax is not a Personal Obligation

The owners of the parcels in the District are not personally obligated to pay the Special Tax. Rather, the Special Tax is an obligation that is secured only by a lien against the parcels on which it is levied. If the value of a Taxable Parcels is not sufficient to fully secure the payment of the Special Tax, the City has no recourse against the landowner.

No General Obligation of the City

The City's obligations under the Series 2014 Bonds and under the Indenture are limited obligations of the City payable solely from and secured solely by the Special Tax Revenues and amounts in the Special Tax Fund, the Redemption Account, and the Bond Reserve Account. Neither the faith and credit nor the general taxing power of the City or the State of California or of any of their respective political subdivisions is pledged to the payment of the Series 2014 Bonds.

Property Value

If a landowner defaults in the payment of the Special Tax, the only legal remedy is the institution of a superior court action to foreclose on the delinquent Taxable Parcel in an attempt to obtain funds with which to pay the Special Tax. The value of the Taxable Parcels in the District could be adversely affected by economic factors beyond the City's control, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the District, the supply of or demand for competitive properties in such area, and the market value of residential property in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; and (iii) natural disasters (including, without limitation, fire, earthquakes and floods), which may result in uninsured losses. See "—Natural Disasters."

No assurances can be given that the real property subject to a judicial foreclosure sale will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. Although the Act authorizes the City to cause such an action to be commenced and diligently pursued to completion, the Act does not specify any obligation of the City with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale. The City is not obligated and does not expect to be a bidder at any such foreclosure sale. See "—Proceeds of Foreclosure Sales."

Risks of Real-Estate-Secured Investments Generally

Purchasers of the Series 2014 Bonds will be subject to the risks generally incident to an investment secured by real estate, including, without limitation, (i) adverse changes in local market conditions, such as changes in the market value of real property in the vicinity of the District, the supply of or demand for competing properties in such area, and the market value of residential property or buildings and/or sites in the event of sale or foreclosure; (ii) changes in real estate tax rates and other operating expenses, governmental rules (including, without limitation, zoning laws and laws relating to endangered species and hazardous materials) and fiscal policies; (iii) natural disasters (including, without limitation, earthquakes, liquefaction, wildfires, and floods), which may result in uninsured losses; and (iv) in the case of undeveloped property, all of the challenges associated with the development process.

Undeveloped Property

Currently, the Special Tax is levied only on Developed Parcels. This category includes some property that does not include a completed house. If delinquencies on Developed Parcels increased sufficiently, it could prove necessary to levy the Special Tax on Undeveloped Parcels. Undeveloped or partially developed land (including Developed Parcels without completed structures) is less valuable than developed land and provides less security to the owners of the Bonds should it be necessary for the City to foreclose on such property due to the nonpayment of Special Taxes. Continued development of property will require the Developer to finance additional infrastructure, pay development fees and utility connection charges, obtain building permits, and satisfy any future regulatory requirements. There can be no assurance that land development operations within the District will proceed in accordance with the Developer's current plans.

Exempt Properties

Certain properties are exempt from the Special Tax in accordance with the Special Tax Formula. In addition, the Act provides that properties or entities of the state, federal or local government are exempt from the Special Tax; provided, however, that property within the District acquired by a California public entity through a negotiated transaction, or by gift or devise, that is not otherwise exempt from the Special Tax, will continue to be subject to the Special Tax. Property owned by the federal government is not taxable by the City. It is possible that property acquired by a public entity following a tax sale or foreclosure based upon failure to pay taxes could become exempt from the Special Tax. In addition, the Act provides that, if property subject to the Special Tax is acquired by a public entity through eminent domain proceedings, the obligation to pay the Special Tax with respect to that property, for outstanding Bonds only, is to be treated as if it were a special assessment. The constitutionality and operation of these provisions of the Act have not been tested. See "SECURITY FOR THE BONDS - The Special Tax."

If for any reason property within the District becomes exempt from taxation by reason of ownership by a nontaxable entity such as the federal government or another public agency, subject to the limitation of the Maximum Special Tax, the Special Tax will be reallocated to the remaining taxable properties within the District. This would result in the owners of such property paying a greater amount of the Special Tax and could have an adverse impact upon the timely payment of the Special Tax. Moreover, if a substantial portion of land within the District becomes exempt from the Special Tax because of public ownership, or otherwise, the Maximum Special Tax that could be levied upon the remaining Taxable Parcels might not be sufficient to pay principal of and interest on the Series 2014 Bonds when due and a default would occur with respect to the payment of such principal and interest.

The Act further provides that no other properties or entities are exempt from the Special Tax unless the properties or entities are expressly exempted in a resolution of consideration to levy a new special tax or to alter the rate or method of apportionment of an existing special tax.

Parity Taxes and Special Assessments

The Special Taxes and any penalties thereon will constitute liens against the Taxable Parcels in the District until they are paid. Such lien is on a parity with all special taxes and special assessments levied by other agencies and is coequal to and independent of the lien for general property taxes regardless of when they are imposed upon the taxable parcel. The Special Taxes have priority over all existing and future private liens imposed on the property. The City, however, has no control over the ability of other entities and districts to issue indebtedness secured by special taxes or assessments levied on all or a portion of the Taxable Parcel within the District subject to the levy of Special Taxes. In addition, the landowners within the District may, without the consent or knowledge of the City, petition other public agencies to issue public indebtedness secured by special taxes or assessments, and any such special taxes or assessments may have a lien on such property on a parity with the Special Tax. The imposition of additional indebtedness could reduce the willingness and the ability of the property owners within the District to pay the Special Tax when due. See "SECURITY FOR THE BONDS – Additional Debt."

Insufficiency of the Special Tax; Depletion of the Bond Reserve Account

In order to pay debt service on the Series 2014 Bonds, it is necessary that the Special Tax levied against Taxable Parcels within the District be paid in a timely manner. The City has established the Bond Reserve Account in an amount equal to the Required Bond Reserve to pay debt service on the Bonds to the extent Special Taxes are not paid on time and other funds are not available. See "SECURITY FOR THE BONDS—Bond Reserve Account." Under the Indenture, the City has covenanted to maintain in the Bond Reserve Account an amount equal to the Required Bond Reserve; subject, however, to the limitations that the City may not levy the Special Tax in any fiscal year at a rate in excess of the Maximum Special Tax rates permitted under the Special Tax Formula and the City may not increase Special Taxes levied on residential property by more than 10% of the amount levied in the prior Fiscal Year owing to delinquencies or defaults of other property owners in the District. See "SECURITY FOR THE BONDS—The Special Tax." Consequently, if a delinquency occurs, the City may be unable to replenish the Bond Reserve Account to the Required Bond Reserve due to the limitations on the Special Tax rates. If such defaults were to continue in successive years, the Bond Reserve Account could be depleted and a default on the Series 2014 Bonds would occur if proceeds of a foreclosure sale did not yield a sufficient amount to pay the delinquent Special Taxes.

The City has made certain covenants regarding the institution of foreclosure proceedings to sell any property with delinquent Special Taxes in order to obtain funds to pay debt service on the Series 2014 Bonds. See "SECURITY FOR THE BONDS—Covenant for Foreclosure." If foreclosure proceedings were ever instituted, any mortgage or deed of trust holder could, but would not be required to, advance the amount of delinquent Special Taxes to protect its security interest.

Tax Delinquencies

Under provisions of the Act, the Special Tax, from which funds necessary for the payment of principal of, and interest on, the Series 2014 Bonds are derived, is being billed to the Taxable Parcels within the District on the regular property tax bills sent to owners of the parcels. Such Special Tax installments are due and payable, and bear the same penalties and interest for non-payment, as do regular property tax installments. Special Tax installment payments cannot be made separately from property tax payments. Therefore, the unwillingness or inability of a property owner to pay regular property tax bills as evidenced by property tax delinquencies may also indicate an unwillingness or inability to make regular property tax payments and Special Tax installment payments in the future. See "SECURITY FOR THE BONDS—Bond Reserve Account" and "-Covenant for Foreclosure" for a discussion of the provisions that apply, and procedures that the City is obligated to follow under the Indenture, in the event of delinquency in the payment of Special Tax installments. See also "OWNERSHIP AND VALUE OF PROPERTY WITHIN THE DISTRICT—Delinquencies in the District" for historical Special Tax delinquency history.

Bankruptcy Delays

The payment of the Special Tax and the ability of the City to commence a superior court action to foreclose the lien of a delinquent unpaid Special Tax, as discussed in "SECURITY FOR THE BONDS," may be limited by bankruptcy, insolvency or other laws generally affecting creditors' rights or by the laws of the State of California relating to judicial foreclosure. Any legal opinion to be delivered concurrently with the delivery of the Series 2014 Bonds (including Bond Counsel's approving legal opinion) will be qualified as to the enforceability of the various legal instruments by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights, by the application of equitable principles and by the exercise of judicial discretion in appropriate cases.

Although bankruptcy proceedings would not cause the Special Taxes to become extinguished, bankruptcy of a property owner or any other person claiming an interest in the property could result in a delay in superior court foreclosure proceedings and could result in the possibility of Special Tax installments not being paid in part or in full. In addition, the amount of any lien on property securing the payment of delinquent Special Taxes could be reduced if the value of the property were determined by the bankruptcy court to have become less that the amount of the lien, and the amount of the delinquent Special Taxes in excess of the reduced lien could then be treated as an unsecured claim by the court. Such a delay would increase the likelihood of a delay or default in payment of the principal of and interest on the Series 2014 Bonds.

Other laws generally affecting creditors' rights or relating to judicial foreclosure may affect the ability of the City to enforce payment of Special Taxes or the timing of enforcement of Special Taxes. For example, the Soldiers and Sailors Civil Relief Act of 1940 affords protections to persons in military service, such as a stay of enforcement of the foreclosure judgment, a six-month period after termination of military service to redeem property sold to enforce the collection of a tax, and a limitation on the interest rate on the delinquent tax ,if the court concludes that the ability to pay such tax is materially affected by reason of such military service.

Proceeds of Foreclosure Sales

Pursuant to Section 53356.1 of the Act, in the event of any delinquency in the payment of any Special Tax, the City may order that the Special Taxes be collected by a superior court action to foreclose the lien within specified time limits. The City has covenanted in the Indenture that it will, under certain circumstances, commence such a foreclosure action. See "SECURITY FOR THE BONDS—Covenant for Foreclosure."

No assurances can be given that a Taxable Parcel in the District that would be subject to a judicial foreclosure sale for delinquent Special Taxes will be sold or, if sold, that the proceeds of such sale will be sufficient to pay the delinquent Special Tax installment. Although the Act authorizes the City to cause such an action to be commenced and diligently pursued to completion, the Act does not specify any obligation of the City with regard to purchasing or otherwise acquiring any lot or parcel of property sold at the foreclosure sale in any such action if there is no other purchaser at such sale and the City has not in any way agreed nor does it expect to be such a bidder.

In the case of residential property of four or fewer units, a judgment debtor (i.e., the property owner) has 120 days from the date of service of the notice of levy in which to redeem the property to be sold (which time period may be shortened to 20 days for other property) and may have other redemption rights afforded by law. If a judgment debtor fails to so redeem and the property is sold, his only remedy is an action to set aside the sale. If a foreclosure sale is thereby set aside, the judgment is revived and the judgment creditor is entitled to interest on the revived judgment as if the sale had not been made.

If foreclosure proceedings were ever instituted, any holder of a mortgage or deed of trust on the affected property could, but would not be required to, advance the amount of the delinquent Special Tax installment to protect its security interest.

In the event such superior court foreclosure or foreclosures are necessary, there could be a delay in principal and interest payments to the owners of the Series 2014 Bonds pending prosecution of the foreclosure proceedings and receipt by the City of the proceeds of the foreclosure sale, if any. Judicial foreclosure actions are subject to the normal delays associated with court cases and may be further slowed by bankruptcy actions and other factors beyond the control of the City, including delay due to crowded local court calendars or legal tactics and, in any event could take several years to complete. See "—Bankruptcy Delays."

Natural Disasters

The value of the Taxable Parcels in the future can be adversely affected by a variety of natural occurrences, particularly those that may affect infrastructure and other public improvements and private improvements on the Taxable Parcels and the continued habitability and enjoyment of such private improvements. Such occurrences include, without limitation, earthquakes, liquefaction, wildfires, and floods. The area of the District is surrounded on three sides by bodies of water, but it is designated as located in Zone X, which is an area protected by levees from 100-year flood. The areas in and surrounding the District, like those in much of California, may be subject to earthquakes or other unpredictable seismic activity, however, the District is not located in a seismic special studies zone. One or more of such natural disasters could occur and could result in damage to improvements of varying seriousness. The damage may entail significant repair or replacement costs, and that repair or replacement may never occur either because of the cost, or because repair or replacement will not facilitate habitability or other use, or because other considerations preclude such repair or replacement. Under any of these circumstances, the value of the Taxable Parcels might decline significantly.

Hazardous Substances

The presence of hazardous substances on a parcel may result in a reduction in the value of a parcel. In general, the owners and operators of a parcel may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The Federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most widely applicable of these laws, but California laws with regard to hazardous substances are also stringent and similar. Under many of these laws, the owner or operator is obligated to remedy a hazardous substance condition of property whether or not the owner or operator has anything to do with creating or handling the hazardous substance.

Liabilities might also arise in the future from the existence, currently, on a parcel of a substance presently classified as hazardous but that has not been released or the release of which is not presently threatened or from the existence, currently, on a parcel of a substance not presently classified as hazardous but that may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method of handling it.

Should any of the Taxable Parcels be affected by a hazardous substance, the effect may be to reduce the marketability and value of the parcel by the costs of remedying the condition, because the purchaser, upon becoming owner, will become obligated to remedy the condition.

The City has not independently verified, but is not aware of, the presence of any hazardous substances within the District.

Endangered and Threatened Species

It is illegal to harm or disturb any plants or animals in their habitat that have been listed as endangered species by the United States Fish & Wildlife Service ("FWS") under the Federal Endangered Species Act or by the California Department of Fish & Game ("CDFG") under the California Endangered Species Act without a permit. Thus, the presence of an endangered plant or animal could delay development of undeveloped property in the District or reduce the value of undeveloped property. Failure to develop the undeveloped property in the District as planned, or substantial delays in the completion of the planned development of the property may increase the amount of Special Taxes to be paid by the owners of undeveloped property and affect the willingness and ability of the owners of property within the District to pay the Special Taxes when due.

Disclosure to Future Purchasers

The willingness or ability of an owner of a parcel to pay the Special Tax, even if the value of the property is sufficient to justify payment, may be affected by whether or not the owner was given due notice of the Special Tax authorization at the time the owner purchased the parcel, was informed of the amount of the Special Tax on the parcel should the Special Tax be levied at the Maximum Special Tax and, at the time of such a levy, has the ability to pay it as well as pay other expenses and obligations. The City has caused notices of the Special Tax to be recorded in the Office of the Recorder for the County against each parcel in the District. Although title companies normally refer to such notices in title reports, there can be no guarantee that such reference will be made or, if made, that a prospective purchaser or lender will consider such Special Tax obligation when purchasing a property within the District or lending money thereon, as applicable.

California Civil Code Section 1102.6b requires that, in the case of transfers, the seller must at least make a good faith effort to notify the prospective purchaser of the special tax lien in a format prescribed by statute. Failure by an owner of the property to comply with the above requirements, or failure by a purchaser or lessor to consider or understand the nature and existence of the Special Tax, could adversely affect the willingness and ability of the purchaser or lessor to pay the Special Tax when due.

FDIC/Federal Government Interests in Properties

The ability of the City to foreclose the lien of delinquent Special Taxes may be limited in certain respects with regard to parcels in which the Federal Deposit Insurance Corporation (the "FDIC"), or other federal government entities such as Fannie Mae or Freddie Mac, has or obtains an interest.

In the case of the FDIC, in the event that any financial institution making a loan which is secured by parcels is taken over by the FDIC and the applicable Special Tax is not paid, the remedies available to the City may be constrained. The FDIC's policy statement regarding the payment of state and local real property taxes (the "Policy Statement") provides that taxes other than *ad valorem* taxes which are secured by a valid lien in effect before the FDIC acquired an interest in a property will be paid unless the FDIC determines that abandonment of its interests is appropriate. The Policy Statement provides that the FDIC generally will not pay installments of non-*ad valorem* taxes which are levied after the time the FDIC acquires its fee interest, nor will the FDIC recognize the validity of any lien to secure payment except in certain cases where the Resolution Trust Corporation had an interest in property on or prior to December 31, 1995. Moreover, the Policy Statement provides that, with respect to parcels on which the FDIC holds a mortgage lien, the FDIC will not permit its lien to be foreclosed out by a taxing authority without its specific consent, nor will the FDIC pay or recognize liens for any penalties, fines or similar claims imposed for the non-payment of taxes.

The FDIC has taken a position similar to that expressed in the Policy Statement in legal proceedings brought against Orange County, California, in United States Bankruptcy Court and in Federal District Court. The Bankruptcy Court issued a ruling in favor of the FDIC on certain of such claims. Orange County appealed that ruling, and the FDIC cross-appealed. On August 28, 2001, the Ninth Circuit Court of Appeals issued a ruling favorable to the FDIC except with respect to the payment of pre-receivership liens based upon delinquent property tax.

The City is unable to predict what effect the application of the Policy Statement would have in the event of a delinquency with respect to parcels in which the FDIC has or obtains an interest, although prohibiting the lien of the FDIC to be foreclosed out at a judicial foreclosure sale would prevent or delay the foreclosure sale.

In the case of Fannie Mae and Freddie Mac, in the event a Taxable Parcel is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, or in the event a private deed of trust secured by a Taxable Parcel is owned by a federal government entity or federal government sponsored entity, such as Fannie Mae or Freddie Mac, the ability to foreclose on the parcel or to collect delinquent Special Taxes may be limited. Federal courts have held that, based on the supremacy clause of the United States Constitution, in the absence of Congressional intent to the contrary, a state or local agency cannot foreclose to collect delinquent taxes or assessments if foreclosure would impair the federal government interest. This means that, unless Congress has otherwise provided, if a federal government entity owns a Taxable Parcel but does not pay taxes and assessments levied on the parcel (including Special Taxes), the applicable state and local governments cannot foreclose on the parcel to collect the delinquent taxes and assessments.

Moreover, unless Congress has otherwise provided, if the federal government has a mortgage interest in the parcel and the City wishes to foreclose on the parcel as a result of delinquent Special Taxes, the property cannot be sold at a foreclosure sale unless it can be sold for an amount sufficient to pay delinquent taxes and assessments on a parity with the Special Taxes and preserve the federal government's mortgage interest.

The City's remedies may also be limited in the case of delinquent Special Taxes with respect to parcels in which other federal agencies (such as the Internal Revenue Service and the Drug Enforcement Administration) have or obtain an interest.

No investigation has been made as to whether the FDIC, Fannie Mae, Freddie Mac, or any other governmental agency currently owns or has an interest I any property in the District.

No Acceleration Provision

The Series 2014 Bonds and the Indenture do not contain a provision allowing for the acceleration of the Series 2014 Bonds in the event of a payment default or other default under the terms of the Series 2014 Bonds or the Indenture or in the event interest on the Series 2014 Bonds becomes included in gross income for federal income tax purposes.

Taxability Risk

As discussed under the caption "TAX MATTERS," interest on the Series 2014 Bonds could become includable in gross income for purposes of federal income taxation retroactive to the date the Series 2014 Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Indenture. There is no provision in the Series 2014 Bonds or the Indenture for special redemption or acceleration or for the payment of additional interest should such an event of taxability occur, and the Series

2014 Bonds will remain outstanding until maturity or until redeemed under one of the other redemption provisions contained in the Indenture.

In addition, as discussed under the caption "TAX MATTERS," various proposals have been made in Congress and by the President, including some that carry retroactive effective dates, that, if enacted, would alter or eliminate the exclusion from gross income for federal income tax purposes of interest on municipal bonds, such as the Series 2014 Bonds. Prospective purchasers of the Series 2014 Bonds should consult their own tax advisors regarding any pending or proposed federal tax legislation and the possibility of future proposals. The City can provide no assurance that federal tax law will not change while the Series 2014 Bonds are outstanding or that any such changes will not adversely affect the exclusion of interest on the Series 2014 Bonds from gross income for federal income tax purposes. If the exclusion of interest on the Series 2014 Bonds from gross income for federal income tax purposes were amended or eliminated, it is likely that the market price for the Series 2014 Bonds would be adversely impacted.

In addition, as discussed under the caption "TAX MATTERS," the IRS has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and target audits. It is possible that the Series 2014 Bonds will be selected for audit by the IRS. It is also possible that the market value of the Series 2014 Bonds might be affected as a result of such an audit of the Series 2014 Bonds (or by an audit of similar bonds).

Enforceability of Remedies

The remedies available to the Trustee and the registered owners of the Series 2014 Bonds upon a default under the Indenture or any other document described in this Official Statement are in many respects dependent upon regulatory and judicial actions that are often subject to discretion and delay. Under existing law and judicial decisions, the remedies provided for under such documents may not be readily available or may be limited. Any legal opinions to be delivered concurrently with the issuance of the Series 2014 Bonds will be qualified to the extent that the enforceability of the legal documents with respect to the Series 2014 Bonds is subject to limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally and by equitable remedies and proceedings generally.

Judicial remedies, such as foreclosure and enforcement of covenants, are subject to exercise of judicial discretion. A California court may not strictly apply certain remedies or enforce certain covenants if it concludes that application or enforcement would be unreasonable under the circumstances and it may delay the application of such remedies and enforcement.

Secondary Market

No representation is made whether any secondary market for the Series 2014 Bonds exists or, if a secondary market exists, that any Series 2014 Bonds can be sold for a particular price. Prices of bond issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price. Investors should understand the long-term and economic aspects of an investment in the Series 2014 Bonds and should assume that they will have to bear the economic risks of their investment to maturity. An investment in the Series 2014 Bonds may be unsuitable for any investor not able to hold the Series 2014 Bonds to maturity.

Proceedings to Reduce or Terminate the Special Tax

Pursuant to the Act, proceedings could be initiated to reduce or terminate the levy of the Special Tax. However, the Act prohibits the City Council from adopting resolutions to reduce the rate of the Special Tax or terminate the levy of the Special Tax unless the City Council determines that the reduction or termination of the Special Tax "would not interfere with the timely retirement" of any outstanding indebtedness secured by the Special Tax.

Section 3 of Article XIIIC of the California Constitution, which was added by Proposition 218 in 1996, provides, in part, that, "…the initiative power shall not be prohibited or otherwise limited in matters of reducing or repealing any local tax, assessment, fee or charge." Government Code Section 5854, adopted thereafter, states that:

> Section 3 of Article XIIIC of the California Constitution, as adopted at the November 5, 1996, general election, shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after that date, assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights protected by Section 10 of Article I of the United States Constitution.

Accordingly, although the matter is not free from doubt, it is likely that Article XIIIC has not conferred on the voters the power to repeal or reduce the Special Taxes, if such reduction would materially interfere with the payment of debt service on the Series 2014 Bonds.

It may be possible, however, for voters or the District or the City Council to reduce the Special Taxes in a manner that does not interfere with the timely retirement of the Series 2014 Bonds, but which does reduce the maximum amount of Special Taxes that may be levied in any year below the existing levels. Furthermore, no assurance can be given with respect to the future levy of the Special Taxes in amounts greater than the amount necessary for the timely retirement of the Series 2014 Bonds. Therefore, no assurance can be given with respect to the levy of Special Taxes for administrative expenses of the District. Nevertheless, the City has covenanted that it will annually levy the Special Tax in an amount that will be sufficient, after making reasonable allowances for contingencies, errors in the levy, and anticipated delinquencies, to pay debt service on the Bonds, to pay all expenses of administering the District, to cure delinquencies in the payment of debt service on the Bonds, and to replenish the Bond Reserve Account to the Required Bond Reserve. However, no assurance can be given as to the enforceability of the foregoing covenant.

The interpretation and application of Article XIIIC will ultimately be determined by the courts with respect to a number of the matters discussed above, and it is not possible at this time to predict with certainty the outcome of such determination or the timeliness of any remedy afforded by the courts. See "—Enforceability of Remedies."

Ballot Initiatives

Article XIIIC of the California Constitution was adopted pursuant to a measure qualified for the ballot pursuant to California's constitutional initiative process, and the State Legislature has in the past enacted legislation that has altered the spending limitations or established minimum funding provisions for particular activities. From time to time, other initiative measures could be adopted by California voters or legislation enacted by the legislature. The adoption of any such initiative or legislation might place limitations on the ability of the State, the City, the County, or local districts to increase revenues or to increase appropriations.

TAX MATTERS

In the opinion of Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, Sacramento, California, Bond Counsel, based upon the analysis of existing statutes, regulations, ruling and court decisions, and assuming, among other things, the accuracy of certain representations and compliance with certain covenants, the interest on the Series 2014 Bonds is excludable from gross income for federal income tax purposes and is exempt from State of California personal income taxes. Bond Counsel is also of the opinion that interest on the Series 2014 Bonds is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account when determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. A complete copy of the proposed form of Opinion of Bond Counsel is set forth in Appendix D.

The Internal Revenue Code of 1986, as amended, (the "Code") imposes various restrictions, conditions, and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Series 2014 Bonds. The City has covenanted to comply with certain restrictions designed to assure that interest on the Series 2014 Bonds will not be included in federal gross income. Failure to comply with these covenants may result in interest on the Series 2014 Bonds being included in federal gross income, possibly from the date of issuance of the Series 2014 Bonds. The opinion of Bond Counsel assumes compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after that date of issuance of the Series 2014 Bonds may adversely affect the tax status of interest on the Series 2014 Bonds. Prospective Bondholders are urged to consult their own tax advisors with respect to proposals to restructure the federal income tax.

Although Bond Counsel expects to render an opinion that interest on the Series 2014 Bonds is excludable from gross income for federal income tax purposes and exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of interest on, the Series 2014 Bonds may otherwise affect a Beneficial Owner's federal or state tax liability. The nature and extent of these other tax consequences will depend upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

In addition, no assurance can be given that any future legislation, including amendments to the Code, if enacted into law, or changes in interpretation of the Code, will not cause interest on the Series 2014 Bonds to be subject, directly or indirectly, to federal and/or state income taxation, or otherwise prevent beneficial owners of the Series 2014 Bonds from realizing the full current benefit of the tax status of such interest. Various proposal have been made in Congress and by the President that, if enacted, could result in additional federal income or state tax being imposed on owners of tax-exempt state or local obligations, such as the Series 2014 Bonds. Prospective purchasers of the Series 2014 Bonds should consult their own tax advisers regarding any pending or proposed federal and/or state tax legislation and the possibility of future proposals. Further, no assurance can be given that the introduction or enactment of any such future legislation, or any action of the Internal Revenue Service ("IRS"), including but not limited to regulation, ruling, or selection of the Series 2014 Bonds for audit examination, or the course or result of any IRS examination of the Series 2014 Bonds, or obligations that present similar tax issues, will not affect the market price or liquidity of the Series 2014 Bonds.

The IRS has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and target audits. It is possible that the Series 2014 Bonds will be selected for audit by the IRS. It is also possible that the market value of the Series 2014 Bonds might be affected as a result of such an audit of the Series 2014 Bonds (or by an audit of similar bonds).

LEGAL MATTERS

Concurrently with the issuance of the Series 2014 Bonds, Kronick, Moskovitz, Tiedemann & Girard, a Professional Corporation, Bond Counsel, will render its opinion substantially in the form set forth in Appendix D to this Official Statement and, as City Attorney and as Disclosure Counsel, will pass upon certain legal matters with respect to the Series 2014 Bonds for the City. Payment of the fees of Bond Counsel and Disclosure Counsel is contingent upon the issuance and delivery of the Series 2014 Bonds.

NO RATING

The City has not applied for a rating on the Series 2014 Bonds and has no obligation to attempt to obtain or maintain any rating on the Series 2014 Bonds.

LITIGATION

The City is not aware of any pending or threatened litigation challenging the validity of the Series 2014 Bonds, the Special Taxes securing the Series 2014 Bonds, or any action taken by the City in connection with the formation of the District, the levying of the Special Taxes, or the issuance of the Series 2014 Bonds.

UNDERWRITING

The Series 2014 Bonds are being purchased through negotiation by Piper Jaffray & Co. (the "Underwriter"). The Underwriter agreed to purchase the Series 2014 Bonds at a price of $6,656,851.85 (which is equal to the par amount of the Series 2014 Bonds, less original issue discount of $89,764.95, and less an underwriter's discount of $73,383.20). The initial public offering prices set forth on the inside cover page may be changed by the Underwriter. The Underwriter may offer and sell the Series 2014 Bonds to certain dealers and others at prices lower than the public offering prices set forth on the inside cover page hereof.

FINANCIAL ADVISOR

Del Rio Advisors, LLC, Modesto, California (the "Financial Advisor"), has served as Financial Advisor to the City with respect to the sale of the Series 2014 Bonds. The Financial Advisor has assisted the City in the review of this Official Statement and in other matters relating to the planning, structuring, execution and delivery of the Series 2014 Bonds. The Financial Advisor has not independently verified any of the data contained herein or conducted a detailed investigation of the affairs of the City to determine the accuracy or completeness of this Official Statement. Owing to its limited participation, the Financial Advisor assumes no responsibility for the accuracy or completeness of any of the information contained herein. The Financial Advisor will receive compensation from the City contingent upon the sale and delivery of the Series 2014 Bonds

CONTINUING DISCLOSURE

The City has covenanted in a Continuing Disclosure Agreement for the benefit of the Owners of the Series 2014 Bonds to provide certain annual financial information and operating data, and to provide notices of the occurrence of certain enumerated events. The City agreed in its agreement to file, or cause to be filed, with the Municipal Securities Rulemaking Board such report and notices. See Appendix E – "Form of Continuing Disclosure Agreement" for the complete text of the City's Continuing Disclosure Agreement. The covenants of the City have been made in order to assist the Underwriter in complying with the Rule.

In the previous five years, there have been a few instances in which the City's audited financial statements or operating reports of a community facilities district have been filed later than the required date (by up to as much as 60 days). Otherwise, during that time period, the City has not failed to comply in all material respects with its continuing disclosure obligations under the Rule. The City is also responsible for continuing disclosure compliance for the West Sacramento Area Flood Control Agency Assessment Revenue Bonds and, in 2011, discovered that prior continuing disclosure annual reporting had not been made. The

City filed the prior reports on a late basis and now has procedures in place to assure compliance in the future. Similarly, the City assumed responsibility for continuing disclosure compliance for the Sacramento-Yolo Port District and, in the District's 2011 Annual Report, supplied information that had been omitted from prior reports.

AUTHORIZATION

The execution and delivery of this Official Statement has been duly authorized by the City Council.

CITY OF WEST SACRAMENTO

By: /s/ Philip A. Wright
Philip A. Wright
Director of Administrative Services

APPENDIX A

THE CITY OF WEST SACRAMENTO AND YOLO COUNTY
GENERAL DEMOGRAPHIC INFORMATION

The following information is included only for the purpose of supplying general information regarding the City of West Sacramento and Yolo County. This information is provided only for general informational purposes, and provides prospective investors limited information about the City of West Sacramento and Yolo County and its economic base. The Series 2014 Bonds are not a debt of the City, the County, the State or any of their respective political subdivisions, and none of the City, the County, the State or any of their respective political subdivisions is liable therefor.

General

The City of West Sacramento lies in eastern Yolo County between the Sacramento River on the east and the east levee of the Yolo Bypass on the west. It lies immediately across the Sacramento River from the City of Sacramento and is approximately 85 miles east of San Francisco. The City was incorporated on January 1, 1987, and brought together the four communities of West Sacramento, Bryte, Broderick and Southport. The City is a general law city operating under the council-manager form of government.

The City encompasses approximately 23 square miles or 12,300 acres including considerable industrial, commercial, residential and agricultural properties. The City's location and transportation network have contributed to the City's economic growth. The Port of Sacramento is located within the City boundaries and provides direct shipping access to the San Francisco Bay and the Pacific Ocean. The City is served by an interstate transcontinental railroad. Interstate 80 and U.S. 50, two of the nation's principal east-west freeways, traverse the City and connect to Interstate 5, immediately east of the Sacramento River. Interstate 5 extends from Canada to Mexico.

West Sacramento's location on the Sacramento River, its proximity to the State Capitol, Sacramento's downtown and Old Town areas, and excellent transportation network have contributed to the economic growth of the City. Since the City's incorporation, City staff and citizens have formulated a general plan to encourage moderate growth in conjunction with infrastructure improvements.

City Management

The City boundaries were formed by the former boundaries of the East Yolo Community Services District and the Fire District. With incorporation, all duties and obligations of the East Yolo Community Services District and the Fire District became the duties and obligations of the City.

Population

The following table presents population estimates for the City of West Sacramento, Yolo County and the State of California for the years 2010 to 2014:

CITY OF WEST SACRAMENTO, COUNTY OF YOLO AND STATE OF CALIFORNIA POPULATION 2010 through 2014

Date	City	County	State
April 1, 2010[2]	48,744	200,849	37,253,956
January 1, 2011	49,048	201,071	37,427,946
January 1, 2012	49,854	204,343	37,668,804
January 1, 2013	50,195	204,953	37,984,138
January 1, 2014	50,836	206,381	38,340,074

[1] Decennial Census

Source: State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2011-2014 with 2010 Benchmark.

Employment and Industry

The unemployment rate in the County was 9.4% in 2013. This compares with an unadjusted unemployment rate of 8.9% for California and 7.1% for the nation during the same period.

The table below provides information about employment by industry type for the County for calendar years 2008 through 2012.

YOLO COUNTY
Industry Employment by Industry
Annual Averages
2008 through 2012[(1)]

	2008	2009	2010	2011	2012
Civilian Labor Force[(2)]					
Employment	91,200	87,700	86,200	85,800	87,700
Unemployment	7,200	11,100	12,500	12,300	11,200
Unemployment Rate	7.4%	11.3%	12.7%	12.5%	11.3%
Wage and Salary Employment [(3)]					
Farm	4,700	4,900	4,900	5,100	5,400
Mining and Logging	300	100	200	200	100
Construction	4,800	4,000	3,500	3,300	3,200
Manufacturing	5,800	5,200	5,200	4,700	4,800
Wholesale Trade	5,300	4,600	4,200	4,300	4,300
Retail Trade	8,000	7,700	7,700	7,800	7,700
Transportation, Warehousing and Utilities	7,900	6,900	6,400	6,400	6,300
Information	1,100	1,000	1,000	1,000	1,000
Finance and Insurance	1,900	1,700	1,600	1,600	1,600
Real Estate and Rental and Leasing	1,600	1,900	1,500	1,300	1,300
Professional and Business Services	7,700	7,100	6,900	7,200	7,800
Educational and Health Services	6,800	6,800	6,900	6,800	7,100
Leisure and Hospitality	6,700	6,700	6,400	6,300	6,800
Other Services	2,100	2,000	1,900	2,000	2,100
Federal Government	2,300	2,200	2,300	2,300	2,300
State Government	24,000	24,400	24,200	24,300	24,600
Local Government	10,300	10,200	9,700	9,400	9,300
Total, All Industries[(4)]	101,200	97,300	94,400	93,900	95,500

(1) Latest data available.
(2) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(3) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(4) Totals may not add due to rounding.
Source: State of California Employment Development Department, Industry Employment & Labor Force by Annual Average, March 13 Benchmark.

Major Employers

Listed below are the major employers for the City of West Sacramento and the County of Yolo.

CITY OF WEST SACRAMENTO
MAJOR EMPLOYERS
AS OF JUNE 30, 2013

Company	Number of Employees
United States Postal Service	1,605
State of California, General Services	1,960
California State Teachers' Retirement System	1,215
United Parcel Service (UPS)	1,182
Affiliated Computer Services	900
Washington Unified School District	750
Raley's/Bel Air	634
Tony's Fine Food	500
Nor-Cal Beverage	500
Clark Pacific	439
Coventry Healthcare	400
ABM Janitorial	400
Hunter Douglas/bytheways Inc.	400
Walmart	391
City of West Sacramento	339
Siemens Healthcare Diagnostics	286
Xyratex International	282
West Sacramento Ikea Home Furnishings	256
Farmers' Rice Cooperative	250
KOVR TV 13	231
Idexx Veterinary Services	171
Target Corporation	150
Home Depot	103
Lowe's Home Improvement	100

Source: City of West Sacramento, Comprehensive Annual Financial Report for the Year Ended June 30, 2013.

COUNTY OF YOLO
MAJOR EMPLOYERS

Company	Employer Size Class	Location	Type of Business
Beaulieu of America	250-499	W. Sacramento	Carpet & Rug Manufacturers
Bel Air Markets	250-499	Broderick	Grocers – Retail
California State University	500-999	Davis	Schools-Universities & Colleges Academic
California State University	500-999	Davis	Schools-Universities & Colleges Academic
Coventry Workers Comp Svc	250-499	Broderick	Workmen’s Compensation Consultants
Dennis Blazona Construction	250-499	W. Sacramento	Construction Companies
Hotel at Cache Creek Resort	1,000-4,999	Brooks	Casinos
Ikea	250-499	W. Sacramento	Furniture Dealers – Retail
Mariani Nut Co.	250-499	Winters	Nuts – Edible
Navistar Inc.	1,000-4,999	W. Sacramento	Truck & Bus Bodies (Manufacturers)
Pacific Coast Producers	1,000-4,999	Woodland	Canning (Manufacturers)
Procurement Office	250-499	Broderick	State Government – General Offices
Raley’s Family of Fine Stores	500-999	W. Sacramento	Business Management Consultants
Raley’s Pharmacy	500-999	Broderick	Pharmacies
Raley’s	500-999	W. Sacramento	Pharmacies
Rite Aid Customer Support Center	500-999	Woodland	Distribution Centers (Wholesale)
Sutter Davis Hospital	250-499	Davis	Hospitals
Target Distribution Center	1,000-4,999	Woodland	Distribution Centers (Wholesale)
Tony’s Fine Foods	500-999	W. Sacramento	Importers (Wholesale)
University of California	1,000-4,999	Davis	Schools-Universities & Colleges Academic
University of California – Davis	10,000+	Davis	Schools-Universities & Colleges Academic
UPS Customer Center	500-999	W. Sacramento	Mailing & Shipping Services
Walmart Supercenter	500-999	Broderick	Department Stores
Woodland Healthcare	1,000-4,999	Woodland	Hospitals
Yolo County District Attorney	1,000-4,999	Woodland	County Government – Legal Counsel

Source: State of California Employment Development Department from America’s Labor Market Information System (ALMIS) Employer Database, 2014 2nd Edition.

Commercial Activity

A summary of historic taxable sales within the City during the past five years for which itemized figures are available is shown in the following table. Annual figures are not yet available for 2013.

CITY OF WEST SACRAMENTO
Taxable Transactions
Calendar Years 2008 through 2012[1]
(Dollars in Thousands)

	Retail Stores[2]		Total All Outlets	
Year	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2008	484	$572,739	1,173	$1,296,729
2009	552	488,078	1,104	1,087,557
2010	619	511,976	1,192	1,132,116
2011	614	549,963	1,174	1,246,288
2012	609	598,902	1,160	1,335,537

(1) Latest data available
(2) In 2009, the State Board of Equalization converted the business codes of sales and use tax permit holders to North American Industry Classification System codes. As a result of the coding change, retail stores data for 2009 is not comparable to that of prior years.

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

A summary of historic taxable sales within the County during the past five years for which itemized figures are available is shown in the following table. Annual figures are not yet available for 2013.

YOLO COUNTY
Taxable Transactions
Calendar Years 2008 through 2012[(1)]
(Dollars in Thousands)

	Retail Stores[(2)]		Total All Outlets	
Year	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2008	1,933	$1,778,592	4,138	$3,347,287
2009	2,406	1,558,491	3,892	2,865,382
2010	2,515	6,636,189	4,035	2,943,500
2011	2,493	1,782,900	3,978	3,247,541
2012	2,510	1,937,656	4,012	3,475,345

(1) Latest data available
(2) In 2009, the State Board of Equalization converted the business codes of sales and use tax permit holders to North American Industry Classification System codes. As a result of the coding change, retail stores data for 2009 is not comparable to that of prior years.

Source: California State Board of Equalization, Taxable Sales in California (Sales & Use Tax).

Community Facilities

Media outlets in the area consist of 24 newspapers (one offers daily delivery), seven television stations (three network, four independents) and 29 radio stations.

Flood Protection

All of West Sacramento lies within the natural flood plain of the Sacramento River. It is reclaimed land protected from floods by levees and the Yolo and Sacramento Bypasses, which divert water flood flows around the City to the west. The Sacramento River Flood Control Project, authorized by the Flood Control Act of 1917, was established to build this levee system, although many of its levees had been constructed by local interests prior to its enactment and were subsequently upgraded and incorporated into the project.

The levees of the Sacramento River Flood Control System protect an estimated 1.7 million people of which more than 330,000 are protected by the approximately 110 miles of the system located in the Sacramento urban areas.

The potential for flooding in the West Sacramento area depends on the adequacy of the levee system and magnitude of flood hazard. Inundation of West Sacramento could occur if the levees failed or were overtopped by flood waters. Until recently it was the belief of the City that the levee system along these waterways met and exceeded the level of protection necessary to protect the City from at least a 200-year flood. However, a recent change in FEMA flood standards has caused FEMA to reevaluate its previous designations of flood protection to cities along the Sacramento River Delta.

The City has determined that a series of levee improvements are needed to provide a level of flood protection to the City consistent with FEMA requirements to protect the community from a 100-year flood and meet the City's standards of protecting the community from a minimum 200-year flood event. The City proposed fees and voter-approved assessments to assist in paying for these levee improvements, which were subsequently approved by voters. The Assessments were proposed and passed to fund approximately half the local share of the cost of the improvements needed to provide "200-year" protection along the Sacramento River, Sacramento Bypass, Yolo Bypass, Deep Water Ship Channel and South Cross levees protecting the City. Geotechnical investigations and engineering studies are being conducted on these levee reaches by the Agency and the California Department of Water Resources. The Assessments will also provide funding for operation and maintenance of flood control facilities.

The estimated total project cost set forth in the Engineer's Report is $400 million and for purposes of preparing the Engineer's Report it was estimated 50% of the cost would come from the federal government, 29% from the State of California and 21% ($84 million) from the Agency and the City (through the Assessments and through a flood protection in-lieu fee adopted by the City in July 2007).

State money is committed for approximately 48.3 million. Overall, the City expects approximately $120 million total in State funds and $260 million in federal funds for flood protection in the City. The amount of the annual Assessments has been sized to be sufficient to cover the local share of the cost of the flood control improvements and the system operation and maintenance costs associated with these improvements. Annually, the Assessments are projected to initially generate approximately $3.8 million for flood protection. A portion of the annual Assessment revenue (approximately $520,000) is scheduled to go toward maintenance and operation of the levee system. Approximately $420,000 of the annual assessments is collected from public property owners within the City. The Assessment amount can increase by 2% per year based on the escalator approved by the property owners. Furthermore, as parcels transition from vacant to developed, the annual assessment revenue is expected to increase commensurate with the increase in Assessment rates from vacant to developed property.

In August 2008, the West Sacramento Area Flood Control Agency issued $10,000,000 of Assessment Revenue Bonds payable from the Assessments. Proceeds of those bonds are anticipated to be used to fund the construction cost related to the early implementation project (EIP) at the I Street Bridge South site and for construction of a main drain pumping station, which aids in flood protection by enhancing the ability for the City and RD 900 to adequately pump storm drainage and potential floodwaters out of the City. Additionally, approximately half of the net bond proceeds will be used for continued planning, engineering, design, and environmental analysis, which is critical to the City's ability to secure a federal authorization and funding for levee improvements. Additional bonds payable from the Assessments are expected to be issued in the future to finance additional costs of the project. Major elements of the entire project are expected to be completed by 2014, but such timing is dependent upon the availability of the federal, state and local funding.

APPENDIX B

SPECIAL TAX FORMULA

COMMUNITY FACILITIES DISTRICT NO. 14
(NEWPORT ESTATES)
CITY OF WEST SACRAMENTO, CALIFORNIA

RATE, METHOD OF APPORTIONMENT, AND MANNER OF COLLECTION OF SPECIAL TAX

---

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in Community Facilities District No. 14 (the "CFD") of the City of West Sacramento (the "City") shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

2. Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of the CFD: the costs of computing Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the County, the City, or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD or any designee thereof of complying with City, CFD or obliged persons disclosure requirements associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD or designee thereof related to the appeal of the Special Tax; and the costs associated with the release of funds from an escrow account, if any. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD for any other administrative purposes, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Administrator" means the City Finance Director or his or her designee.

"Annual Costs" means, for any Fiscal Year, the total of the following:

i) Debt Service to be paid from Special Taxes collected during such Fiscal Year;

ii) Administrative Expenses for such Fiscal Year;

iii) The amount needed to replenish any Reserve Account Requirement for CFD bonds to the level required under the documents pursuant to which such bonds were issued;

iv) An amount equal to the amount of delinquencies in payments of Special Taxes levied in the previous Fiscal Year and/or anticipated for the current Fiscal Year; and,

v) Pay-as-you-go expenditures for Authorized Facilities to be constructed or acquired by the CFD.

"Annual Special Tax Revenues" means the amount of Special Taxes required each Fiscal Year to pay the Annual Costs.

"Anticipated Construction Proceeds" means the amount available for project construction after the issuance of all authorized bonds, as determined by the Administrator.

"Benefit Share" means the Maximum Annual Special Tax for a Parcel divided by the Maximum CFD Revenue.

"Base Year" means the Fiscal Year beginning on July 1, 2001 and ending on June 30, 2002.

"Bond Authorization" means the maximum amount of bonds that the CFD is authorized to issue pursuant to the Bond Indenture.

"Bond Indenture" means the indenture or other financing document pursuant to which the bonds are issued.

"Bond Share" means the share of bonds assigned to a Parcel as specified in Section 7 hereof.

"Bond Year" means the twelve (12) month period ending on the second bond payment date of each calendar year as such date is defined in the Bond Indenture.

"CFD" means the Community Facilities District No. 14 (Newport Estates).

"City" means the City of West Sacramento, California.

"Council" means the City Council of West Sacramento.

"County" means the County of Yolo, California.

"County Assessor's Parcel" means a lot or Parcel with an assigned Assessor's Parcel Number in the maps used by the County Assessor in the preparation of the tax roll.

"Debt Service" means for each Bond Year the total amount of bond principal, interest, and the scheduled sinking fund payments to pay bond principal and interest.

"Developed Parcel" means a Parcel in one of the following land use categories that has received from the City the applicable development approval for that land use category as follows:

Land Use	Development Approval
Single Family Residential	Final Subdivision Map
Other Land Uses	Building Permit

"Final Subdivision Map" means a recorded map designating individual single family residential Parcels.

"Fiscal Year" means the period starting July 1 and ending the following June 30.

"Maximum CFD Revenue" means the sum of the Maximum Annual Special Tax levied on all Taxable Parcels in the CFD for a Fiscal Year.

"Maximum Annual Special Tax" means the greatest amount of Special Tax that can be levied against a Taxable Parcel in a Fiscal Year as shown in Attachment 1 and Attachment 2.

"Other Land Uses" means all taxable Developed Parcel with land uses other than single family residential. Although the CFD is intended to include only single family residential development, rezoning may allow other uses. Multi-family residential, retail, office, and industrial property would be taxable as Other Land Uses.

"Outstanding Bonds" means the total principal amount of bonds that have been issued and not retired or defeased.

"Original Parcel" means a Parcel as identified by Assessor's Parcel Number on Attachment 1.

"Net Acre(age)" means the acreage of a Parcel as shown on the final map or parcel map excluding the right-of-way dedicated for streets, roads, landscaping, and other public purposes.

"Parcel" means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County as of January 1 preceding the Fiscal Year.

"Partial Prepayment" means a prepayment of a portion of a Parcel's Special Tax obligation, as set forth in Section 7.

"Partial Prepayment Factor" means a factor by which the Maximum Annual Special Tax for a Partial Prepayment Parcel is multiplied to calculate an adjusted Maximum Annual Special Tax for such Parcel. Each Partial Prepayment Factor shall be calculated according to the steps described under Section 7 hereof.

"Prepayment" means the prepayment in full of the Special Tax on a Parcel, as determined by following the procedures in Section 7.

"Public Parcel" means any Parcel that is or is intended to be publicly owned, as designated in the vesting tentative map that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, public landscaping, wetlands, greenbelts, and public open space.

"Reserve Account Requirement" means the amount required to be held in the bond reserve fund created under the Bond Indenture for all Outstanding Bonds.

"Reserve Account Share" means the lesser of Reserve Account Requirement or the amount on deposit therein at the time of such calculation, multiplied by the Benefit Share for a given Parcel.

"Single Family Residential Parcel" means a single family residential lot created by the recordation of a Final Subdivision Map.

"Special Tax(es)" mean(s) the special tax levied under the Act in the CFD.

"Subdivision" means a division of a Parcel into two or more Successor Parcels.

"Successor Parcel" means a Parcel created by Subdivision, lot line adjustment, or parcel map from an Original or Successor Parcel.

"Tax Collection Schedule" means the document prepared by the City for the County Auditor to use in levying and collecting the Special Tax each Fiscal Year.

"Tax Escalation Factor" means a factor of 2% that will be applied annually for the first fourteen Fiscal Years after the Base Year to increase the Maximum Annual Special Tax rates. After Fiscal Year 2015-2016 the Maximum Annual Special Tax rates shall cease to escalate.

"Taxable Parcel" means any Parcel that is not a Tax-Exempt Parcel.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (i) Public Parcels and (ii) any Parcel for which the Special Tax has been fully prepaid under Section 7 hereof. Certain privately owned Parcels are exempt from the levy of Special Taxes including common areas owned by homeowner's associations or property owner associations, wetlands, detention basins, water quality ponds, and open space. Parcels B, C, a 4.73 net acre parcel zoned HR, and any Successor Parcels, as shown in the Newport Estates Vesting Tentative Map dated May 21, 1998, are exempt from the Special Tax.

"Total Facility Cost Share" means the Benefit Share for a Parcel multiplied by the Anticipated Construction Proceeds for the CFD.

"Undeveloped Parcel" means a Taxable Parcel that is not a Developed Parcel.

"Unit" means a Single Family Residential Parcel.

3. Determination of Parcels Subject to Special Tax

The City shall prepare a list of the Parcels subject to the Special Tax. The City shall identify the Taxable Parcels from a list of all Parcels within the CFD boundary by excluding all Tax-Exempt Parcels.

4. Termination of the Special Tax

The Special Tax will be levied and collected for as long as needed to pay the principal and interest on debt and other costs incurred in order to construct the authorized facilities and to pay the Annual Costs. However, in no event shall the Special Tax be levied on any Parcel in the CFD after Fiscal Year 2035-2036.

When all Annual Costs incurred by the CFD have been paid, the Special Tax shall cease to be levied. The City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

5. Assignment of Maximum Annual Special Tax

A. Classification of Parcels. Each Fiscal Year, using the Definitions above, the Parcel records of the County Assessor's Secured Tax Roll as of June 1, and other City development approval records, the City shall cause:

1) Each Parcel to be classified as a Tax-Exempt Parcel or Taxable Parcel,

2) Each Taxable Parcel to be classified as an Original Parcel, a Successor Parcel, or a Partial Prepayment Parcel; and,

3) Each Successor Parcel is to be further classified as a Developed Parcel or an Undeveloped Parcel.

B. Partial Prepayment Parcel. The Maximum Annual Special Tax for a Partial Prepayment Parcel is assigned by multiplying the Maximum Annual Special Tax from Attachment 1 or 2, or as otherwise calculated for a Successor Parcel, by the Partial Prepayment Factor for the Parcel.

C. Assignment of Maximum Annual Special Tax to Original Parcels. The Maximum Annual Special Tax for each Original Parcel is shown on Attachment 1.

D. Assignment of Maximum Annual Special Tax to Successor Parcels. The Maximum Annual Special Tax shall be assigned to Successor Parcels in the following manner:

1. Developed Parcel

a. Single Family Residential. The Maximum Annual Special Tax is equal to the amount per Unit shown in Attachment 2 for a given Fiscal Year.

b. Other Land Uses. The Maximum Annual Special Tax is calculated by multiplying the Net Acreage of the Parcel times $5,100, as adjusted by the Tax Escalation Factor for a given Fiscal Year.

c. Adjustments to the Maximum Annual Special Tax For Developed Parcels. Each time a Successor Parcel is subdivided, the Administrator will assign the Units to each of the newly created Taxable Parcels. If there is an overall reduction in assigned Units from the previous Successor Parcel, the City shall: (i) calculate the loss in Maximum CFD Revenue by multiplying the number of reduced Units by the Maximum Annual Special Tax per Unit from Attachment 2; and (ii) require the Prepayment of this difference pursuant to Section 7. Prepayment shall be made prior to, or concurrent with, recordation of the Final Subdivision Map creating the new Successor Parcels.

Such Prepayment shall be avoided if the City determines that the Maximum CFD Revenue for the CFD is sufficient to meet debt service on outstanding and future bonds without the Maximum Annual Special Tax for these units.

2. Undeveloped Parcel

The Maximum Annual Special Tax for a Successor Parcel which is not classified as a Developed Parcel is equal to the number of Units assigned to that Parcel by the City times the Maximum Annual Special Tax from Attachment 2. If the Undeveloped Parcel has a land use designation other than individual single family residential Parcels, the Maximum Annual Special Tax is calculated by multiplying Net Acreage of the Parcel times $5,100, as adjusted by the Tax Escalation Factor.

E. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Parcel designated as a Tax-Exempt Parcel is converted to a Taxable Parcel, it shall become subject to the Special Tax. The Maximum Annual Special Tax for each such Parcel shall be assigned Special Tax rates for single family units as shown in Attachment 2; or a Base Year special tax rate of $5,100 per net acre for non-residential or multi-family land uses, as adjusted by the Tax Escalation Factor.

F. Taxable Parcel Acquired by a Public Agency. A Taxable Parcel that is acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of the Government Code. An exception to this may be made if a Public Parcel, such as a school site, is relocated to a Taxable Parcel, in which case the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel and the Maximum Annual Special Tax from the previously Taxable Parcel is transferred to the new Taxable Parcel. This trading of a Parcel from a Taxable Parcel to a Public Parcel will be permitted to the extent there is no net loss in Maximum CFD Revenue.

6. Setting the Annual Special Tax Rate for Taxable Parcels

The City shall calculate the Special Tax levy for each Taxable Parcel for each Fiscal Year as follows:

A. Compute the Annual Costs using the definition of Annual Costs in Section 2.

B. Calculate the Special Tax levy for each Taxable Parcel by the following steps:

Step 1: Compute 100% of the Maximum Annual Special Tax Revenue for all Developed Parcels.

Step 2: Compare the Annual Costs with the Maximum Annual Special Tax Revenue calculated in the previous step.

Step 3: If the Annual Costs are less than the Maximum Annual Special Tax Revenue, decrease proportionately the Special Tax levy for each Developed Parcel until the Special Tax Revenue equals the Annual Cost.

Step 4: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue from Developed Parcels, levy a Special Tax on each Undeveloped Parcel on a pro rata basis to each Parcel's Maximum Annual Special Tax in order that the sum of the Special Tax levy for all Taxable Parcels is the lesser of the amount of Annual Costs or until 100% of the Maximum Annual Special Tax is reached for such Undeveloped Parcels.

C. Levy on each Taxable Parcel the amount calculated above.

D. Prepare the Tax Collection Schedule, unless an alternative method of collection has been selected pursuant to Section 9, and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

The City shall make every effort to correctly calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the parcels subject to the tax and the assignment of the Special Tax to the Parcels.

As development and subdivision of CFD land uses take place, the City will maintain a file of each current County Assessor's Parcel Number within the CFD, its Maximum Annual Special Tax, and the

Maximum Annual Special Tax Revenues for all Parcels within the CFD available for public inspection. This record shall show the calculation of the assigned Maximum Annual Special Tax to each Original and Successor Parcel and a brief description of the process of assigning the Special Tax each time a Successor Parcel was created.

7. Prepayment of Special Tax Obligation

A property owner may permanently satisfy the Special Tax on a Parcel by prepayment as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- The prepayment is based on the prepayment for a Developed Parcel--even if the prepaying Parcel is an Original or Undeveloped Parcel at the time of prepayment.
- The City determines that the prepayment of the Special Tax does not jeopardize its ability to make timely payments of Debt Service on outstanding bonds.
- Any landowner prepaying the Special Tax obligation on a Parcel must pay any delinquent Special Tax and penalties on that Parcel prior to Prepayment.

The Prepayment amount shall be established by following the steps in Part A and Part B below.

PART A. FULL PREPAYMENT

Part A.1 Outstanding Bond Share

Step A.1.a: Determine the Maximum Annual Special Tax for the Parcel for which the Special Tax is to be fully prepaid by following the procedures in Section .

Step A.1.b: Divide the Maximum Annual Special Tax from Step A.1.a by the Maximum CFD Revenue to arrive at the Benefit Share.

Step A.1.c: Determine the Bond Share for the Parcel by multiplying the Benefit Share from Step A.1.b by the Outstanding Bonds. The Outstanding Bonds to be retired from Special Taxes that have been levied but not collected shall reduce the amount of Outstanding Bonds for purposes of calculating the Bond Share.

Step A.1.d: Determine the Reserve Account Share associated with the Bond Share calculated in Step A.1.c and reduce the Bond Share by the amount of the Reserve Account Share.

Step A.1.e: Add to the amount calculated in Step A.1.d any fees, call premiums, and expenses incurred by the City in connection with the prepayment calculation or the application of the proceeds of the prepayment to the call of bonds.

Part A.2. Remaining Facility Cost Share

Step A.2.a: Determine the Total Facility Cost Share for the Parcel by multiplying the Benefit Share from Step A.1.b above by the Anticipated Construction Proceeds.

Step A.2.b: Determine the share of facilities funded by bonds already issued by the CFD for the Parcel by multiplying the Benefit Share by the construction proceeds made available from all such bonds issued by the CFD. These amounts shall be adjusted to the year of prepayment by using the Engineering News Record Construction Cost Index.

Step A.2.c: Determine the share of facilities funded with pay-as-you-go special tax revenues by multiplying the Benefit Share by the total amount of pay-as-you-go funding, if any, used to acquire or construct authorized facilities.

Step A.2.d: Determine the remaining facility cost share for the Parcel by subtracting the results from Steps A.2.b and A.2.c from the Total Facility Cost Share determined in Step 1. (Notwithstanding the above, once the City has issued all bonds for the CFD, the remaining facility cost share is set to zero for purposes of this prepayment calculation.)

<u>Part A.3: Calculate Total Prepayment</u>

Combine the amount from Step A.1.e with the amount from Step A.2.d to arrive at the full prepayment amount.

PART B: PARTIAL PREPAYMENT

If the Prepayment is a Partial Prepayment, then the property owner shall designate an amount which is less than the full Prepayment amount determined above for the Parcel for which the Special Tax is to be partially prepaid (or group of such Parcels) but which, based upon a calculation provided by the Administrator, will provide sufficient funds for a bond call in a whole number multiple of $5,000. The Administrator shall determine the Partial Prepayment Factor by the following procedure:

Step B.1: Calculate the Full Prepayment Amount from Part A.3 above.

Step B.2: Subtract the amount of the Partial Prepayment from the Full Prepayment amount calculated in Part A above;

Step B.3: Subtract any fixed costs (such as the cost of the Prepayment calculation and other fees which do not vary proportionally with the size of the Prepayment) of the Prepayment from the Full Prepayment amount;

Step B.4: Divide the result of Step B.2 by the result of Step B.3 to arrive at the Partial Prepayment Factor. The Partial Prepayment Factor is used in decreasing the Maximum Annual Special Tax for the Parcel for which the Special Tax is partially prepaid.

Step B.5: If a Partial Prepayment has previously been made for this Parcel, multiply the result of Step B.4 times the previously calculated Partial Prepayment Factor.

PART C: TRANSFERS

Make the appropriate transfers from the reserve fund to the prepayment fund, as follows:

Step C.1: For a Full Prepayment, transfer the amount of the Reserve Account Share.

Step C.2: For a Partial Prepayment, transfer an amount equal to the Reserve Account Share times one minus the Partial Prepayment Factor.

8. Appeals

Any taxpayer that feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Administrator appealing the levy of the Special Tax as to that Parcel. The Administrator will then promptly review the appeal, and if necessary, meet with the applicant. If the Administrator verifies that the tax should be modified or changed, a recommendation at that time will be made to the Council and, as appropriate, the levy of the Special Tax as to that Parcel shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the CFD.

9. Manner of Collection

The Special Tax will collected in the same manner and at the same time as ad valorem property taxes; provided, however, that the City or its designee may directly bill the Special Tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary to meet its financial obligations.

Attachment 1
City of West Sacramento
Community Facilities District No. 14 (Newport Estates)
Maximum Annual Special Tax - Original Parcels

Assessor' Parcel Number	Gross Acreage	Proposed Units	Maximum Annual Special Tax [1]
046-020-07	36.09	25	$27,000
046-030-01	231.38	821	886,680
Totals	267.47	846	$913,680

"Attachment_1"

Source: Yolo County Assessor and EPS

[l] Maximum Annual Special Tax is escalated by the Tax Escalation Factor in each Fiscal Year after the Base Year.

Attachment 2
City of West Sacramento
Community Facilities District No. 14 (Newport Estates)
Maximum Annual Special Tax – Successor Parcels

Fiscal Year Ending June	Maximum Annual Special Tax		
	Developed Parcels		Undeveloped Parcels
	Single Family Residential	Other Land Uses	
	per Unit		
2002	$1,080	$5,100	$5,100
2003	$1,102	$5,202	$5,202
2004	$1,124	$5,306	$5,306
2005	$1,146	$5,412	$5,412
2006	$1,169	$5,520	$5,520
2007	$1,192	$5,631	$5,631
2008	$1,216	$5,743	$5,743
2009	$1,241	$5,858	$5,858
2010	$1,265	$5,975	$5,975
2011	$1,291	$6,095	$6,095
2012	$1,317	$6,217	$6,217
2013	$1,343	$6,341	$6,341
2014	$1,370	$6,468	$6,468
2015	$1,397	$6,597	$6,597
2016	$1,425	$6,729	$6,729
2017	$1,425	$6,729	$6,729
2018	$1,425	$6,729	$6,729
2019	$1,425	$6,729	$6,729
2020	$1,425	$6,729	$6,729
2021	$1,425	$6,729	$6,729
2022	$1,425	$6,729	$6,729
2023	$1,425	$6,729	$6,729
2024	$1,425	$6,729	$6,729
2025	$1,425	$6,729	$6,729
2026	$1,425	$6,729	$6,729
2027	$1,425	$6,729	$6,729
2028	$1,425	$6,729	$6,729
2029	$1,425	$6,729	$6,729
2030	$1,425	$6,729	$6,729
2031	$1,425	$6,729	$6,729
2032	$1,425	$6,729	$6,729
2033	$1,425	$6,729	$6,729
2034	$1,425	$6,729	$6,729
2035	$1,425	$6,729	$6,729
2036	$1,425	$6,729	$6,729
2037	$1,425	$6,729	$6,729

"Attachment _2"

APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE INDENTURE

Introduction

The following is a summary of certain provisions of the Indenture not described elsewhere in this Official Statement.

Covenants of the City

So long as any of the Bonds are outstanding and unpaid, the City is required to faithfully perform and abide by all of the covenants and provisions of the Indenture, including the following covenants for the benefit of the owners of the Bonds:

Punctual Payment and Performance. The City will punctually pay, from the proceeds of the Special Tax, the interest on and principal of and redemption premium, if any, to become due on every Bond issued under the Indenture in strict conformity with the terms of the Act, the Indenture, and the Bonds and will faithfully observe and perform all of the agreements, conditions, covenants, and terms contained in the Indenture and in the Bonds required to be observed and performed by it.

Maintenance of Tax Exemption. The City will not take any action, or fail to take any, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Bonds for federal income tax purposes.

Protection of Security and Rights of Owners. The City will preserve and protect the security of the Bonds and the rights of the owners and will warrant and defend their rights against all claims and demands of all persons.

Remedies of Owners

The Bonds do not contain a provision allowing for the acceleration thereof in the event of a payment default or other default under the terms of the Indenture Resolution or the Bonds. Pursuant to the Indenture, any owner of Bonds has the right, for the equal benefit and protection of all owners similarly situated:

1. by mandamus or other suit or proceeding at law or in equity to enforce the owners' rights against the City Council or the City or any of the officers or employees of the City and to compel the City Council or the City or any such officers or employees to perform and carry out their duties under the Act and the agreements and covenants with the owners contained in the Indenture;

2. by suit in equity to enjoin any acts or things that are unlawful or that violate the rights of the owners ; or

3. by suit in equity upon the nonpayment of Bonds to require the City Council or the City or the officers and employees of the City to account as the trustee of an express trust.

Defeasance

Any Bonds shall, prior to the maturity date or redemption date thereof, be deemed to be paid and no longer outstanding if the Trustee or an escrow agent holds sufficient monies or direct non-callable obligations of the United States or non-callable securities fully and unconditionally guaranteed as to timely payment of principal and interest by the United States the principal of and the interest on which when paid will provide sufficient monies to pay the principal of and interest and the redemption premium, if any, on those Bonds to the maturity date or dates specified for the redemption thereof, and if, in the event any such Bonds are to be called for redemption, the Trustee shall have agreed to mail notice of redemption and notice of defeasance to the owners of such Bonds.

If the City pays the principal of and interest and the redemption premium, if any, on all the Bonds at the times and in the manner stipulated in the Indenture and in the Bonds, then all agreement, covenants, and other obligations of the City to the owners contained in the Indenture (except the covenant to maintain the tax exemption of the Bonds) shall terminate and be discharged.

Amendment of or Supplement to the Indenture

The Indenture and the rights and obligations of the City and of the owners of the Bonds may be amended or supplemented at any time by a supplemental Indenture, which shall become binding when the written consents of the owners of at least 60% in aggregate principal amount of the Bonds then outstanding (other than Bonds held by or for the account of the City) are filed with the City.

No such amendment or supplement shall (i) extend the maturity of reduce the interest rate on or otherwise alter or impair the obligation of the City to pay the interest on or the principal of or redemption premium, if any, on any Bond at the time and place and at the rate and in the currency and from the funds provided in the Indenture without the express written consent of the owner of such Bond, or (ii) permit the issuance by the City of any obligations payable from the Special Tax other than as provided in the Indenture, or (iii) jeopardize the ability of the City to levy or collect the Special Tax, or (iv) reduce the percentage of Bonds the owners of which are required for the written consent to any such amendment or supplement, or (v) modify the rights of the Trustee without its prior written consent.

The Indenture and the rights and obligations of the City and of the owners of the Bonds may also be amended or supplemented at any time by a supplemental or Indenture, which shall become binding upon adoption without the prior written consent of any owners, but only to the extent permitted by law and only for any one or more of the following purposes:

(a) *Additional Security:* to add to the covenants and agreements of the City in the Indenture other covenants and agreements to be observed or to surrender any right or power reserved to or conferred upon the City; or

(b) *Curative Provisions*: to cure any ambiguity or correct or supplement any defective provision contained in the Indenture or to add any provision that the City may deem desirable or necessary and that shall not adversely affect the interests of the owners of the Bonds; or

(c) *New Trustee:* to evidence the succession of a new Trustee or to provide for the appointment of an additional Trustee;

(d) *Additional Series:* to create any additional Series of Bonds and make such other provisions in accordance with the provisions of the Indenture for the issuance of additional Series of Bonds;

(e) *Trust Indenture Act Qualification:* to modify, amend, or supplement the Indenture in such manner as to permit its qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute, and to add such other terms, conditions, and provisions as may be permitted by said act or similar federal statute, and that shall not materially and adversely affect the interests of the Owners of the Bonds;

(f) *Preservation of Tax Exemption:* to make such additions, deletions or modifications as may be necessary or desirable to assure compliance with the Internal Revenue Code or otherwise to assure the exclusion of interest on the Bonds from gross income for purposes of federal income taxation; and

(g) *No Material Effect:* for any other purpose that does not materially and adversely affect the interests of the owners of the Bonds.

APPENDIX D

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

City Council
City of West Sacramento
1110 West Capitol Avenue
West Sacramento, CA 95691

Re: City of West Sacramento
Community Facilities District No. 14 (Newport Estates)
Special Tax Bonds, Series 2014 (Refunding and Capital Projects)

Dear Council Members:

We have acted as bond counsel in connection with the issuance by the City of West Sacramento (the "City") of $6,820,000 aggregate principal amount of its City of West Sacramento Community Facilities District No. 14 (Newport Estates) Special Tax Bonds, Series 2014 (Refunding and Capital Projects) (the "Series 2014 Bonds"), under and pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 of the State of California (being §§53311 et seq., of the Government Code of the State of California), and pursuant to the provisions of the Indenture dated July 1, 2001, as supplemented by the First Supplemental Indenture dated March 1, 2004, the Second Supplemental Indenture dated July 1, 2012, and the Third Supplemental Indenture, dated July 1, 2014 (collectively, the "Indenture"), between the City and The Bank of New York Mellon Trust Company, N.A. (successor to BNY Western Trust Company), as Trustee. In such capacity, we have examined such law and such certified proceedings and other documents as we have deemed necessary to render this opinion. Capitalized terms used herein have the meanings specified in the Indenture.

Regarding questions of fact material to our opinion, we have relied upon the representations of the City contained in the Indenture and in the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The City has duly authorized, executed and delivered the Series 2014 Bonds. The Series 2014 Bonds are a valid and binding limited obligation of the City, payable solely from the proceeds of the Special Taxes on deposit in the Special Tax Fund to the extent specified in the Indenture.

2. The Indenture constitutes a valid and binding obligation of the City. The Indenture creates a valid lien on the Special Taxes for the security of the Series 2014 Bonds.

3. Interest on the Series 2014 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2014 Bonds in order that interest thereon be, and continue to be, excludable from gross income for federal income tax purposes. The City has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Series 2014 Bonds to be

included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2014 Bonds.

4. Interest on the Series 2014 Bonds is exempt from present State of California personal income taxes.

The rights of the owners of the Series 2014 Bonds and the enforceability of the Series 2014 Bonds and the Indenture are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We express no opinion regarding tax consequences arising with respect to the Series 2014 Bonds other than as expressly set forth herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD
A Professional Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE AGREEMENT

$6,820,000
CITY OF WEST SACRAMENTO
Community Facilities District No. 14 (Newport Estates)
Special Tax Bonds, Series 2014
(Refunding and Capital Projects)

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (the "Disclosure Agreement") dated as of [closing date], is executed and delivered by the City of West Sacramento, California (the "City") and Willdan Financial Services, as Dissemination Agent (the "Dissemination Agent") in connection with the issuance by the City of the above-captioned bonds (the "Bonds").

The Bonds are issued pursuant to the terms of an Indenture dated as of July 1, 2001, between the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), as supplemented by the Third Supplemental Indenture dated July 1, 2014 (as so supplemented, the "Indenture"). The Bonds are being issued to refund the City's Community Facilities District No. 14 (Newport Estates) Special Tax Bonds, Series 2004, and to fund additional improvements.

The City and the Dissemination Agent covenant and agree as follows:

Section 1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2- 12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"*Annual Report Date*" means the date that is 9 months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" means Willdan Financial Services, or any successor Dissemination Agent designated in writing by the City and that has filed with the City a written acceptance of such designation.

"*EMMA System*" shall mean the Electronic Municipal Market Access System of the MSRB or such other electronic system designated by the MSRB (as defined below) or the Securities and Exchange Commission (the "S.E.C.") for compliance with S.E.C. Rule 15c2-12(b).

"*Listed Events*" means any of the events listed in Section 5(a) of this Disclosure Agreement.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the

Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Piper Jaffray & Co., the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

Section 3. Provision of Annual Reports.

The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2015, with the report for the 2013-14 fiscal year, provide to the MSRB through the EMMA System, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Agreement. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

With respect to each Annual Report, the Dissemination Agent shall determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or before the Annual Report Date, financial information and operating data with respect to the City for the preceding fiscal year, substantially similar to that provided in the corresponding tables in the Official Statement:

1. A statement of the amounts on deposit in each fund or account established under the Indenture.

2. Update to the delinquency tables contained in the Official Statement. As to any delinquencies in the payment of special taxes securing the Bonds including with respect to any delinquency of an owner that holds land subject to more than 5% of the special tax lien securing the Bonds , the following information:

- Assessor's Parcel Number;

- Record owner of the parcel;

- Amount of delinquency, including separate statement of amounts representing principal of the Bonds and parity bonds, interest on Bonds and parity bonds, administrative expenses levy, penalties and interest on delinquency;

- Due date of first delinquent installment; and

- Status of foreclosure action, if any.

3. Update of Table 2 in substantially the form contained in the Official Statement.

4. Update of Table 3 in substantially the form contained in the Official Statement.

5. While there is more than 5 acres of undeveloped property within the District, a summary of (a) zoning changes, if any, approved by the City for property subject to the Special Tax in the District and (b) building permits issued by the City for property subject to the Special Tax in the District; and

6. If the City establishes a community facilities district overlapping all or a portion of the District, the principal amount of bonds authorized for such community facilities district, the percentage of such bonds supported by special taxes on property within such district, and the amount of bonds issued by such community facilities district.

7. In addition to any of the information expressly required to be provided under this Disclosure Agreement, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission, as permitted by applicable law or regulation. The City shall clearly identify each such other document so included by reference.

Section 5. <u>Reporting of Significant Events</u>.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Bonds:

(1) Principal and interest payment delinquencies.

(2) Non-payment-related defaults, if material.

(3) Unscheduled draws on debt service reserves reflecting financial difficulties.

(4) Unscheduled draws on credit enhancements reflecting financial difficulties.

(5) Substitution of credit or liquidity providers, or their failure to perform.

(6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.

(7) Modifications to rights of security holders, if material.

(8) Bond calls, if material, and tender offers.

(9) Defeasances.

(10) Release, substitution, or sale of property securing repayment of the securities, if material.

(11) Rating changes.

(12) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person.

(13) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.

(14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) The City shall, or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event.

Notwithstanding the foregoing, notice of Listed Events described in subsections (a)(8) and (9) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds under the Indenture.

The City acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a bond call), (a)(10), (a)(13), and (a)(14) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Bonds. The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. The City will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the City will cause a notice to be filed as set forth in paragraph (b) above.

For purposes of this Disclosure Agreement, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City or the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City or the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City or the District.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under the Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Agreement shall terminate upon the earliest to occur of the legal defeasance, prior redemption or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be as designated herein. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first Annual Report filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to this Disclosure Agreement modifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the City chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Agreement, the Participating Underwriter or any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the City to comply with this Disclosure Agreement shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. (a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder, and shall not be deemed to be acting in any fiduciary capacity for the City, the Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 14. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

Section 15. State of California Law Governs. The validity, interpretation and performance of this Disclosure Agreement shall be governed by the laws of the State of California.

Section 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF the City of West Sacramento and Willdan Financial Services have caused this Continuing Disclosure Certificate to be executed by their authorized officers as of the date first written above.

CITY OF WEST SACRAMENTO

By: ______________________________
Authorized Officer

WILLDAN FINANCIAL SERVICES, as Dissemination Agent

By: ______________________________
Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	City of West Sacramento, California
Name of Bonds:	Community Facilities District No. 14 (Newport Estates) Special Tax Bonds, Series 2014 (Refunding and Capital Projects)
Date of Issuance:	July 15, 2014

NOTICE IS HEREBY GIVEN that the City of West Sacramento has not provided an Annual Report with respect to the above-named Bonds as required by the Indenture dated as of July 1, 2001 (as supplemented as of July 1, 2014) that the Annual Report will be filed by _________.

Dated: ______________________

Willdan Financial Services,
on behalf of the City of West Sacramento

____

cc: City of West Sacramento

APPENDIX F

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The information in this Appendix F has been provided by The Depository Trust Company ("DTC"), New York, New York, for use in securities offering documents, and the City does not take responsibility for the accuracy or completeness thereof. The City cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners (a payments of interest, principal or premium, if any, with respect to the Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instruments from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of the Bonds. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices will be sent to DTC. If less than all of the Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the City or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bonds will be printed and delivered to DTC.