

**RESOLUTION NUMBER 3252**

**RESOLUTION OF THE PERRIS PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF ITS 2004 LOCAL AGENCY REVENUE BONDS, SERIES A, THE PURCHASE OF IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 2004-3 (MONUMENT RANCH) OF THE CITY OF PERRIS SPECIAL TAX REVENUE BONDS, 2004 SERIES A WITH THE PROCEEDS OF THE AUTHORITY'S BONDS UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS RELATING THERETO**

**WHEREAS**, the City of Perris (the "City") and the Redevelopment Agency of the City of Perris (the "Agency"), have entered into a Joint Exercise of Powers Agreement, dated August 28, 1989 (the "Agreement"), creating the Perris Public Financing Authority (the "Authority"); and

**WHEREAS**, pursuant to Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Agreement, the Authority is authorized to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or the purpose of making loans to, the City, the Agency and any associate member; and

**WHEREAS**, for the purpose of providing financing for the acquisition and construction of public facilities, the City formed Community Facilities District No. 2004-3 (Monument Ranch) of the City of Perris (the "District"); and

**WHEREAS**, the District is comprised of certain improvement areas; and

**WHEREAS**, separate elections were held in each improvement area at which bonds of such improvement areas were authorized to be issued and sold; and

**WHEREAS**, the City, on behalf of the District, has taken proceedings to issue \$12,500,000 aggregate principal amount of "Improvement Area No. 1 of Community Facilities District No. 2004-3 (Monument Ranch) of the City of Perris Special Tax Revenue Bonds, 2004 Series A" (the "District Bonds"); and

**WHEREAS**, pursuant to the Act, the Authority may issue bonds and use the proceeds of the bonds to purchase bonds issued by the District for financing public capital improvements; and

**WHEREAS**, pursuant to the Act and the Agreement the Authority is further authorized to sell its bonds to public or private purchasers at public or negotiated sales; and

**WHEREAS**, the Authority desires to purchase from the District not to exceed \$12,500,000 aggregate principal amount of the District Bonds pursuant to the Commitment Agreement and Purchase Contract for the Purchase and Sale of Local Obligation Bonds to be entered into between the District and the Authority (the "District Purchase Contract") solely from the proceeds received from the Authority's concurrent sale of the Bonds to O'Connor Southwest Securities (the "Underwriter") pursuant to the Purchase Contract to be entered into between the Authority, the District and the Underwriter (the "Authority Purchase Contract"); and

**WHEREAS**, the District has caused a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") to be submitted to the Authority for approval for distribution to purchasers of the Bonds;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Perris Public Financing Authority, as follows:

**Section 1.** Each of the above recitals is true and correct and is adopted by the Authority.

**Section 2.** The Authority is authorized pursuant to the Act to issue the Bonds for the purpose of purchasing the District Bonds.

**Section 3.** The issuance of the Bonds in a principal amount not to exceed \$12,500,000 is hereby authorized, with the exact principal amount to be determined by the official signing of the Authority Purchase Contract (as hereinafter defined) for the Bonds in accordance with Section 6 below. The Authority hereby determines that it is prudent in the management of its fiscal affairs to issue the Bonds. The Bonds shall mature on the dates and pay interest at the rates set forth in the Indenture (as hereinafter defined) and the Authority Purchase Contract to be executed on behalf of the Authority in accordance with Section 6 hereof. The Bonds shall be sold at the time and in the manner provided in the Authority Purchase Contract

**Section 4.** The proposed form of Indenture of Trust, dated as of July 1, 2004 (the "Indenture"), between the Authority and Wells Fargo Bank, National Association, as trustee, on file with the Secretary of the Authority is hereby approved. The Chairperson or the Executive Director of the Authority is hereby authorized and directed, for and in the name and on behalf of the Authority, to issue the Bonds, subject to the terms and conditions of the Indenture, and to execute and deliver the Indenture in substantially the form hereof or with such changes as may be approved by the Chairperson or the Executive Director of the Authority, said Chairperson's or Executive Director's execution thereof to constitute conclusive evidence of said Chairperson's or Executive Director's approval of all such changes.

**Section 5.** The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairperson or the Executive Director of the Authority and the manual or facsimile signature of the Secretary of the Authority. Wells Fargo Bank, National Association, is hereby appointed to act as trustee for the Bonds.

**Section 6.** The proposed form of the District Purchase Contract on file with the Secretary of the Authority is hereby approved. The Chairperson or Executive Director of the Authority is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Bonds, subject to the terms and conditions of the District Purchase Contract, and to execute and deliver the District Purchase Contract to the District. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the District Purchase Contract. The Authority shall purchase the District Bonds simultaneously with the issuance of the Bonds.

**Section 7.** The proposed form of the Authority Purchase Contract on file with the Secretary of the Authority is hereby approved. The Chairperson or Executive Director of the Authority is hereby authorized and directed, for and in the name and on behalf of the Authority, to purchase the District Bonds from the District with the proceeds of the Bonds and to accept the offer of the Underwriter to purchase the Bonds from the Authority, subject to the terms and conditions of the Authority Purchase Contract, and to execute and deliver the Authority Purchase Contract to the District and the Underwriter provided, however, that the true interest cost with respect to the Authority Bonds shall not exceed 8.00% and the Underwriter's Discount shall not exceed 2% of the of the Authority Bonds thereof, excluding any original issue discount on the Authority Bonds. Approval of any additions or changes in such form shall be conclusively evidenced by such execution and delivery of the Purchase Contract.

**Section 8.** The Preliminary Official Statement relating to the Bonds, together with such amendments and supplements as shall be necessary or convenient to accurately describe the Bonds in accordance with the Purchase Contract, this Resolution and the other related proceedings and documents, is hereby approved for distribution to the purchasers of the Bonds. The Chairperson or Executive Director of the Authority is authorized pursuant to a resolution adopted by the District to approve the amendment of the Preliminary Official Statement, from time to time, pending distribution of the Preliminary Official Statement as shall be required to cause such Preliminary Official Statement to contain any further information necessary to accurately describe the Bonds and the Chairperson or Executive Director of the Authority is authorized to deem final the Preliminary Official Statement as of its date for the purpose of Rule 15c2-12 under the Securities Exchange Act of 1934 as amended. The final Official Statement relating to the Bonds shall be submitted to the Chairperson or Executive Director for approval.

**Section 9.** The Chairperson, Vice Chairperson, Treasurer and Executive Director of the Authority and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the issuance of the Bonds and the sale, issuance and delivery of the District Bonds to the Authority and Underwriter pursuant to the Purchase Contract approved herein.

***Section 10.*** This resolution shall take effect from and after the date of approval and adoption thereof.

***ADOPTED, SIGNED and APPROVED THIS*** 29<sup>th</sup> day of June, 2004.

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Mayor, Daryl R. Busch

ATTEST:

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City Clerk, Margaret Rey

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §.  
PERRIS PUBLIC FINANCING AUTHORITY )

I, Margaret Rey, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 3252 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 29<sup>th</sup> day of June, 2004, and that it was so adopted by the following vote.

AYES: Rogers, Yarbrough, Busch

NOES:

ABSENT:

ABSTAIN: Landers, Motte

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City Clerk, Margaret Rey