

RESOLUTION NUMBER 3758

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT OF NOT TO EXCEED \$9,500,000 WITHIN IMPROVEMENT AREA NO. 3 AND \$4,500,000 WITHIN IMPROVEMENT AREA NO. 4 OF COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PERRIS VALLEY VISTAS) OF THE CITY OF PERRIS

WHEREAS, the City Council (the “Council”) of the City of Perris, California (the “City”), upon receipt of a petition (including consent and waiver) (the “Petition”), as provided in Section 53332 of the Government Code of the State of California, instituted change proceedings with respect to Improvement Area Nos. 3 and 4 (the “Improvement Areas”) of Community Facilities District No. 2005-1 (Perris Valley Vistas) of the City of Perris (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California (the “Act”), as amended, pursuant to a resolution of consideration as adopted by the Council on the date hereof (the “Resolution of Consideration”) to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation of public facilities and the payment of development, impact and other fees required therefor, identified in Exhibit “A” hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto (collectively, the “Facilities”); and (2) the incidental expenses to be incurred in financing the Facilities, the change proceedings and administering the District (the “Incidental Expenses”); and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the Council intends to authorize the issuance of bonds for the Improvement Areas in the maximum aggregate amount of not to exceed \$9,500,000 within Improvement Area No. 3 and \$4,500,000 within Improvement Area No. 4 of the District; and

WHEREAS, the repayment of the bonds of the Improvement Areas of the District is to be secured by special taxes levied in the Improvement Areas of the District in accordance with Sections 53328 and 53338 of the Act, other than those properties exempted from taxation in the amended and restated rate and method of apportionment for each of the Improvement Areas set forth in Exhibits “B” and “C” to the Council’s Resolution of Consideration.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS DOES HEREBY FIND, RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. It is necessary to incur bonded indebtedness within the Improvement Areas of the District in an amount not to exceed \$9,500,000 within Improvement Area No. 3 of the District and \$4,500,000 within Improvement Area No. 4 of the District to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act. The City Council hereby declares and determines that the public convenience and necessity require and

that it is necessary to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$9,500,000 within Improvement Area No. 3 of the District and a maximum aggregate principal amount not to exceed \$4,500,000 within Improvement Area No. 4 of the District.

Section 3. The bonds for the Improvement Areas of the District will be issued for the purpose of financing the costs of the Facilities and the Incidental Expenses, including, but not limited to, the funding of reserve funds for the bonds, the financing of costs (including capitalized interest) associated with the issuance of the bonds, and all other costs and expenses necessary to finance the Facilities which are permitted to be financed pursuant to the Act.

Section 4. It is the intent of the Council to authorize the sale of bonds for the Improvement Areas of the District in one or more series, in the maximum aggregate principal amount described in Section 2 above and at a maximum interest rate not in excess of 12 percent per annum or such rate not in excess of the maximum rate permitted by law at the time the bonds are issued. The term of the bonds of each such series shall be determined pursuant to a resolution of the Council acting in its capacity as the legislative body of the District authorizing the issuance of the bonds of such series, but such term shall in no event exceed 40 years or such longer term as is then permitted by law.

Section 5. Public hearings (the "Hearings") on the proposed bond issuances for each Improvement Area shall be held on October 10, 2006, at 6:00 p.m., or as soon thereafter as practicable, at the Chambers of the City Council of the City of Perris, 101 North "D" Street, Perris, California 92570.

Section 6. In connection with the authorization to issue bonded indebtedness in the amounts set forth in Section 2 hereof, a proposition will be submitted to voters within each Improvement Area on October 10, 2006, by mail or personal delivery, and the ballot shall be returned to the City Clerk, the election officer, by 6:00 p.m. on October 10, 2006.

Section 7. At the Hearings at the time and place set forth above, any interested persons, including all persons owning land or registered to vote within the Improvement Areas of the District, may appear and be heard at the Hearing.

Section 8. The City Clerk is hereby directed to publish notices of the hearings pursuant to Section 6061 of the Government Code in a newspaper of general circulation circulated within the District. Such publication shall be completed at least seven (7) days prior to the date of the Hearings.

ADOPTED, SIGNED and APPROVED this 29th day of August, 2006.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Judy L. Haughney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Judy L. Haughney, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 3758 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held on the 29th day of August, 2006, and that it was so adopted by the following called vote:

AYES: Rogers, Yarbrough, Landers, Motte, Busch
NOES:
ABSENT:
ABSTAIN:

City Clerk, Judy L. Haughney

EXHIBIT “A”
(RESOLUTION NUMBER 3758)

**TYPES OF FACILITIES TO BE FINANCED BY
IMPROVEMENT AREA NOS. 3 AND 4 OF
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PERRIS VALLEY VISTAS)**

Note and update

- Street facilities, including, but not limited to, major arterials, highways, intersections, access ramps, roadways, sidewalk, curb, gutters, striping, lighting, traffic signalization, signage, landscaping of public streets and rights-of-way and appurtenant facilities, road crossings;
- Storm control facilities, including, but not limited to, storm drains, channels, detention, headwalls, riprap pads, retention and/or catch basins and appurtenant facilities, storm drain crossings;
- Sewer improvements, sanitary sewers, including, but not limited to, lift stations, force mains, pump stations, transmission and main lines, valves, and appurtenant facilities;
- Domestic water facilities, including, but not limited to, reservoirs, pump stations, transmission lines, distribution facilities, main lines, valves, fire hydrants and appurtenant facilities;
- Park, recreational facilities, open space and appurtenant facilities;
- Impact and other fees, including, but not limited to, TUMF, DIF, school fees, water fees, drainage fees, sewer treatment and connection fees, water supply fees, water meter fees, water connection fees, storm drain fees, capital facilities’ fees and other city fees all capital facilities which are part of these fee programs and capital improvement programs.
- Incidental expenses.
- City facilities.
- School facilities.

OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriters' discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel, special tax consultant fees and expenses, dissemination agent fees, and all other incidental expenses.
2. Administrative fees of the City and the Bond trustee or fiscal agent related to the Improvement Areas of the District and the Bonds.
3. Reimbursement of costs related to the formation of the District advanced by the City or any related entity, or any landowner or developer within the District, as well as reimbursement of any costs advanced by the City or any related entity, or any landowner or developer within the District, for facilities or other purposes or costs of the District.

This description of the public capital facilities is general in nature. The final nature and location of improvements and facilities will be determined upon the preparation of final plans and specifications. The final plans and specifications may show substitutes in lieu of, or modifications to, proposed work. Any such substitution shall not be a change or modification in the proceedings as long as the facilities provide a service substantially similar to that as set forth in the Report.