

RESOLUTION NUMBER 4777

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT OF NOT TO EXCEED \$4,000,000 WITHIN PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS TO PREPAY SPECIAL TAXES AND REFINANCE COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BONDS

WHEREAS, the City Council (the “Council”) of the City of Perris, California (the “City”), on its own initiative, as provided in Section 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris (“CFD 2014-2” or 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; and

WHEREAS, the City Council desires to form the District to (1) pay off the special taxes and refinance the outstanding Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris 1991 Special Tax Bonds (the “1991 Bonds”), which were used to refinance the purchase, construction, modification, expansion, improvement or rehabilitation of public facilities 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 refinancing the Facilities and forming and administering the District (the “Incidental Expenses”); and

WHEREAS, in order to refinance the Facilities and pay Incidental Expenses, the Council intends to authorize the issuance of bonds for the proposed district in the maximum aggregate principal amount of not to exceed \$4,000,000; and

WHEREAS, the repayment of the bonds of the District is to be secured by special taxes levied on taxable property in the District in accordance with Section 53328 of the Act, and excluding those properties exempted from taxation in the rate and method of apportionment for the District set forth in Exhibit “C” to the Council’s “Resolution of Intention of the City Council of the City of Perris to Establish Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris and to Authorize the Levy of a Special Tax within Said District to prepay outstanding special taxes and to refinance Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris”, adopted on the date hereof;

WHEREAS, in order to refinance the outstanding 1991 Bonds, which financed the Facilities and to pay for Incidental Expenses, the Council intends to authorize the issuance of bonds to pay off the 1991 Bonds (“Refunding Bonds”) in the maximum aggregate principal amount of not to exceed \$4,000,000;

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 proposed boundaries of the District in the principal amount not to exceed \$4,000,000, to refinance the 1991 Bonds, including the refinancing of the costs of the Facilities and Incidental Expenses, as permitted by the Act.

Section 3. The Refunding Bonds for the District will be issued for the purpose of prepaying the 1991 Bonds and paying off the current special taxes in the Community Facilities District No. 91-1 of the City of Perris (“CFD 91-1”) and including, but not limited to, the funding of reserve funds for the bonds, the financing of costs associated with the issuance of the bonds and all other costs and expenses necessary to refinance 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 District in the maximum aggregate principal amount of not to exceed \$4,000,000 within the proposed District 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. All refunding bonds shall be issued in compliance with Section 53362.5 of the Act. The term of the bonds 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, but such term shall in no event exceed seven (7) years, the term of the remaining 1991 Bonds or such longer term as is then permitted by law.

Section 5. A public hearing (the “Hearing”) on the proposed debt issue shall be held on November 25, 2014 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. At the Hearing at the time and place set forth above, any interested persons, including all persons owning land or registered to vote within the proposed District, may appear and be heard.

Section 7. The City Clerk is hereby directed to publish a notice of the Hearing (the “Notice”) pursuant to Section 6061 of the Government Code in a newspaper of general circulation circulated within the proposed District unless such notice is waived by the landowners or registered voters, as applicable. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

ADOPTED, SIGNED and **APPROVED** this 14th day of October, 2014

DARYL R. BUSCH,
MAYOR OF THE CITY OF PERRIS

ATTEST:

NANCY SALAZAR, CITY CLERK

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

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Resolution Number 4777 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 14th day of October, 2014, and that it was so adopted by the following vote:

AYES: RODRIGUEZ, ROGERS, YARBROUGH, LANDERS, BUSCH
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

By: _____
NANCY SALAZAR, CITY CLERK

EXHIBIT A

TYPES OF FACILITIES TO BE REFINANCED BY COMMUNITY FACILITIES DISTRICT NO. 91-1 (Perris Valley Spectrum)

The General Description of the Facilities financed by the CFD 91-1 pursuant to Resolution No. 1913 is as follows:

(a) street and road facilities (including the purchase of rights-of-way and construction or acquisition of street and road improvements);

(b) water facilities, wastewater and sewer facilities and storm drains;

(c) street lights, traffic lights and public utility facilities (including gas, electrical and telephone); and to serve the area within proposed Community Facilities District No. 91-1 (Perris Valley Spectrum);

(d) school facilities, fire protection and suppression facilities and services and open space, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities; and

(e) governmental facilities which the City Council of the City of Perris is authorized by law to contribute revenue to, or construct, own or operate, including but not limited to civic center improvements and facilities, municipal facilities and improvements, police, jail and detention facilities, parks, recreation facilities, parkways, open-surface facilities, museums and cultural facilities, including the payment of capital facilities fees to finance the construction and/or acquisition of such facilities.

(f) The incidental expenses which will be incurred are: (i) the cost of planning and designing such facilities and the cost of environmental evaluations thereof, (ii) all costs associated with the creation of the proposed community facilities district, issuance of the bonds thereof, the determination of the amount of and collection of taxes, the payment of taxes, and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district, and (iii) any other expenses incidental to the construction, completion, and inspection of such facilities.

OTHER

The District may also finance any of the following:

1. Bond related expenses, including underwriter's discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel fees and expenses, 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 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.