AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2001-1 (MAY FARMS) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2001-1 (MAY FARMS) OF THE CITY OF PERRIS, DOES ORDAIN AS FOLLOWS:

Section 1. By the passage of this ordinance (the "Ordinance"), the City Council authorizes the levy of a special tax at the rate and formula set forth in Exhibit "A" to Resolution Number 2950, as amended, which for reference purposes is attached hereto as "Exhibit 1" and incorporated herein by this reference. Capitalized terms used herein and not defined shall have the meaning assigned to them in Exhibit "1".

Section 2. The City Council or its designee is hereby further authorized to determine, by ordinance, resolution, or by other action if permitted by then applicable law, on or before August 1 of each year, the specific special tax to be levied on each parcel of land in the District. The special tax to be levied shall not exceed the maximum rates set forth in Exhibit "1", but the special tax may be levied at a lower rate. The City Clerk is authorized and directed to file with the county auditor on or before the 10th day of August of each tax year a certified copy of such ordinance or resolution accompanied by a list of all parcels subject to the special tax levy with the tax to be levied on each parcel.

Section 3. Properties or entities of the state, federal of other local governments located within Improvement Area No. 1, Improvement Area No. 2, Improvement Area No. 3, Improvement Area No. 4, Improvement Area No. 5, Improvement Area No. 6 or Improvement Area No. 7 shall be exempt from the above-referenced and approved special taxes only to the extent set forth in Section VIII of the applicable section of Exhibit 1 hereto and otherwise shall be subject to the tax in a manner consistent with the provisions of Section 53317.3 of the Act in effect as of the date of adoption of this Ordinance.

Section 4. All of the collections of the special taxes shall be used only as provided for in the Act and Resolution Number 2950. The special taxes shall be levied only so long as needed to accomplish the purposes described in Resolution Number 2950.

Section 5. The special taxes shall be collected from time to time as necessary to meet the financial obligations of Community Facilities District No. 2001-1 (May Farms) of the City of Perris (the "District") on the secured real property tax roll in the same manner as ordinary *ad valorem* taxes are collected, or other procedures as may be adopted by the City Council. The City Manager is hereby authorized and directed to provide or to cause to be

provided all necessary information to the auditor/tax collector of the County of Riverside and to otherwise take all actions necessary in order to effect proper billing and collection of the special taxes, so that the special taxes shall be levied and collected in sufficient amounts and at times necessary to satisfy the financial obligations of the District in each fiscal year until the Bonds are paid in full, the Facilities have been paid for, and provision has been made for payment of all of the administrative costs of the District. The special taxes may be subject to the same penalties and the same procedure, sale and lien priority in cases of delinquency as provided for *ad valorem* taxes as such procedure may be modified by law or this City Council from time to time.

Notwithstanding the foregoing, the City Manager may collect, or cause to be collected, one or more installments of the special taxes by means of direct billing by the District to the property owners within the District if, in the judgment of the City Manager, such means of collection will reduce the administrative burden of the District in administering the District or where it is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due, as set forth in any such respective billing to the property owners.

Whether the special taxes are levied in the manner provided in the first or the second preceding paragraph, the special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments.

Section 6. As a cumulative remedy, if any amount levied as a special tax for payment of bond interest or principal, together with any penalties and other charges accruing under this Ordinance, are not paid when due, the City Council may, not later than four years after the due date of the last installment of principal of the Bonds, order that the same be collected by an action brought in the superior court to foreclose the lien of such special tax.

Section 7. This Ordinance relating to the levy of the special taxes shall take effect immediately upon its final passage in accordance with the provisions of Section 36937(d) of the Government Code. The specific authorization for adoption of this Ordinance is pursuant to the provisions of Section 53340 of the Government Code.

Section 8. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of Riverside a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following final passage by the City Council of this Ordinance.

Section 9. The Mayor shall sign this Ordinance and the City Clerk shall attest to the Mayor's signature and then cause the same to be published within fifteen (15) days after its passage at least once in the *Press Enterprise*, a newspaper of general circulation published and circulated in the City.

Section 10. The City Clerk shall certify to the passage of this Ordinance and shall cause the same to be published as required by law.

ADOPTED, SIGNED and APPROVED this 11th day of June, 2002.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Margaret Rey

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

I, Margaret Rey, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance Number 1101, introduced at a regular meeting of the City Council of the City of Perris held on the 28th day of May, 2002, was duly and regularly adopted by the City Council, acting as the legislative body of Community Facilities District No. 2001-1 (May Farms) of the City of Perris, at a regular meeting thereof held on the 11th day of June, 2002, and that it was so adopted by the following called vote:

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

City Clerk, Margaret Rey

EXHIBIT "1" (ORDINANCE NUMBER 1101)

RATES AND METHODS OF APPORTIONMENT OF SPECIAL TAXES FOR IMPROVEMENT AREAS 1, 2, 3, 4, 5, 6, AND 7 OF COMMUNITY FACILITIES DISTRICT NO. 2001-1 (MAY FARMS) OF THE CITY OF PERRIS