

RESOLUTION NUMBER 4801

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$4,000,000 WITHIN SAID DISTRICT; AND CALLING A SPECIAL ELECTION

WHEREAS, on October 14, 2014, the City Council (the “Council”) of the City of Perris, California (the “City”), has heretofore adopted its Resolution No. 4776 (the “Resolution of Intention”) stating its intention to form Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the” Act”); and

WHEREAS, a copy of the Resolution of Intention, incorporating a description and map of the proposed boundaries of the District, setting forth the rate and method of apportionment and manner of collection of the special tax to be levied within the District, which will be used to pay principal and interest on bonds proposed to be authorized within the District, the proceeds of which will be applied to refinance existing bonds of Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris (the “Prior District”), which financed certain real or other tangible property, including all furnishings, equipment and supplies related thereto (collectively, the “Facilities”) of the Prior District, which Facilities had a useful life of five years or longer; and (2) the incidental expenses to be incurred in connection with refinancing the bonds of the Prior District and forming and administering the District (the “Incidental Expenses”) is on file with the City Clerk and incorporated herein by reference; and

WHEREAS, also on October 14, 2014, pursuant to Resolution No. 4777, the Council has heretofore adopted its resolution of intention to incur bonded indebtedness (the “Resolution of Intention to Incur Bonded Indebtedness”) stating its intention to incur bonded indebtedness in an amount of not to exceed \$4,000,000 within the District; and

WHEREAS, a copy of the Resolution of Intention to Incur Bonded Indebtedness is on file with the City Clerk; and

WHEREAS, on October 28, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4782, and moved the date of the public hearing to December 9, 2014; and

WHEREAS, on November 24, 2014, the Council supplemented the Resolution of Intention pursuant to Resolution No. 4788, and moved the date of the public hearing to January 13, 2015; and

WHEREAS, on January 13, 2015, this Council held a noticed public hearing as required by law relative to the proposed formation of the District; and

WHEREAS, at said hearing all persons not exempt from the special tax desiring to be heard on all matters pertaining to the formation of the District, the Facilities, and the levy of the special taxes, were heard and a full and fair hearing was held; and

WHEREAS, at said hearing evidence was presented to this Council on said matters before it, and this Council at the conclusion of said hearing was and is fully advised in the premises; and

WHEREAS, at said hearing, this Council adopted its resolution determining the validity of prior proceedings, establishing the District, authorizing the levy of a special tax within the District and establishing an appropriations limit (the "Resolution of Formation"); and

WHEREAS, the proposed special tax to be levied upon property within the District to pay principal and interest on the bonds proposed to be issued within the District has not been precluded by protest of the owners of one-half (1/2) or more of the area of land within the District; and

WHEREAS, this Council wishes to present to the qualified electors of the District a combined proposition to: (1) levy special taxes on property within the District; (2) incur bonded indebtedness; and (3) establish an appropriations limit for the District.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council hereby declares and deems that the public convenience and necessity require and it is necessary to incur bonded indebtedness in a maximum aggregate principal amount not to exceed \$4,000,000 within the District for the purpose of refinancing all or a portion of the Facilities and more particularly described as set forth in that certain Report filed with the City Council for the District.

Section 2. The purpose of the proposed bonded indebtedness is generally described as follows: to refinance (1) the Facilities, which Facilities had a useful life of five years or longer, by paying off and/or cancelling outstanding bonds of the Prior District; and (2) the Incidental Expenses.

Section 3. Except for property within the District that is exempt, wholly or partially, from the levy of the special tax specified in the Rate and Method of Apportionment of Special Tax attached to the Resolution of Formation as Exhibit "A", the whole of the property within the District shall pay for the applicable bonded indebtedness pursuant to the levy of the special tax authorized by the Resolution of Formation.

Section 4. The maximum term of the bonds or any series thereof to be issued shall in no event exceed seven (7) years.

Section 5. The bonds or any series thereof shall bear interest at a rate not to exceed the greater of twelve percent (12%) per annum or the maximum interest rate permitted by law, payable semiannually, with the actual rates and times of payment to be determined at the time of sale thereof.

Section 6. Pursuant to and in compliance with the provisions of Article 1.5 (commencing with Section 53410) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code, the Board hereby establishes the following accountability measures pertaining to any bonded indebtedness incurred by or on behalf of the District:

(a) Such bonded indebtedness shall be incurred for the specific purposes set forth in Section 2 above.

(b) The proceeds of any such bonded indebtedness shall be applied only to the specific purposes identified in Section 2 above.

(c) The documents establishing the terms and conditions for the issuance of any such bonded indebtedness shall provide for the creation of an account or accounts into which the proceeds of such bonded indebtedness shall be deposited.

(d) The City Manager, City Finance Director/Treasurer, or his or her designee, acting for and on behalf of the City, shall annually file a report with the City Council as required by Government Code Section 53411.

Section 7. Pursuant to Government Code Section 53353.5, the Council hereby submits to the qualified electors of the District a combined proposition ("Proposition A") to: (1) levy special taxes on property within the District in accordance with the rate and method special tax formulas specified in the Resolution of Formation of the Council; (2) incur bonded indebtedness in the maximum principal aggregate amount of \$4,000,000 for the District to refinance outstanding bonds of the Prior District which financed the Facilities; and (3) establish an appropriations limit as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for the District. Said appropriations limit shall equal the amount of all proceeds of the special tax collected annually and as defined by said Article XIII B, as adjusted for changes in the cost of living and changes in population. The Proposition is attached hereto as Exhibit "A."

Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The identification envelope for return of the ballot shall be enclosed with the ballot, shall have the return postage prepaid, and shall contain: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or the authorized representative of the landowner entitled to vote and is the person whose name appears on the identification envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration described in clause (b) above, and (e) a notice that the envelope contains an official ballot and is to be opened only by the canvassing board.

Section 8. A special election is hereby called for the District on the Propositions set forth in Section 7, hereinabove.

Section 9. The City Clerk is hereby designated as the election official. Pursuant to Section 53327 of the Act, the election shall be conducted by mail or hand-delivered ballot pursuant to Section 4000 of the Elections Code of the State of California. The City Council hereby finds that paragraphs (a), (b), (c)(1) and (c)(2) of said Section 4000 are applicable to this special election. Except as otherwise provided in the Act, the provisions of law regulating elections of the City, insofar as they may be applicable, will govern the election. The District shall constitute a single election precinct for the purpose of holding the election.

The City Clerk shall mail or hand-deliver the ballots to the landowner no earlier than March 18, 2015, and no later than April 3, 2015. The City Clerk shall provide such services as may be necessary to properly and lawfully hold and conduct the special election provided for herein, including but not restricted to the providing for and printing of sample ballots, official mail ballots, other election materials and registration lists, the appointment of election officers, the publication of required election notices, the mailing and counting of ballots, the canvassing of returns, the declaration of results, the issuance of certificates of election, and the preparation and providing of other materials and services required to conduct the election in the manner provided by law for conducting the election, including Sections 53326 and 53327 of the Act.

Section 10. The date of the special election for the District shall be April 14, 2015, which date is at least 90, but not more than 180 days, following the date of adoption of the Resolution of Formation, and which date has been concurred in by the City Clerk as election official. The voter ballot shall be returned to the City Clerk at 101 North "D" Street, Perris, California 92570, no later than 6:00 o'clock p.m. on April 14, 2014.

Section 11. The Council finds and determines that there were no registered voters residing within the territory of proposed District at the time of the protest hearing and ninety (90) days prior thereto.

Section 12. The City Clerk is hereby directed to publish a notice of the election one time in a newspaper of general circulation published in the area of the District, in accordance with Section 53352 of the Government Code and the Elections Code.

Section 13. Pursuant to Section 9280 of the Elections Code, the City Attorney is hereby authorized and directed to prepare an impartial analysis of the combined proposition specified herein showing the effect of the proposition on the existing law and the operation of the proposition, said analysis to be submitted by the City Attorney to the City Clerk for printing before the arguments for and against the proposition. The analysis shall not exceed 500 words in length and shall otherwise comply in all respects with the applicable provisions of the Elections Code.

Section 14. The City Clerk is hereby directed to publish a notice of the election one time in a newspaper of general circulation published in the area of the District, in accordance with Section 53352 of the Government Code and the Elections Code.

Section 15. The Mayor of the City, or the Mayor's designee, is hereby authorized to prepare a written argument in favor of the proposed proposition, not to exceed 500 words in length, on behalf of the City Council, in accordance with Elections Code Sections

9282-9287. At the Mayor's discretion, the argument may also be signed by bona fide associations or by individual voters who are eligible to vote.

Section 16. The City Council hereby authorizes arguments for and against the ballot measure and rebuttal arguments to be filed in accordance with Elections Code Sections 9282-9287, and directs the City Clerk to establish the deadline to file arguments and rebuttal arguments in accordance with applicable provisions of law.

Section 17. The City Clerk is hereby directed to establish the dates for the 10-calendar day examination period required by the Elections Code in accordance with applicable provisions of law. Voters may examine the ballot measure, the Impartial Analysis, the argument for the ballot measure, the argument against the ballot measure, and any rebuttal arguments, in the office of the City Clerk, 101 N. D Street, Perris, CA, during business hours of the City.

Section 18. The officers, employees and agents of the City are hereby authorized and directed to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Resolution and not inconsistent with the provisions hereof.

Section 19. The City Clerk shall certify the adoption of this Resolution.

ADOPTED, SIGNED and APPROVED this 13th day of January, 2015

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 4801 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 13th day of January, 2015, and that it was so adopted by the following vote:

AYES: RABB, RODRIGUEZ, ROGERS, BURKE, BUSCH

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

By: _____
NANCY SALAZAR, CITY CLERK

EXHIBIT "A"

OFFICIAL BALLOT

COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM)
OF THE CITY OF PERRIS

SPECIAL BOND, TAX AND APPROPRIATIONS LIMIT ELECTION

To vote, mark a cross (+) in the voting square after the word "YES" or after the word "NO." All marks otherwise made are forbidden.

This ballot is provided to _____, as sole owner or authorized representative of such sole owner of ____ acres of land within Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris and represents ____ votes.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Perris at 101 North "D" Street, Perris, California 92570 and obtain another.

PROPOSITION A: Shall Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris incur an indebtedness and be authorized to issue bonds in the maximum aggregate principal amount of \$4,000,000 with interest at a rate or rates established at such time as the bonds are sold in one or more series at fixed or variable interest rates, however not to exceed any applicable statutory rate for such bonds, the proceeds of which will be used to (1) refinance outstanding bonds of Community Facilities District 91-1 (Perris Valley Spectrum) of the City of Perris, which financed certain real or other tangible property, including all furnishings, equipment and supplies related thereto (collectively, the "Facilities"); and (2) finance the incidental expenses to be incurred in connection with refinancing the Facilities and forming and administering the District (the "Incidental Expenses"), as provided in the Resolution of the City Council of the City of Perris establishing the Community Facilities District No. 2014-2, (Perris Valley Spectrum) of the City of Perris (the "Resolution"); and shall a Special Tax be levied to pay the principal of and interest on such indebtedness and bonds and to pay directly the cost of refinancing of Facilities and Incidental Expenses as authorized in the Resolution; and shall an appropriations limit be established for Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris pursuant to Article XIII B of the California Constitution, said appropriations limit to be equal to the amount of all proceeds of the special tax collected annually, as adjusted for changes in the cost of living and changes in population?

YES

NO

By: _____