

RESOLUTION NUMBER 3856

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT OF NOT TO EXCEED \$16,000,000 WITHIN PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2006-2 (MONUMENT PARK ESTATES) 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 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District No. 2006-2 (Monument Park Estates) of the City of Perris (the “Community Facilities District No. 2006-2” 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 pursuant to a resolution adopted by the Council on the date hereof 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 and forming 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 proposed district in the maximum aggregate principal amount of not to exceed \$16,000,000; 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 to Establish Community Facilities District No. 2006-2 (Monument Park Estates) and to Authorize the Levy of a Special Tax within said Community Facilities District, adopted on the date hereof;

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 proposed Community Facilities District No. 2006-2 in the principal amount not to exceed \$16,000,000, to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.

Section 3. The bonds for 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 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 District in the maximum aggregate principal amount of not to exceed \$16,000,000 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. 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 40 years 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 February 27, 2007, 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. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

ADOPTED, SIGNED and **APPROVED** this 9th day of January, 2007.

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 3856 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 9th day of January, 2007, and that it was so adopted by the following called vote:

AYES: Yarbrough, Landers, Motte, Rogers, Busch

NOES:

ABSENT:

ABSTAIN:

City Clerk, Judy L. Haughney

EXHIBIT “A”
(RESOLUTION NUMBER 3856)

TYPES OF FACILITIES TO BE FINANCED BY
COMMUNITY FACILITIES DISTRICT NO. 2006-2
(Monument Park Estates)

The General Description of the Facilities that may be acquired or constructed is as follows:

- 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;
- Storm control facilities, including, but not limited to, storm drains, channels, detention, headwalls, riprap pads, retention and/or catch basins and appurtenant facilities;
- 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 and all capital facilities which are part of these fee programs and capital improvement programs;
- Incidental expenses.
- City 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.

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.