

**RESOLUTION NUMBER 2895**

**RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PERRIS TO INCUR BONDED INDEBTEDNESS IN THE AMOUNT OF NOT TO EXCEED \$98,000,000 WITHIN PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2001-1 (MAY FARMS) OF THE CITY OF PERRIS.**

**WHEREAS**, the City Council (the “Council”) of the City of Perris, California (the “City”) upon receipt of a petition as provided in Section 53318 of the Government Code of the State of California instituted proceedings to form Community Facilities District No. 2001-1 (May Farms) of the City of Perris (the “Community Facilities District No. 2001-1” or the “District”) and two improvement areas therein (each an “Improvement Area”) 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 adopted by the Council on the date hereof to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation or 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 financing the Facilities and forming and administering the District (the “Incidental Expenses”); and

**WHEREAS**, the Council estimates that the amount required to finance the Facilities and Incidental Expenses is \$98,000,000; and

**WHEREAS**, in order to finance the Facilities and Incidental Expenses, the Council intends to authorize the issuance of bonds for proposed Improvement Area Nos. 1 and 2 in the maximum aggregate amounts of \$8,000,000 and \$90,000,000, respectively; and

**WHEREAS**, the repayment of the bonds of an Improvement Area is to be secured by special taxes levied in that Improvement Area in accordance with Section 53328 of the Act, other than those properties exempted from taxation in the rate and method of apportionment for each Improvement Area set forth in Exhibit “C” to Resolution No. 2894;

**NOW, THEREFORE**, the City Council of the City of Perris does hereby 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 of the proposed boundaries of Improvement Area Nos. 1 and 2 of proposed Community Facilities District No. 2001-1 in an amount not to exceed \$8,000,000 and \$90,000,000, respectively, to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.

**Section 3.** The bonds for each Improvement Area 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 each Improvement Area in one or more series, in the maximum aggregate principal amount of not to exceed \$8,000,000 for Improvement Area No. 1 and \$90,000,000 for Improvement Area No. 2 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 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.** A public hearing (the "Hearing") on the proposed debt issue shall be held January 8, 2002 at 6:00 o'clock 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 at the Hearing.

**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. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

**Section 8.** The previous Resolution of Intention to Incur Bonded Indebtedness adopted by the Council on August 28, 2001, is hereby repealed and of no further force or effect.

**ADOPTED, SIGNED and APPROVED** this 27<sup>th</sup> day of November, 2001.

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MAYOR OF THE CITY OF PERRIS

Attest:

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City Clerk

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

I, Margaret Rey, duly elected City Clerk of the City of Perris, California, hereby certify that the foregoing Resolution Number 2895 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting held the 27<sup>th</sup> day of November, 2001, by the following called vote:

Ayes: Busch, Yarbrough, Larios, Motte  
Noes:  
Absent: Rogers

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City Clerk

**EXHIBIT "A"**

**TYPES OF FACILITIES TO BE FINANCED BY  
COMMUNITY FACILITIES DISTRICT NO. 2001-1**

Streets, roadway improvements, including improvements to intersections and arterial highways, street lights, landscaping, sanitary sewers, water supply, including sewer and water treatment facilities, storm drainage, school facilities, impact fees and other fees.