

**RESOLUTION NUMBER 6532**

***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS AUTHORIZING THE CHANGES TO THE SPECIAL TAXES WITHIN IMPROVEMENT AREA NO. 2 OF COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) OF THE CITY OF PERRIS; AND ITS INTENTION TO INCREASE THE BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$13,000,000; AND TAKING CERTAIN OTHER ACTIONS RELATING TO SAID DISTRICT***

**WHEREAS**, the City Council (the “Council”) of the City of Perris, California (the “City”), on August 27, 2024, has heretofore adopted its resolution of consideration (the “Resolution of Consideration”) stating its intention to make certain changes within Improvement Area No. 2 (the “Improvement Area”) of Community Facilities District No. 2022-4 (Park West) of the City of Perris (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”) being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and

**WHEREAS**, the changes to the rate and method of apportionment of the Special Tax of the Improvement Area of the District include (i) changes to revise the square footage categories; (ii) changes to the special tax rates, and (iii) increase the maximum bond authorization to an aggregate principal amount not to exceed \$13,000,000 (collectively, the “Changes”); and

**WHEREAS**, a copy of the Resolution of Consideration, incorporating a description of the boundaries of Improvement Area of the District, setting forth the Amended and Restated Rate and Method of Apportionment and manner of collection of the special tax to be levied within the Improvement Area of the District, and describing the facilities and special taxes authorized to be financed in Improvement Area is on file with the City Clerk and incorporated herein by reference; and

**WHEREAS**, the City Council has heretofore received a request from the landowner (the “Owner”) of the property within the Improvement Area of the District, requesting the Changes within the Improvement Area; and

**WHEREAS**, the Resolution of Consideration set October 8, 2024, as the date of the public hearing on the changes within the Improvement Area of the District; and

**WHEREAS**, at said hearing all persons within the Improvement Area and not exempt from the special tax desiring to be heard on all matters pertaining to the changes within the Improvement Area of the District were heard and a full and fair hearing was held; and

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

**WHEREAS**, following such public hearing, this Council adopted a resolution determining necessity to incur bonded indebtedness within the Improvement Area and calling a special election to be held within the Improvement Area (the “Resolution Calling Special Election”); and

**WHEREAS**, on October 8, 2024, an election in the Improvement Area on the proposition identified in the Resolution Calling Special Election was duly held; and

**WHEREAS**, following such election, this Council adopted a resolution declaring the results of the special election, wherein this Council determined that the propositions within the Improvement Area were approved by more than 2/3 of the qualified electors within such the Improvement Area (the “Resolution Declaring Results”).

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Perris, California, as follows:

**Section 1.** That the above recitals are all true and correct.

**Section 2.** Pursuant to Section 53325.1(b) of the Government Code, the Council finds and determines that the proceedings prior hereto were valid and in conformity with the requirements of the Act including, without limitation, the following:

- A. Filing of a petition of a landowner requesting institution of change proceedings to the District and incorporating waivers permitted by the Act;
- B. Adoption of a Resolution of Consideration regarding the changes to the Improvement Area of the District;
- C. Adoption of a Resolution of Intention to Incur Bonded Indebtedness in an amount not to exceed \$13,000,000 within the Improvement Area of the District;
- D. Publication and mailing of notice of public hearing on the changes to the Improvement Area of the District and of the proposed debt issue;
- E. Conducting of public hearing on the changes to the District, the proposed public facilities and the incurring of the proposed debt, changes to the special taxes, at which time all interested persons or taxpayers not exempt from the special tax within the Improvement Area of the District were permitted to protest orally or in writing against the changes to the Improvement Area of the District, were permitted to file written protests to the regularity or sufficiency of the proceedings, and any person interested, including persons owning property within the Improvement Area of the District, were permitted to appear and present any matters material to the questions set forth in the Resolution of Intention to Incur Bonded Indebtedness.

- F. Adoption of a Resolution Calling Special Election.
- G. Holding of Special Election within the Improvement Area on the proposition of approving the Changes.
- H. Adoption of the Resolution Declaring Results.

**Section 3.** The description and map of the boundaries of the District on file in the City Clerk's office has been recorded in the Office of the County Recorder of County of Riverside in Book 92 of Maps of Assessment and Community Facilities Districts at Pages 40 to 41 as Instrument No. 2023-0347787.

**Section 4.** The type of public facilities and fees ("Facilities") authorized to be provided within the Improvement Area of the District include certain real and other tangible property with an estimated useful life of five years or longer. The Facilities are more fully described in Exhibit "B" attached hereto and by this reference incorporated herein.

**Section 5.** Except where funds are otherwise available, there shall be levied annually in accordance with procedures contained in the Act a special tax within the Improvement Area of the District, secured by recordation of a continuing lien against all nonexempt real property in the District, sufficient to pay for: (i) the Facilities and incidental expenses ("Incidental Expenses"); and (ii) the principal and interest and other periodic costs on bonds or other indebtedness issued to finance the Facilities and Incidental Expenses. The amended and restated rate and method of apportionment ("Amended RMA") and manner of collection of the special tax within the District is described in detail in Exhibit "A" with respect to the Improvement Area ("Exhibit "A") attached hereto and incorporated herein by this reference.

**Section 6.** If special taxes of the Improvement Area of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed two percent (2%) per year to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied for a period not to exceed the date provided in the Amended RMA, as further described in Exhibit "A" hereto; and (iii) under no circumstances will such special tax be increased more than ten percent (10%) as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent.

**Section 7.** The special tax within Improvement Area of the District is based on the expected demand that each parcel of real property within the Improvement Area of the District will place on the Facilities, on the benefit that each parcel derives from the right to access the Facilities, and on other reasonable factors. The Council hereby determines the Amended RMA set forth in Exhibit "A" to be reasonable. The special tax within the Improvement Area of the District is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special tax is not based upon the value or ownership of real property. In the event that a portion of the property within an Improvement Area of the District shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit "A", the Council shall, on behalf of the District, cause the levy to be

increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit “A,” to the extent necessary upon the remaining property within the Improvement Area of the District which is not delinquent or exempt in order to yield the special tax revenues required for the purposes described herein. The obligation to pay special taxes may be prepaid as set forth in Exhibit “A.”

**Section 8.** Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the City Council hereby establishes the following accountability measures pertaining to the levy by the District of the Special Tax with respect to each Improvement Area as described in Section 7 above:

- A. Such Special Tax within the Improvement Area shall be levied for the specific purposes set forth in Section 6 hereof.
- B. The proceeds of the levy of such Special Tax within the Improvement Area shall be applied only to the specific purposes set forth in Section 6 hereof.
- C. Improvement Area of the District shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.
- D. The City Manager, Assistant City Manager or Finance Director, or his or her designee, acting for and on behalf of the CFD, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3 and other applicable law.

**Section 9.** Upon recordation of a notice of the amended special tax lien pursuant to Section 3114.5 of the Streets and Highways Code, a continuing lien to secure the levy of the special tax shall attach to all nonexempt real property in the Improvement Area of the District, and this lien shall continue in force and effect until the special tax obligation is prepaid or otherwise permanently satisfied and the lien cancelled in accordance with law or until collection of the tax by the Improvement Area of the District ceases. The City Clerk is hereby ordered to promptly record an Amended and Restated Notice of Special Tax Lien, in the form approved by the City’s bond counsel, for the Improvement Area.

**Section 10.** The Council finds that the Facilities are necessary to meet the increased demand put upon the City as a result of the development within the Improvement Area of the District.

**Section 11.** The Council finds that there is not an *ad valorem* property tax currently being levied on property within the Improvement Area of the District for the exclusive purpose of paying principal of or interest on bonds or other indebtedness incurred to finance construction of capital facilities which provide the same services to the territory of the Improvement Area of District as provided by the Facilities.

**Section 12.** An appropriation limit for the Improvement Area of the District is established as the amount of \$20,000,000, as adjusted for changes in the cost of living and changes in population.

**Section 13.** Pursuant to Section 53338(b) of the Government Code, the Council finds and determines that the new special taxes and Changes within the Improvement Area of the District are lawfully authorized.

**Section 14.** The Office of the City Clerk, or its designee is designated to be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and for estimating future special tax levies within the Improvement Area of the District pursuant to 53340.2 of the Government Code.

**ADOPTED, SIGNED, and APPROVED** this 8<sup>th</sup> day of October, 2024.

\_\_\_\_\_  
Michael M. Vargas, Mayor

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 6532 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 8<sup>th</sup> day of October, 2024, and that it was so adopted by the following vote:

AYES: NAVA, CORONA, RABB, ROGERS, VARGAS  
NOES: NONE  
ABSENT: NONE  
ABSTAIN: NONE

By: \_\_\_\_\_

Nancy Salazar, City Clerk

**EXHIBIT A**

**AMENDED AND RESTATED  
RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA NO. 2 OF  
COMMUNITY FACILITIES DISTRICT  
NO. 2022-4 (PARK WEST)  
OF THE CITY OF PERRIS**

## **EXHIBIT B**

### **TYPES OF FACILITIES TO BE FINANCED BY COMMUNITY FACILITIES DISTRICT NO. 2022-4 (PARK WEST) OF THE CITY OF PERRIS**

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, bridge facilities, regional transportation facilities and streets, 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, water quality basins, 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, trails, open space and appurtenant facilities;
- Impact and other City or public agency fees, including but not limited to, Transportation Uniform Mitigation Fees, Development Impact Fees, 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 or public agency fees and all capital facilities which are part of these fee programs and capital improvement programs;
- Utility undergrounding and dry utilities;
- Incidental expenses;
- City facilities.

## **OTHER**

The District may also finance any of the following:

1. Bond related expenses, including underwriters' discount, reserve fund, capitalized interest, financial advisor fees and expenses, bond and disclosure counsel, market absorption consultant, special tax consultant fees and expenses, appraiser, 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 city officer's report, containing a brief description of the facilities which will be required to adequately meet the needs of the District.

