

URGENCY ORDINANCE NUMBER 1183

**AN URGENCY ORDINANCE OF THE CITY COUNCIL OF
THE CITY OF PERRIS ENACTED PURSUANT TO
CALIFORNIA GOVERNMENT CODE §§ 36934, 36937, AND
53314.8, CONCERNING ADVANCES TO DEBT SERVICE
RELATING TO COMMUNITY FACILITIES DISTRICTS 90-1,
2001-1 (MAY FARMS), AND 2004-3 (MONUMENT RANCH)
AND DECLARING THE URGENCY THEREOF**

WHEREAS, the City has previously formed Community Facilities District CFD 90-1, CFD NO. 2001-1 (May Farms) and CFD 2004-3 (Monument Ranch) (collectively, the “Districts”); and

WHEREAS, in connection with the formation of the Districts, the City, acting as legislative body of each of the Districts, has issued its (or the Perris Public Financing Authority has issued its) (a) Special Tax Refunding Bonds, 1996 Series A secured in part by revenues from local obligations secured by special taxes in CFD No. 90-1, (b) Perris Public Financing Authority 2003 Local Agency Revenue Bonds, Series A secured in part by local obligations designated as Community Facilities District No. 2001-1(May Farms) of the City of Perris, Special Tax Bonds, 2003 Series B secured by Special Taxes in Improvement Area No. 2 of said District, and (c) Public Financing Authority 2004 Local Agency Revenue Bonds, Series A secured by revenues received from the outstanding Improvement Area No. 1 of Community Facilities District No. 2004-3 (Monument Ranch) of the City of Perris Special Tax Revenue Bonds, 2004 Series A (collectively, the “Outstanding Obligations”); and

WHEREAS, there are shortages in the debt service payments due on the Outstanding Obligations on March 1, 2006, due to certain delinquencies in payment of special taxes; and

WHEREAS, the City is investigating the source of the delinquencies and intends to collect the delinquencies; and

WHEREAS, certain of the delinquencies are related to changes in ownership not showing up on the County of Riverside assessor’s roll because said changes in ownership occurred following publication of the tax roll; and

WHEREAS, the City desires to advance payment of said delinquencies (debt service) to avoid potential adverse disclosure events related to the aforementioned Outstanding Obligations; and

WHEREAS, the City intends to be reimbursed for said advances to the extent said delinquencies are collected by the City; and

WHEREAS, the City may adopt an Ordinance pursuant to Section 53314.8 of the California Government Code, constituting a portion of the Mello Roos Community Facilities Act

of 1982 relating to community facilities districts, to advance payment of debt service related to the construction of facilities, acquisition of real property and incidental expenses;

WHEREAS, pursuant to Sections 36934 and 36937 of the California Government Code, the City may adopt an urgency ordinance if it is for the immediate preservation of the public peace, health or safety;

WHEREAS, said advances preserve the public peace, health and safety of the City in that they preserve the credit rating of the City and Districts from damage resulting from having the Outstanding Obligations go into default; and

WHEREAS, the City has a limited time frame to make such advances and desires to transfer funds to make the payments prior to the March 1, 2006 payment date;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, DOES ORDAIN, as follows:

Section 1. The City Council of the City of Perris finds that the above recitals are true and correct.

Section 2. The City Council finds that adoption of this Ordinance is for the immediate preservation of the public peace, health or safety in that it preserves the credit rating of the City and Districts from damage resulting from having the Outstanding Obligations go into default and being required to publish notices of such defaults or draws on the reserve funds.

Section 3. The City Council desires to advance said debt service payments relating to the payment due on March 1, 2005, or on the next payment date pursuant to the documents relating to each of the Districts in the amounts not exceeding: (a) \$10,000 relating to CFD No. 90-1; (b) \$3,000 relating to CFD No. 2001-1 (May Farms) and (c) \$60,000 relating to CFD No. 2004-3 (Monument Ranch).

Section 4. The City Council of the City desires to be reimbursed for said amounts upon collection of the delinquencies, and the City Council, acting as legislative body of each of the Districts, intends to reimburse the City for the payments authorized therein.

Section 5. The City Council hereby directs the City Manager and the Finance Director of the City to take such actions as may be appropriate in connection with this Ordinance.

Section 6. This interim urgency ordinance is enacted pursuant to the authority conferred upon the City Council by Government Code §§ 36934 and 36937, and shall be in full force and effect immediately upon its adoption by a four-fifths (4/5) vote of the City Council.

Section 7. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of

this ordinance. The City Council hereby declares that it would have passed this ordinance, and each and every section, subsection, sentence, clause and phrase thereof not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

ADOPTED, SIGNED and ***APPROVED*** this 14th day of February, 2006.

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 Urgency Ordinance Number 1183 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 14th day of February, 2006, and that it was so adopted by the following called vote:

AYES: Yarbrough, Landers, Motte, Rogers, Busch

NOES:

ABSENT:

ABSTAIN:

City Clerk, Margaret Rey