

RESOLUTION NO. 24-__

RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF MENIFEE TO INCUR BONDED INDEBTEDNESS WITHIN EACH OF PROPOSED IMPROVEMENT AREA NOS. 1 THROUGH 4 OF PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2024-2 (GOLDEN MEADOWS) OF THE CITY OF MENIFEE

WHEREAS, the City Council of the City of Menifee (the "City Council") upon receipt of a petition from Golden Meadowland, LLC, a Florida limited liability company and Golden Hill Country, LLC, a Florida limited liability company, as provided in Sections 53318 and 53319 of the Government Code of the State of California instituted proceedings to form Community Facilities District No. 2024-2 (Golden Meadows) of the City of Menifee ("Community Facilities District No. 2024-2" or the "District") and four improvement areas therein to be designated as "Improvement Area No. 1 of Community Facilities District No. 2024-2 (Golden Meadows) of the City of Menifee," "Improvement Area No. 2 of Community Facilities District No. 2024-2 (Golden Meadows) of the City of Menifee," "Improvement Area No. 3 of Community Facilities District No. 2024-2 (Golden Meadows) of the City of Menifee" and "Improvement Area No. 4 of Community Facilities District No. 2024-2 (Golden Meadows) of the City of Menifee" (collectively, the "Improvement Areas" and each an "Improvement Area") pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), as amended, pursuant to Resolution No. 24-__ adopted by the City Council on June 19, 2024; and

WHEREAS, the purpose of the proposed District is to finance (1) the purchase, construction, modification, expansion, improvement and/or rehabilitation of 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 City Council estimates that the amount required to finance the Facilities and Incidental Expenses is approximately \$34,000,000; and,

WHEREAS, in order to finance the Facilities and Incidental Expenses, the City Council intends to authorize the issuance of bonds in the maximum aggregate principal amount of (i) \$7,000,000 for Improvement Area No. 1, the repayment of which is to be secured by special taxes levied in accordance with Section 53328 of the Act on all property in the proposed Improvement Area No. 1, other than those properties exempted from taxation in the rate and method of apportionment set forth in Exhibit "C" to Resolution No. 24-__; (ii) \$7,000,000 for Improvement Area No. 2, the repayment of which is to be secured by special taxes levied in accordance with Section 53328 of the Act on all property in the proposed Improvement Area No. 2, other than those properties exempted from taxation in the rate and method of apportionment set forth in Exhibit "D" to Resolution No. 24-__; (iii) \$7,000,000 for Improvement Area No. 3, the repayment of which is to be secured by special taxes levied in accordance with Section 53328 of the Act on all property in the proposed Improvement Area No. 3, other than those properties exempted from taxation in the rate and method of apportionment set forth in Exhibit "E" to Resolution No. 24-__; and (iv) \$13,000,000, for Improvement Area No. 4, the repayment of which is to be secured by special taxes levied in accordance with Section 53328 of the Act on all property in the proposed Improvement Area No. 4, other than those properties exempted from taxation in the rate and method of apportionment set forth in Exhibit "F" to Resolution No. 24-__.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Menifee, California, hereby determines and orders:

Section 1. The above recitals are true and correct.

Section 2. It is necessary to incur bonded indebtedness within the boundaries of proposed Improvement Area No. 1 of Community Facilities District No. 2024-2 in an amount not to

exceed \$7,000,000, within the boundaries of proposed Improvement Area No. 2 of Community Facilities District No. 2024-2 in an amount not to exceed \$7,000,000, within the boundaries of proposed Improvement Area No. 3 of Community Facilities District No. 2024-2 in an amount not to exceed \$7,000,000, and within the boundaries of proposed Improvement Area No. 4 of Community Facilities District No. 2024-2 in an amount not to exceed \$13,000,000, to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.

Section 3. The indebtedness of each proposed Improvement Area will be incurred 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 that are permitted to be financed pursuant to the Act.

Section 4. It is the intent of the City Council to authorize the sale of bonds within each proposed Improvement Area in one or more series, in the maximum aggregate principal amount of \$7,000,000 for proposed Improvement Area No. 1, \$7,000,000 for proposed Improvement Area No. 2, \$7,000,000 for proposed Improvement Area No. 3 and \$13,000,000 for proposed Improvement Area No. 4 and at a maximum interest rate not in excess of 12 percent per annum, or a higher rate not in excess of the maximum rate permitted by law at the time that the bonds are issued. The term of the bonds of each series shall be determined pursuant to a resolution of this City 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 35 years from the date of issuance of the bonds of such series, or such longer term as is then permitted by law.

Section 5. A public hearing (the "Hearing") on the proposed issuance of bonded indebtedness shall be held at 6:00 p.m. or as soon thereafter as practicable, on August 7, 2024, at the City Council Chambers, 29844 Haun Road, Menifee, California.

Section 6. At the time and place set forth in this Resolution for the Hearing, any interested persons, including all persons owning land or registered to vote within proposed Community Facilities District No. 2024-2, may appear and be heard.

Section 7. The City Clerk is hereby directed to publish a notice (the "Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed Community Facilities District No. 2024-2. Such publication shall be completed at least seven days prior to the date of the Hearing. The City Clerk is further directed to mail a copy of the Notice to each of the landowners within the boundaries of proposed Community Facilities District No. 2024-2 at least 15 days prior to the Hearing.

{SIGNATURES ON FOLLOWING PAGE}

PASSED, APPROVED AND ADOPTED this 19th day of June, 2024.

Bill Zimmerman, Mayor

Attest:

Stephanie Roseen, Acting City Clerk

Approved as to form:

Jeffrey T. Melching, City Attorney

EXHIBIT A

Types of Facilities To Be Financed By Community Facilities District No. 2024-2

The proposed types of public facilities and expenses to be financed by the District include:

The construction, purchase, modification, rehabilitation, expansion and/or improvement of (i) drainage, library, park, roadway, traffic, administration and general government facilities, animal shelter facilities, fire and safety, and other public facilities of the City, including the foregoing public facilities that are included in the City's fee programs with respect to such facilities and authorized to be financed under the Mello-Roos Community Facilities Act of 1982, as amended (the "City Facilities"); and (ii) water and sewer facilities, including the acquisition of capacity in the sewer system and/or water system of the Eastern Municipal Water District and water and sewer facilities included in Eastern Municipal Water District's water and sewer capacity and connection fee programs (the "Water District Facilities" and together, with the City Facilities and the Water Facilities, the "Facilities"), and all appurtenances and appurtenant work in connection with the foregoing Facilities, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such Facilities, and to finance the incidental expenses to be incurred, including:

- a. The cost of engineering, planning and designing the Facilities; and
- b. All costs, including costs of the property owner petitioning to form the District, associated with the creation of the District, the issuance of the bonds, the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the District; and
- c. Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

Capitalized terms used and not defined herein shall have the meaning set forth in the applicable Rate and Method of Apportionment of Special Taxes for the District.