

## **RESOLUTION NO. TPFA 2024-**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY OF FORMATION OF TEMECULA PUBLIC FINANCING AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 23-02 (PRADO), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT, AND PRELIMINARILY ESTABLISHING AN APPROPRIATIONS LIMIT FOR THE DISTRICT**

THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. On January 23, 2024, this Board of Directors adopted Resolution No. TPFA 2024-01 entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority Declaring Its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – Prado” (the “Resolution of Intention”) stating its intention to form the Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, constituting Section 53311 et seq. of the California Government Code (the “Law”).

Section 2. The Resolution of Intention, incorporating by reference a map of the proposed boundaries of the District and describing the public improvements (the “Facilities”) and municipal services (the “Services”), and the prepayment of certain special taxes (the “Special Taxes”), eligible to be financed by the District, the cost of financing the Facilities and the Services, and the prepayment of the Special Taxes, and the rate and method of apportionment of the special tax to be levied within the District to pay the costs of the Facilities and the Services, and the prepayment of the Special Taxes, and to pay the principal and interest on bonds proposed to be issued with respect to the District, is on file with the Secretary and the provisions thereof are incorporated herein by this reference as if fully set forth herein.

Section 3. On this date, this Board of Directors held the public hearing as required by the Law and the Resolution of Intention relative to the proposed formation of the District.

Section 4. At the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the District, the Facilities and the Services, and the prepayment of the Special Taxes eligible to be funded by the District, and the levy of the special tax, were heard and a full and fair hearing was held.

Section 5. At the hearing evidence was presented to this Board of Directors on the matters before it, including a report by the Director of Public Works of the City of Temecula (the “Report”) as to the Facilities and the Services, and the prepayment of the Special Taxes eligible to be funded by the District and the costs thereof, a copy of which is on file with the Secretary, and this Board of Directors at the conclusion of the hearing was fully advised regarding the District.



Section 6. Written protests with respect to the formation of the District and/or the furnishing of specified types of the Facilities or of the Services, or of the Special Taxes to be prepaid, as described in the Report, have not been filed with the Secretary by fifty percent (50%) or more of the registered voters residing within the territory of the District or the owners of one-half (1/2) or more of the area of land within the District and not exempt from the special tax.

Section 7. The special tax proposed to be levied in the District to pay for the costs of the Facilities and the Services and the prepayment of the Special Taxes, as set forth in Exhibit B to the Resolution of Intention, has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the District or the owners of one-half (1/2) or more of the area of land within the District and not exempt from the special tax.

Section 8. On April 10, 2001, this Board of Directors adopted a resolution approving Local Goals and Policies for Community Facilities Districts, and this Board of Directors hereby finds and determines that the District is in conformity with said goals and policies.

Section 9. All prior proceedings taken by this Board of Directors in connection with the establishment of the District and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Law.

Section 10. The community facilities district designated "Temecula Public Financing Authority Community Facilities District No. 23-02 (Prado)" is hereby established pursuant to the Law.

Section 11. The boundaries of the District, as described in the Resolution of Intention and set forth in the boundary map of the District recorded on February 7, 2024 at 10:11 a.m. in the Riverside County Recorder's Office in Book 92 of Maps of Assessment and Community Facilities Districts at Page 66 (instrument no. 2024-0034988), are hereby approved, are incorporated herein by this reference and shall be the boundaries of the District.

Section 12. The types of facilities and services, and the prepayment of the special taxes, eligible to be funded by the District pursuant to the Law are as described in Exhibit A hereto which Exhibit is by this reference incorporated herein. This Board of Directors hereby finds that the Facilities and the Services are necessary to meet increased demands placed upon local agencies as the result of development occurring in the District.

Section 13. Except to the extent that funds are otherwise available to the District to pay for the Facilities, the Services, the prepayment of the Special Taxes and/or to pay the principal and interest as it becomes due on bonds of the District issued to finance the Facilities and the prepayment of the Special Taxes, a special tax sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the District, will be levied within the District and collected in the same manner as ordinary ad valorem property taxes or in such other manner as this Board of Directors shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the special tax among the parcels of real property within the District, in sufficient detail to allow each landowner within the proposed District to estimate the maximum amount such owner will have to pay, are described in Exhibit B to the Resolution of Intention which Exhibit is by this



reference incorporated herein. This Board of Directors hereby finds that the basis for the levy and apportionment of the special tax, as set forth in the Rate and Method, is reasonable.

Section 14. The Treasurer of the Temecula Public Financing Authority, 41000 Main Street, Temecula, CA 92590, telephone number (951) 693-3945, is the officer of the Authority that will be responsible for preparing annually and whenever otherwise necessary a current roll of special tax levy obligations by assessor's parcel number and which will be responsible for estimating future special tax levies pursuant to Section 53340.2 of the Law.

Section 15. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the District and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the Authority ceases.

Section 16. In accordance with Section 53325.7 of the Law, the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIIB of the California Constitution, of the District is hereby preliminarily established at \$20,000,000 and said appropriations limit shall be submitted to the voters of the District as provided below. The proposition establishing the appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of Section 53325.7 of the Law.

Section 17. Pursuant to the provisions of the Law, the proposition of the levy of the special tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the District as separate ballot measures at an election, the time, place and conditions of which election shall be as specified by a separate resolution of this Board of Directors.

Section 18. This Resolution shall take effect upon its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Board of Directors of the Temecula Public Financing Authority this 27<sup>th</sup> day of February, 2024.

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James Stewart, Chair

ATTEST:

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Randi Johl, Secretary

[SEAL]



STATE OF CALIFORNIA     )  
COUNTY OF RIVERSIDE    ) ss  
CITY OF TEMECULA         )

I, Randi Johl, Secretary of the Temecula Public Financing Authority, do hereby certify that the foregoing Resolution No. TPFA 2024-         was duly and regularly adopted by the Board of Directors of the Temecula Public Financing Authority at a meeting thereof held on the 27<sup>th</sup> day of February, 2024, by the following vote:

AYES:                   BOARD MEMBERS:

NOES:                   BOARD MEMBERS:

ABSTAIN:               BOARD MEMBERS:

ABSENT:                BOARD MEMBERS:

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Randi Johl, Secretary



## EXHIBIT A

### DESCRIPTION OF SPECIAL TAXES, FACILITIES AND MUNICIPAL SERVICES ELIGIBLE TO BE FUNDED BY THE DISTRICT

#### SPECIAL TAXES TO BE PREPAID

It is proposed that the District be eligible to finance all or a portion of any amount necessary to eliminate any fixed special assessment liens, or to pay, repay, or defease any obligation to pay or any indebtedness secured by any tax, fee, charge, or assessment levied within the area of the CFD (including, but not limited to the lien of special taxes by the Temecula Public Financing Authority Community Facilities District No. 01-2 (Harveston)), or to pay debt service on any such indebtedness.

#### FACILITIES

It is proposed that the District be eligible to finance all or a portion of the costs of the following facilities:

- The acquisition and construction of: streets (including paving, aggregate base, striping and traffic marking, sidewalks, curbs, gutters and driveways), including Temecula Center Drive, Ynez Road and Date Street within and in the vicinity of the District; stormwater drainage systems (including storm drain lines, inlets, outlets, channels, structures, junctions, manholes, catch basins and related dewatering); street light improvements (including light fixtures, substructures, conduits and service points of connection); and street signage (including traffic, stop and street name signs).

The foregoing are to include the acquisition of any related right-of-way and other land needed for the installation of any such improvements, demolition of existing structures and site leveling needed for the installation of any such improvements, erosion control, and other appurtenances.

- The acquisition and installation of traffic signal improvements, including traffic signal interconnection and video surveillance systems, at the intersection of Ynez Road and Temecula Center Drive.
- Landscaping improvements in the public right of way along or in the vicinity of Temecula Center Drive, Date Street and Ynez Road, including related appurtenances.
- Capital improvements included in the City of Temecula's adopted Capital Improvement Program for Fiscal Years 2024-2028.
- School improvements to be designated by the Temecula Valley Unified School District, which may include construction of buildings, equipping of school facilities, and acquisition of support and other appurtenances with a useful life of five years or more.
- Sewer system improvements to be designated by the Eastern Municipal Water District.
- Water facilities to be designated by the Rancho California Water District.



The Facilities include the acquisition of right-of-way, the costs of design, engineering and planning, the costs of any environmental or traffic studies, surveys or other reports, the cost of any required environmental mitigation and any required noise mitigation measures, landscaping and irrigation, soils testing, permits, plan check and inspection fees, insurance, legal and related overhead costs, coordination and supervision and any other costs or appurtenances related to any of the foregoing.

## MUNICIPAL SERVICES

It is proposed that the District be eligible to fund all or a portion of the costs of the following municipal services:

- Public safety services, including police and fire protection.
- Maintenance of parks, and landscaping in public areas, public easements and public right of way in or near the area of the District, such maintenance to include but not be limited to maintenance of planting areas, trees, bioretention filters, multipurpose trails, and the furnishing of water for irrigation.
- Maintenance of public signage in or near the District.
- Maintenance of storm drainage systems within or serving the area of the District, and including storm drain pipes, culverts, detention/desilting basins, manholes, catch basins and drop inlets, cleanout of storm drains and catch basin cleaning and inspection.
- Maintenance of sidewalks, streets and roadways within or in the vicinity of the area of the District, and including slurry, overlay, curbs and gutters, curb ramps, striping and street sweeping.
- Maintenance of street lighting located within or in the vicinity of the District, and including decorative lighting and pull box assemblies.
- Maintenance of traffic signals, and traffic interconnection and video surveillance systems, within and in the vicinity of the District, and including electrical, LED replacement, maintenance and replacement.
- Graffiti removal from public improvements within and in the area of the District.

The District may fund any of the following related to the services described above: the furnishing of services and materials for the ordinary and usual maintenance, operation and servicing of the improvements, including repair, removal or replacement of all or part of any of the improvements, the furnishing of water for the irrigation and the furnishing of electric current or energy, for any lights or irrigation facilities, obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, obtaining supplies or appurtenant facilities necessary for such maintenance, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses. The District may also provide for the reimbursement to the City of Temecula to the extent that the City of Temecula advances funds to pay for any of the foregoing services, and may fund reserves for repairs and replacements and for future expected costs of services. It is



expected that the services will be provided by the City of Temecula, either with its own employees or by contract with third parties, or any combination thereof.

The services to be financed by the District shall be in addition to those provided in the territory of the District before the date of creation of the District, and will not supplant services already available within that territory when the District is created.

#### OTHER

It is expected that the District may also finance any of the following:

1. Bond related expenses, including underwriters discount, appraisal and price point study costs, reserve fund, capitalized interest, bond and disclosure counsel fees and expenses, landowner counsel fees and expenses, and all other incidental expenses related to any special tax bonds (the "Bonds") issued for the District.
2. Administrative fees of the Authority, the City of Temecula 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 Authority, the City of Temecula, any landowner in the District, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the Authority, the City of Temecula, any landowner in the District or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the District.