

RESOLUTION NO. TPFA 2024-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY DETERMINING THE NECESSITY TO INCUR BONDED INDEBTEDNESS OF THE TEMECULA PUBLIC FINANCING AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 23-01 (ALTAIR)

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

Section 1. On February 13, 2024, this Board of Directors adopted Resolution No. TPFA 2024-03 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 – Altair” (the “Resolution of Intention”) stating its intention to form the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair) (the “District”), pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 et seq. (the “Law”), to fund costs of certain public improvements (the “Facilities”), of a conservation fee (the “Conservation Fee”), and of certain municipal services (the “Services”), as described therein.

Section 2. The Resolution of Intention also designated the property to be initially included in the District as “Improvement Area No. 1 of the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair) (“Improvement Area No. 1”) pursuant to Section 53350 of the Law.

Section 3. The Resolution of Intention also identified territory proposed to be annexed to the District in the future pursuant to Sections 53339.2 and 53339.3 of the Law which it designated as the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair) (Future Annexation Area) (the “Future Annexation Area”).

Section 4. Also in the Resolution of Intention, this Board of Directors determined that it may be necessary to designate additional improvement areas in the District as a result of the annexation of territory to the District from the Future Annexation Area (each, a “Future Improvement Area”).

Section 5. On February 13, 2024, this Board of Directors also adopted Resolution No. TPFA 2024-04 entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority Declaring Its Intention to Incur Bonded Indebtedness of the Proposed Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair)” (the “Resolution of Intention to Incur Indebtedness”) stating its intention to incur bonded indebtedness within the boundaries of the District and Improvement Area No. 1 for the purpose of financing costs of the Facilities.

Section 6. On this date, this Board of Directors held the public hearing as required by the Law and the Resolution of Intention relative to the determination to proceed with the formation of the District, the provision by the District of funds to pay costs of the Facilities, the Services and the Conservation Fee, and the rate and method of apportionment of the special tax to be levied within Improvement Area No. 1 to pay the principal and interest on the proposed indebtedness and the administrative costs of the Authority and the City of Temecula relative to the District.

Section 7. At the hearing all persons desiring to be heard on all matters pertaining to the formation of the District, the designation of Improvement Area No. 1, the identification of the Future Annexation Area, the provision of funds to pay the costs of the Facilities, the Services and the Conservation Fee and the levy of the special tax on property within the District and Improvement Area No. 1, were heard and a full and fair hearing was held.

Section 8. Subsequent to the hearing, this Board of Directors adopted a resolution entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority of Formation of Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair)” (the “Resolution of Formation”).

Section 9. On this date, this Board of Directors held the public hearing as required by the Law relative to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness.

Section 10. No written protests with respect to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness have been filed with the Secretary.

Section 11. In order to finance the costs of the Facilities, including, but not limited to, the costs of issuing and selling bonds to finance all or a portion of the Facilities and the costs of the Authority in establishing and administering the District, it is necessary for the Authority to incur bonded indebtedness in one or more series on behalf of Improvement Area No. 1 in an aggregate amount not to exceed \$25,000,000 (the “Improvement Area No. 1 Indebtedness Limit”).

In order to finance the costs of the Facilities, including, but not limited to, the costs of issuing and selling bonds to finance all or a portion of the Facilities and the costs of the Authority in establishing and administering the District, it is necessary for the Authority to incur bonded indebtedness in one or more series on behalf of the District with respect to those portions of the District that are included in the Future Annexation Area in an aggregate amount not to exceed \$70,000,000 (the “Non-Improvement Area No. 1 Indebtedness Limit”). The designation as an improvement area of any territory in the Future Annexation Area annexing to the District, the maximum amount of bonded indebtedness and other debt for such improvement area, the rate and method of apportionment of special tax for such improvement area and the appropriations limit for such improvement area shall be identified and approved in the unanimous approval executed by property owners in connection with their annexation to the District, subject to the conditions set forth in Section 15 of the Resolution of Formation. In the event all or a portion of the Future Annexation Area is annexed as one or more Future Improvement Areas, the maximum indebtedness of each such Future Improvement Area shall be identified in the unanimous approval of the property owners of the property to be annexed at the time of the annexation, as set forth in

the Resolution of Formation, and the amount of the maximum indebtedness for the Future Improvement Area shall be subtracted from the Non-Improvement Area No. 1 Indebtedness Limit.

Section 12. The whole of the Improvement Area No. 1 shall pay for the bonded indebtedness issued by the Authority for Improvement Area No. 1 through the levy of the special tax. The special tax is to be apportioned in accordance with the rate and method of apportionment of special taxes set forth in Exhibit B to the Resolution of Intention.

Section 13. Bonds in the aggregate maximum amount of \$25,000,000 are hereby authorized for Improvement Area No. 1 subject to voter approval. The bonds may be issued in one or more series and mature and bear interest at such rate or rates, payable semiannually or in such other manner, all as this Board of Directors or its designee shall determine at the time or times of sale of such bonds; provided, however, that the interest rate or rates shall not to exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds and the bonds or any series thereof shall have a maximum term of not to exceed 40 years.

Section 14. The proposition of incurring the bonded indebtedness for Improvement Area No. 1 herein authorized shall be submitted to the qualified electors of Improvement Area No. 1 and shall be on the same ballot, as a separate ballot measure, with elections on the proposition of levying special taxes within Improvement Area No. 1 and the establishment of an appropriations limit for Improvement Area No. 1. The time, place and conditions of said election shall be as specified by separate resolution of this Board of Directors.

Section 15. This Resolution shall take effect upon its adoption.

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Temecula Public Financing Authority this 26th day of March, 2024.

James Stewart, Chair

ATTEST:

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 26th day of March, 2024, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Randi Johl, Secretary