

RESOLUTION NO. 2025-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2004-3 (ROSETTA CANYON), AUTHORIZING THE ISSUANCE OF ITS IMPROVEMENT AREA NO. 1 2025 SPECIAL TAX REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED THIRTEEN MILLION DOLLARS (\$13,000,000) AND AUTHORIZING THE ISSUANCE OF ITS IMPROVEMENT AREA NO. 2 2025 SPECIAL TAX REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED TWENTY ONE MILLION FIVE HUNDRED THOUSAND DOLLARS (\$21,500,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

Whereas, the City Council of the City of Lake Elsinore (the "City"), located in Riverside County, California (hereinafter sometimes referred to as the "legislative body of the District"), has heretofore undertaken proceedings to form City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) (the "District") pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

Whereas, the District is authorized to finance certain public facilities and other governmental facilities that are necessary to meet increased demands placed upon the City as a result of development or rehabilitation occurring within the District, which facilities may be physically located outside the boundaries of the District (the "Facilities"); and

Whereas, the District has previously issued its \$21,005,000 Improvement Area No. 1 2015 Special Tax Refunding Bonds (the "Prior Improvement Area No. 1 Bonds") and its \$23,115,000 Improvement Area No. 2 2015 Special Tax Refunding Bonds (the "Prior Improvement Area No. 2 Bonds", and together with the Prior Improvement Area No. 1 Bonds, the "Prior Bonds") to finance and refinance certain public improvements; and

Whereas, the legislative body of the District now desires to refund the Prior Improvement Area No. 1 Bonds through the issuance of bonds for Improvement Area No. 1 in an aggregate principal amount not to exceed \$13,000,000 designated as the "City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 1 2025 Special Tax Refunding Bonds" (the "Improvement Area No. 1 Bonds"); and

Whereas, the legislative body of the District now desires to refund the Prior Improvement Area No. 2 Bonds and finance additional Facilities using savings achieved through such refunding through the issuance of bonds for Improvement Area No. 2 in an aggregate principal amount not to exceed \$21,500,000, designated as the "City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 2 2025 Special Tax Refunding Bonds" (the "Improvement Area No. 2 Bonds" and together with the Improvement Area No. 1 Bonds, the "2025 Bonds"); and

Whereas, in order to effect the issuance of the 2025 Bonds, the legislative body of the District desires to enter into separate Bond Indentures for the Improvement Area No. 1 Bonds and the Improvement Area No. 2 Bonds, each dated as of June 1, 2025 (each a "Local Obligation Bond Indenture" and together, the "Local Obligation Bond Indentures"), with Wilmington Trust, National Association, as Trustee, in substantially the form presented herewith; and

Whereas, the legislative body of the District has determined in accordance with Section 53360.4 of the Code that a negotiated sale of the 2025 Bonds to the Lake Elsinore Facilities Financing Authority (the "Authority") in accordance with the terms of the Local Obligations Purchase Agreement to be entered into by and among the Authority, the District and certain other community facilities districts of the City participating in the financing (the "Bond Purchase Agreement") approved as to form by this legislative body herein will result in a lower overall cost to the District than a public sale; and

Whereas, the legislative body of the District has duly noticed and held a public hearing and hereby determines that it is prudent in the management of its fiscal affairs to issue the Improvement Area No. 2 Bonds and that the issuance of the Improvement Area No. 2 Bonds will result in significant public benefits of the type described in Government Code Section 6586; and

Whereas, the Authority will issue its bonds (the "Authority Bonds") to provide funds for its purchase of the 2025 Bonds;

NOW, THEREFORE, THE CITY COUNCIL, ACTING AS THE LEGISLATIVE BODY OF THE DISTRICT, DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Section 1. Each of the above recitals is true and correct.

Section 2. The legislative body of the District is authorized pursuant to the Act to issue the 2025 Bonds for the benefit of the District for purposes set forth herein and to take the necessary steps to refund and redeem the Prior Bonds and to finance the Facilities.

Section 3. The issuance of the Improvement Area No. 1 Bonds in an aggregate principal amount not to exceed \$13,000,000 and the issuance of the Improvement Area No. 2 Bonds in an aggregate principal amount not to exceed \$21,500,000 is hereby authorized with the exact principal amounts to be determined by the official signing the Bond Purchase Agreement in accordance with Section 6 below. The legislative body of the District hereby determines that it is prudent in the management of its fiscal affairs to issue the 2025 Bonds. The 2025 Bonds shall mature on the dates and pay interest at the rates set forth in the Bond Purchase Agreement to be executed on behalf of the District in accordance with Section 6 hereof. The 2025 Bonds shall be governed by the terms and conditions of the Local Obligation Bond Indentures presented at this meeting. The Local Obligation Bond Indentures shall be prepared by Bond Counsel to the District and executed by one or more of the Mayor, the City Manager, the Assistant City Manager, and their written designees (collectively, the "Authorized Officers") substantially in the form presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary to cure any ambiguity or defect therein, to insert the offering price(s), interest rate(s), selling compensation, principal amount per maturity, redemption dates and prices and such other related terms and provisions as limited by Section 6 hereof, to conform any provisions therein to the Bond Purchase Agreement and the Official Statement for the Authority Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Local Obligation Bond Indentures by one or more Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Local Obligation Bond Indentures.

In satisfaction of the requirements contained in Section 53363.2 of the Act, the legislative body of the District hereby determines that with respect to the Improvement Area No. 1 Bonds: (1) it is anticipated that the purchase of the Improvement Area No. 1 Bonds will occur

on or about May 29, 2025, (2) the Improvement Area No. 1 Bonds shall bear the date, be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the Prior Bonds being refunded by the Improvement Area No. 1 Bonds), and be payable at the place and be in the form specified in the related Local Obligation Bond Indenture, (3) the Improvement Area No. 1 Bonds will bear interest at the minimum rate of 0.10% per annum, and (4) the designated cost of issuing the Improvement Area No. 1 Bonds, as defined by Section 53363.8 of the Act, shall include all of the costs specified in Section 53363.8(a), (b)(2) and (c)

In satisfaction of the requirements contained in Section 53363.2 of the Act, the legislative body of the District hereby determines that with respect to the portion of the Improvement Area No. 2 Bonds allocated to refund the Prior Bonds (the "Refunding Bonds"): (1) it is anticipated that the purchase of the Refunding Bonds will occur on or about May 29, 2025, (2) the Refunding Bonds shall bear the date, be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the Prior Bonds being refunded), and be payable at the place and be in the form specified in the related Local Obligation Bond Indenture, (3) the Refunding Bonds will bear interest at the minimum rate of 0.10% per annum, and (4) the designated cost of issuing the Refunding Bonds, as defined by Section 53363.8 of the Act, shall include all of the costs specified in Section 53363.8(a), (b)(2) and (c).

In satisfaction of the requirements contained in Section 53364.2 of the Act, the legislative body of the District hereby determines that any savings achieved through the issuance of the Improvement Area No. 1 Bonds shall be used to reduce special taxes of Improvement Area No. 1 of the District, and that any savings achieved through the issuance of the Improvement Area No. 2 Bonds shall be used to either finance additional Facilities and/or reduce special taxes of Improvement Area No. 2 of the District in accordance with the Act. The City Manager and the Assistant City Manager are each hereby authorized to allocate the savings between the Facilities and reduction of special taxes as they may determine in accordance with the Act.

Section 4. The 2025 Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Mayor of the City and to attested with the manual or facsimile signature of the City Clerk. Wilmington Trust, National Association is hereby appointed to act as Trustee for the 2025 Bonds.

Section 5. The covenants set forth in the Local Obligation Bond Indentures to be executed in accordance with Section 3 above are hereby approved, shall be deemed to be covenants of the City Council in its capacity as the legislative body of the District and shall be complied with by the District and its officers.

Section 6. The form of the Bond Purchase Agreement presented herewith is hereby approved; and any one of the Authorized Officers is hereby authorized and directed, for and in the name of the District, to execute and deliver the Bond Purchase Agreement substantially in the form approved, with such additions thereto and changes therein as may be approved or required by an Authorized Officer, including changes relating to dates and numbers as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the 2025 Bonds as of the sale date. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that the Bond Purchase Agreement shall be signed only if the true interest cost on each series of the 2025 Bonds is less than 5.00%.

Section 7. The form of the Preliminary Official Statement for the Authority Bonds presented at this meeting is hereby approved, and the underwriter of the Authority Bonds is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds in the form hereby approved, together with such additions thereto and changes therein as are determined necessary or desirable by the Authorized Officers, to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading. The underwriter of the Authority Bonds is further authorized to distribute the final Official Statement for the Authority Bonds and any supplement thereto to the purchasers thereof.

Section 8. In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that: (i) the assessed value of the real property in Improvement Area No. 1 of the District subject to the special tax to pay debt service on the Improvement Area No. 1 Bonds is at least three times the principal amount of the Improvement Area No. 1 Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within Improvement Area No. 1 of the District; and (ii) the assessed value of the real property in Improvement Area No. 2 of the District subject to the special tax to pay debt service on the Improvement Area No. 2 Bonds is at least three times the principal amount of the Improvement Area No. 2 Bonds and the principal amount of all other bonds outstanding that are secured by a special tax levied pursuant to the Act or a special assessment levied on property within Improvement Area No. 2 of the District.

Section 9. The City Manager, the Assistant City Manager, the City Clerk or their written designee, are authorized to provide for all services necessary to effect the issuance of the 2025 Bonds. Such services shall include, but not be limited to, obtaining legal services, fiscal agent services and any other services deemed appropriate as set forth in a certificate of the City Manager, the Assistant City Manager, the City Clerk or their written designee. The City Manager, the Assistant City Manager, the City Clerk or their written designee, or their written designee, are authorized to pay for the cost of such services, together with other Costs of Issuance from 2025 Bond proceeds.

Section 10. The City Manager, the Assistant City Manager, the City Clerk and all other officers of the City are hereby authorized and directed to take any actions and execute and deliver any and all documents as are necessary to accomplish the issuance, sale and delivery of the 2025 Bonds in accordance with the provisions of this Resolution, the fulfillment of the purposes of the 2025 Bonds as described in the Local Obligation Bond Indentures and to amend or supplement, as necessary and in accordance with its terms. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed deputy clerk.

Section 11. This Resolution shall take effect immediately upon its adoption.

Passed and Adopted at a regular meeting of the City Council of the City of Lake Elsinore, California, this 13th day of May 2025.

Brian Tisdale
Mayor

Attest:

Candice Alvarez, MMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF LAKE ELSINORE)

I, Candice Alvarez, MMC, City Clerk of the City of Lake Elsinore, California, do hereby certify that Resolution No. 2025- was adopted by the City Council of the City of Lake Elsinore, California, at the Regular meeting of May 13, 2025 and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Candice Alvarez, MMC
City Clerk