

## **RESOLUTION NO. FFA 2025-**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE LAKE ELSINORE FACILITIES FINANCING AUTHORITY, RIVERSIDE COUNTY, CALIFORNIA, AUTHORIZING THE ISSUANCE OF ITS LOCAL AGENCY REVENUE REFUNDING BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED EIGHTY SEVEN MILLION DOLLARS (\$87,000,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

**Whereas**, the Lake Elsinore Facilities Financing Authority (the "Authority") is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law") to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority and other local agencies; and

**Whereas**, the Lake Elsinore Public Facilities Financing Authority previously issued its Local Agency Revenue Bonds (Canyon Hills Improvement Areas A and C Refunding) 2014 Series B (the "2014 Prior Authority Bonds"), Local Agency Revenue Refunding Bonds, Series 2015 (the "2015 Prior Authority Bonds") and Local Agency Revenue Refunding Bonds, Series 2019 (the "2019 Prior Authority Bonds" and, together with the 2014 Prior Authority Bonds and the 2015 Prior Authority Bonds, the "Prior Authority Bonds"); and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) ("CFD No. 2004-3") previously issued the \$21,005,000 City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 1 2015 Special Tax Refunding Bonds (the "Prior CFD No. 2004-3 Improvement Area No. 1 Bonds") to refinance certain public improvements; and

**Whereas**, CFD No. 2004-3 previously issued the \$23,115,000 City of Lake Elsinore Community Facilities District No. 2004-3 (Rosetta Canyon) Improvement Area No. 2 2015 Special Tax Refunding Bonds (the "Prior CFD No. 2004-3 Improvement Area No. 2 Bonds") to refinance certain public improvements; and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2005-6 (City Center Townhomes) ("CFD No. 2005-6") previously issued the \$2,815,000 City of Lake Elsinore Community Facilities District No. 2005-6 (City Center Townhomes) 2015 Special Tax Refunding Bonds (the "Prior CFD No. 2005-6 Bonds") to refinance certain public improvements; and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2005-1 (Serenity) ("CFD No. 2005-1") previously issued the \$8,165,000 City of Lake Elsinore Community Facilities District No. 2005-1 (Serenity) 2015 Special Tax Refunding Bonds (the "Prior CFD No. 2005-1 Bonds") to refinance certain public improvements; and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2005-2 (Alberhill Ranch) ("CFD No. 2005-2") previously issued the \$21,095,000 City of Lake Elsinore Community Facilities District No. 2005-2 (Alberhill Ranch) Improvement Area A 2015 Special Tax Refunding Bonds (the "Prior 2015 CFD No. 2005-2 Improvement Area A Bonds") and the \$7,145,000 City of Lake Elsinore Community Facilities District No. 2005-2 (Alberhill Ranch) Improvement Area A 2019 Special Tax Refunding Bonds (the "Prior 2019 CFD No. 2005-2 Improvement Area A

Bonds”, and together with the Prior 2015 CFD No. 2005-2 Improvement Area A Bonds, the “Prior CFD No. 2005-2 Improvement Area A Bonds”) to refinance certain public improvements; and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2006-2 (Viscaya) (“CFD No. 2006-2”) previously issued the \$5,825,000 City of Lake Elsinore Community Facilities District No. 2006-2 (Viscaya) Special Tax Refunding Bonds (the “Prior CFD No. 2006-2 Bonds”) to refinance certain public improvements; and

**Whereas**, the City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) (“CFD No. 2003-2” together with CFD No. 2004-3, CFD No. 2005-6, CFD No. 2005-1, CFD No. 2005-2, CFD No. 2006-2, the “Community Facilities Districts”) previously issued the \$10,895,000 City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Special Tax Bonds, 2014 Series (Improvement Area A) (the “Prior CFD No. 2003-2-A Bonds”), \$7,315,000 City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Special Tax Bonds, 2014 Series (Improvement Area C) (the “Prior CFD No. 2003-2-C Bonds”) and the \$25,795,000 City of Lake Elsinore Community Facilities District No. 2003-2 (Canyon Hills) Improvement Area B 2015 Special Tax Refunding Bonds (the “Prior CFD No. 2003-2-B Improvement Area B Bonds” and, together with the Prior CFD No. 2003-2-A Bonds, Prior CFD No. 2003-2-C Bonds, Prior CFD No. 2004-3 Improvement Area No. 1 Bonds, the Prior CFD No. 2004-3 Improvement Area No. 2 Bonds, the Prior CFD No. 2005-6 Bonds, the Prior CFD No. 2005-1 Bonds, the Prior CFD No. 2005-2 Improvement Area A Bonds, the Prior CFD No. 2006-2 Bonds, the Prior CFD No. 2003-2-A Bonds, the Prior CFD No. 2003-2-C Bonds and the Prior Authority Bonds, the “Prior Bonds”) to refinance certain public improvements; and

**Whereas**, as a result of favorable conditions in the municipal bond market, the Authority and each of the Community Facilities Districts desire to refund the Prior Bonds and certain of the Community Facilities Districts desire to use the savings achieved through the refunding in order to finance additional public improvements; and

**Whereas**, the Authority, for the purpose of acquiring special tax refunding bonds of each of the Community Facilities Districts (the “Local Obligations”), the proceeds of which will be utilized to defease and refund the Prior Bonds and in certain instances, use the savings achieved through the refunding to finance additional public improvements, has determined to issue its Local Agency Revenue Refunding Bonds Series 2025 (the “Authority Bonds”) pursuant to and secured by the Indenture (as defined below) providing for the issuance of the Authority Bonds, all in the manner provided therein; and

**Whereas**, the Authority Bonds will be secured by debt service payments paid with respect to the Local Obligations, the payment of which will be secured by special tax liens on taxable property within the respective Community Facilities Districts or Improvement Areas therein, as applicable; and

**Whereas**, for this financing, there has been filed with the Secretary of the Board of Directors of the Authority the forms of the following documents to be executed by the Authority with respect to the issuance of the Authority Bonds, which documents the Board desires to approve for execution as described herein:

(1) The Indenture of Trust, dated as of June 1, 2025 (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as Trustee;

(2) The Bond Purchase Agreement, to be dated the date of sale, by and between Stifel, Nicolaus & Company, Incorporated as Underwriter (the "Underwriter") and the Authority (the "Bond Purchase Agreement");

(3) The Local Obligations Bond Purchase Agreement, to be dated the date of sale, by and among the Authority and the Community Facilities Districts (the "Local Bond Purchase Agreement"); and

(4) The Preliminary Official Statement for the Authority Bonds (the "Preliminary Official Statement"); and

(5) The Continuing Disclosure Agreement executed and delivered by the Authority (the documents described in (1) through (4) above and this paragraph 5 are collectively referred to herein as the "Authority Documents");

**Whereas**, certain of the Community Facilities Districts have held duly noticed public hearings regarding the issuance of the Local Obligations and determined that such financings will result in significant public benefits of the type described in Section 6586 of the Bond Law; and

**Whereas**, the Authority has determined and hereby finds that the issuance of the Authority Bonds and the acquisition of the Local Obligations will result in significant public benefits of the type described in Section 6586 of the Bond Law; and

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE LAKE ELSINORE FACILITIES FINANCING AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

**Section 1.** Each of the above recitals is true and correct and is adopted by the Board of Directors.

**Section 2.** The Authority Bonds shall be issued in an aggregate principal amount not to exceed \$87,000,000, with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 4 below. The Authority 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 Authority in accordance with Section 4 below. The Authority Bonds shall be issued under the terms of the Indenture, the form of which is on file with the Secretary of the Board of Directors. The form of the Indenture presented at this meeting is hereby approved and each of the Chairperson of the Board of Directors, the Executive Director and the Treasurer, or their respective written designees (collectively, the "Authorized Officers"), is hereby authorized to execute the Indenture, in the form hereby approved, with such additions thereto and changes therein as the officer or officers executing the same deem necessary to accomplish the issuance of the Authority Bonds as contemplated by this Resolution. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by one or more of such Authorized Officers.

**Section 3.** The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chairperson of the Board of Directors and attested with the manual or facsimile signature of the Secretary of the Board of Directors. Wilmington Trust, National Association, is hereby appointed to act as the trustee for the Authority Bonds under the Indenture.

**Section 4.** The form of the Bond Purchase Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is hereby authorized to execute the Bond Purchase Agreement in the form so approved, with such additions thereto and changes therein as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the Authority Bonds as of the sale date or to cure any defect or ambiguity therein. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement by one or more of such Authorized Officers; provided, however, that the Bond Purchase Agreement shall be signed only if the Underwriter's discount (exclusive of original issue discount) does not exceed 6.50% of the principal amount of the Authority Bonds and the true interest cost of the Authority Bonds is less than 5.00%. Each of the Executive Director, the Treasurer and their written designees is authorized to determine the day on which the Authority Bonds are to be priced in order to attempt to produce the lowest borrowing cost for the Authority and may reject any terms presented by the Underwriter to the Authority if determined not to be in the best interest of the Authority.

In the event the Executive Director or their written designee determines that the purchase of one or more of the Local Obligations will not result in sufficient net present value savings to a Community Facilities District or will not otherwise achieve the purposes of the Authority set forth in this Resolution, then the Local Obligations of such Community Facilities District, as applicable, will not be purchased by the Authority, and the Authority Documents may be amended to reflect that such Local Obligations will not be purchased by the Authority.

**Section 5.** The form of the Local Bond Purchase Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is hereby authorized to execute the Local Bond Purchase Agreement in the form so approved, with such additions thereto and changes therein as are necessary to conform the Local Bond Purchase Agreement to the dates, amounts and interest rates applicable to the Local Obligations as of the sale date or to cure any defect or ambiguity therein. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Local Bond Purchase Agreement by one or more of such officers.

**Section 6.** The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is authorized to execute the Continuing Disclosure Agreement in the form hereby approved, with such additions thereto and changes therein as the officers executing the same deem necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission and to cure any ambiguity or defect therein. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement by one or more of such officers.

**Section 7.** The form of the Preliminary Official Statement presented at this meeting is hereby approved; and the Underwriter 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 by the Executive Director of the Authority, or his written designee, to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, as amended, including, but not limited to, such additions and changes as are necessary to make the information therein accurate and not misleading. Each of the Authorized Officers is hereby authorized to execute a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary by the Executive Director of the Authority, or his written designee, to make such Official

Statement complete and accurate as of its date. The Underwriter is further authorized to distribute the final Official Statement for the Authority Bonds and any supplement thereto to the purchasers thereof upon its execution on behalf of the Authority as described above.

**Section 8.** The Authorized Officers are hereby appointed as the authorized officers of the Authority for all purposes required to effect the issuance of the Authority Bonds and are hereby authorized, empowered, and directed, jointly and severally, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the foregoing actions.

Each of the Executive Director and the Treasurer, or their respective written designees, acting alone, is hereby authorized to negotiate the terms of a commitment (the "Insurance Commitment") for bond insurance for some or all of the Authority Bonds and a commitment for a reserve fund surety bond (the "Surety Commitment") for all or a portion of the Reserve Fund (as defined in the Indenture) from one or more municipal bond insurance companies (an "Insurer") and, if such officer determines that the acquisition either of a policy or a reserve fund surety bond, or both, from an Insurer will result in net interest rate savings or will result in more annual debt service savings, to pay the premiums for such policy and surety bond from the proceeds of the Authority Bonds and to amend the Authority Documents to the extent necessary to conform to the terms of the Insurance Commitment and the Surety Commitment. Each of the Authorized Officers, acting alone, is further authorized to execute a reimbursement agreement required by the Surety Commitment.

**Section 9.** The Authorized Officers are hereby authorized and directed to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance and sale of the Authority Bonds and otherwise to effectuate the purposes of this Resolution.

**Section 10.** This Resolution shall take effect immediately upon its adoption.

**Passed and Adopted** at a regular meeting of the Board of Directors of the Lake Elsinore Facilities Financing Authority this 13<sup>th</sup> day of May 2025.

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Brian Tisdale  
Chair

Attest:

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Candice Alvarez, MMC  
Secretary

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

I, Candice Alvarez, MMC, Secretary of the Lake Elsinore Facilities Financing Authority, do hereby certify that Resolution No. FFA 2025- was adopted by the Board of Directors of the Lake Elsinore Facilities Financing Authority, at the Regular meeting of May 13, 2025 and that the same was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Candice Alvarez, MMC  
Secretary