

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIVERSIDE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 (ORANGECREST GROVE) OF THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA AUTHORIZING THE ISSUANCE OF ITS SPECIAL TAX BONDS, SERIES 2020A (TAX EXEMPT) AND SPECIAL TAX BONDS, SERIES 2020B (FEDERALLY TAXABLE) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED THREE MILLION DOLLARS (\$3,000,000) AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the City Council (the “City Council”) of the City of Riverside, California (the “City”), has heretofore undertaken proceedings to establish Community Facilities District No. 2015-1 (Orangecrest Grove) of the City of Riverside, County of Riverside, State of California (the “District”), and declared the necessity to issue bonds on behalf of 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**, pursuant to Resolution Nos. 22892 and 22893 adopted by the legislative body of the District on August 11, 2015, certain bond propositions were submitted to the qualified electors within the District, and were approved by more than two-thirds of the votes cast at the election held on August 11, 2015; and

**WHEREAS**, the legislative body of the District desires to issue bonds for the District at this time under the Act to finance certain public facilities which the District is authorized to finance; and

**WHEREAS**, the District desires to accomplish the financing of certain public facilities through the issuance of Community Facilities District No. 2015-1 (Orangecrest Grove) of the City of Riverside, County of Riverside, State of California Special Tax Bonds, Series 2020A (Tax Exempt) (the “2020A Bonds”) and Community Facilities District No. 2015-1 (Orangecrest Grove) of the City of Riverside, County of Riverside, State of California Special Tax Bonds, Series 2020B (Federally Taxable) (the “2020B Bonds” and, together with the 2020A Bonds, the “Bonds”) in an aggregate principal amount not to exceed \$3,000,000; and

**WHEREAS**, in order to effect the issuance of the Bonds, the District desires to enter into various agreements and approve certain documents in substantially the forms presented herein; and

**WHEREAS**, based on the appraisal of real property prepared by Kitty Siino & Associates, Inc. (the “Appraisal”) of property within the District, the value of the real property in the District subject to the special tax to pay debt service on the Bonds is more than three times the sum of the principal amount of the 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 the District as calculated in the manner set forth in Section 53345.8(a) of the Act;

**WHEREAS**, the City Council has determined in accordance with Section 53360.4 of the Act that a negotiated sale of the Bonds to Raymond James & Associates, Inc. (the “Underwriter”) in accordance with the terms of the Bond Purchase Agreement for the Bonds to be entered into by the

District and the Underwriter (the “Bond Purchase Agreement”) approved as to form by this City Council herein will result in a lower overall cost to the District than a public sale; and

**WHEREAS**, the District has determined to adopt the City’s Debt Management Policy as the debt management policy of the District;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF RIVERSIDE, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 (ORANGECREST GROVE) OF THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS FOLLOWS:**

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

**Section 2.** The issuance of the Bonds is hereby authorized in an aggregate principal amount not to exceed \$3,000,000, with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 5 below. The City Council hereby determines that it is prudent in the management of the District’s fiscal affairs to issue the Bonds. The 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 5 hereof. All other provisions of the Bonds shall be governed by the terms and conditions of the Bond Indenture (the “Indenture”), which Indenture shall be substantially in the form on file with the City Clerk, with such additions thereto and changes therein (including, but not limited to, changes in the amount to be maintained in the Reserve Account (as defined in the Indenture)) as the officer or officers executing the same deem necessary to enhance the security for the Bonds, 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 5 hereof or to conform any provisions therein to the Bond Purchase Agreement or the Official Statement delivered to the Underwriter of the Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by one of the following: the Mayor, the City Manager, the Chief Financial Officer/City Treasurer, or their written designees (each, an “Authorized Officer” and, collectively, the “Authorized Officers”), each of whom is authorized to execute the Indenture. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Indenture.

**Section 3.** The Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Mayor of the City or his or her written designee and be attested by the manual or facsimile signature of the City Clerk. U.S. Bank National Association is hereby appointed to act as trustee, registrar and transfer agent for the Bonds.

**Section 4.** The covenants set forth in the Indenture to be executed in accordance with Section 2 above are hereby approved, shall be deemed to be covenants of the City Council and shall be complied with by the District and its officers. The Indenture shall constitute a contract between the District and the Owners of the Bonds.

**Section 5.** 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, with such additions thereto and changes therein relating to dates and numbers as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the 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 by one or more of such Authorized Officers; provided, however, that the Bond Purchase Agreement shall be signed only if the Underwriter's discount does not exceed 2.00% of the principal amount of the Bonds and only if the true interest cost on the Bonds does not exceed 6.50%. Each of the Authorized Officers is authorized to determine the day on which the Bonds are to be priced in order to attempt to produce the lowest borrowing cost for the District and may reject any terms presented by the Underwriter if determined not to be in the best interest of the District.

**Section 6.** The form of the Continuing Disclosure Certificate presented at this meeting is hereby approved and each of the Authorized Officers is hereby authorized and directed to execute the Continuing Disclosure Certificate in the form hereby approved, with such additions therein and changes thereto as the officer or officers executing the same deem necessary to cure any defect or ambiguity therein, with such approval to be conclusively evidenced by the execution and delivery of such certificate.

**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 Bonds in the form hereby approved, together with such additions thereto and changes therein as are determined necessary 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. 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 Authorized Officers, 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 Bonds and any supplement thereto to the purchasers of the Bonds upon the execution of the final Official Statement as described above.

**Section 8.** In accordance with the requirements of Section 53345.8 of the Act, based on the Appraisal, the legislative body of the District hereby determines that the value of the real property in the District subject to the special tax to pay debt service on the Bonds is more than three times the principal amount of the 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 the District, all as calculated in the manner provided in Section 53345.8(a) of the Act.

**Section 9.** Each Authorized Officer is authorized to provide for all services necessary to effect the issuance of the Bonds. Such services shall include, but not be limited to, printing the Bonds, obtaining legal services, trustee and paying agent services and any other services deemed appropriate as set forth in a certificate of such Authorized Officer. Each Authorized Officer is authorized to pay for the cost of such services, together with other costs of issuance, from Bond proceeds deposited pursuant to the Indenture.

**Section 10.** The City Council acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report and are available to the public at the meeting at which this Resolution is approved.

**Section 11.** The Authorized Officers, the City Clerk and the other officers and staff of the City and the District responsible for the fiscal affairs of the District 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 Bonds, all in accordance with the provisions of this Resolution and

the fulfillment of the purposes of the Bonds as described in the Indenture, including, but not limited to, execution and delivery of a letter of credit or cash deposit agreement with respect to the special taxes to be levied on property owned by the developer within the District, and certificates to the Underwriter as to the accuracy of any information relating to the District which is included within the Official Statement. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed deputy clerk.

**Section 12.** The District hereby adopts the City's Debt Management Policy, as amended, supplemented and restated from time to time, as the debt management policy of the District pursuant to California Government Code Section 8855.

**Section 13.** This Resolution shall be effective upon its adoption.

PASSED, ADOPTED, AND APPROVED by the City Council of the City of Riverside, California, at a regular meeting held on the 4th day of February, 2020.

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William R. Bailey, III, Mayor

ATTEST:

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Colleen J. Nicol, City Clerk

STATE OF CALIFORNIA                    )  
  ) ss.  
COUNTY OF RIVERSIDE                )

I, Colleen J. Nicol, City Clerk of the City of Riverside, do hereby certify that the foregoing Resolution No. \_\_\_\_\_ was duly adopted by the City Council at a meeting of said City Council held on the 4th day of February, 2020 by the following vote, to wit:

AYES:

NOES:

ABSTAIN:

ABSENT:

IN WITNESS WHEREOF I have hereunto set my hand and affixed the official seal of the City of Riverside, California this 4th day of February, 2020.

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Colleen J. Nicol, City Clerk, City of Riverside