

1 (the “Fiscal Agent”), as shall be supplemented by that certain First Supplemental Fiscal Agent Agreement
2 (the “First Supplemental Fiscal Agent Agreement”) (as amended, the “Fiscal Agent Agreement”), and

3 **WHEREAS**, in accordance with Government Code Section 53360.4, the legislative body of the
4 CFD determines that a negotiated sale of the Bonds to Piper Sandler & Co. (the “Underwriter”) in
5 accordance with the terms of a bond purchase agreement (the “Bond Purchase Agreement”) to be entered
6 into by the CFD and the Underwriter, the proposed form of which is on file with the City Clerk of the
7 City, will result in a lower overall cost to the CFD than a public sale; and

8 **WHEREAS**, Stephen G. White, MAI, a state-certified real estate appraiser, as defined in Section
9 11340 of the California Business and Professions Code, has delivered to the City an appraisal report, dated
10 April 18, 2025 (the “Appraisal”), which was made in a manner consistent with the City’s policies for
11 community facilities district financings; and

12 **WHEREAS**, the City’s Goals and Policies for CFDs provide that unless otherwise specifically
13 approved by the Council as provided in Section 53345.8(b) or (c) of the Act, the district property value-
14 to-lien ratio shall be at least 3:1 after calculating the value of the public facilities to be financed, and
15 considering any prior or pending special taxes or assessment liens; and

16 **WHEREAS**, Government Code Section 53345.8(a) of the Act provides that the legislative body
17 may sell bonds pursuant to the Act only if it determines prior to the award of sale of the bonds that the
18 value of the real property that would be subject to the special tax to pay debt service on the bonds will be
19 at least three times the principal amount of the sum of the following: 1) the principal amount of the bonds
20 to be sold, and 2) the principal amount of all other bonds outstanding that are secured by a special tax
21 levied pursuant to the Act on property within the community facilities district or a special assessment
22 levied on property within the community facilities district; and

23 **WHEREAS**, the Appraisal states the value of the real property subject to the Appraisal, plus the
24 assessed valuation of the remaining real property within the CFD, that is subject to the special tax to pay
25 debt service on the Bonds is \$420,801,326, which is not less than three times the sum of the maximum
26 principal amount of the Bonds (\$21,000,000) plus the principal amount of all other bonds outstanding that
27 are secured by a special tax levied pursuant to the Act other than the CFD or a special assessment on
28 property within the CFD (\$0), the sum of those two numbers being \$21,000,000; and

1 **WHEREAS**, it is proposed that the CFD and the Fiscal Agent enter into the First Supplemental
2 Fiscal Agent Agreement, the proposed form of which is on file with the City Clerk of the City; and

3 **WHEREAS**, to fulfill the requirements of Rule 15c2-12 promulgated under the Securities
4 Exchange Act of 1934, as amended (the “Rule”), the CFD will enter into a Continuing Disclosure
5 Agreement (the “Continuing Disclosure Agreement”), with respect to the 2025 Bonds, whereby the CFD
6 will agree to provide annual disclosure reports and notices of certain enumerated events pursuant to the
7 Rule; and

8 **WHEREAS**, the City has previously adopted a local debt policy (the “Debt Management Policy”)
9 that complies with California Government Code Section 8855(i), and the CFD’s sale and issuance of the
10 2025 Bonds as contemplated by this Resolution is in compliance with the Debt Management Policy; and

11 **WHEREAS**, Section 5852.1 of the California Government Code requires that the governing body
12 of a public body obtain prior to authorizing the issuance of bonds with a term greater than 13 months,
13 good faith estimates of the following information in a meeting open to the public: (a) the true interest cost
14 of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the
15 amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties
16 and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total
17 of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and
18 charges paid to third parties not paid with the proceeds of the bonds; and

19 **WHEREAS**, there have been presented at this meeting the proposed forms of the following
20 documents:

- 21 a) the First Supplemental Fiscal Agent Agreement;
- 22 b) the Continuing Disclosure Agreement;
- 23 c) the Preliminary Official Statement; and
- 24 d) the Bond Purchase Agreement; and

25 **WHEREAS**, the Council, acting as the legislative body of the CFD, has reviewed the above-
26 referenced documents related to the issuance of the 2025 Bonds, which documents are on file with the
27 City Clerk of the City of Rialto; and

28 **WHEREAS**, all conditions, things and acts required to exist, to have happened and to have been
performed precedent to and in the issuance of said 2025 Bonds and the levy of said special taxes as

1 contemplated by this Resolution and the documents referred to herein, exist, have happened and have been
2 performed in due time, form and manner as required by the laws of the State of California, including the
3 Act.

4 **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIALTO, ACTING AS**
5 **THE LEGISLATIVE BODY OF THE CITY OF RIALTO COMMUNITY FACILITIES**
6 **DISTRICT NO. 2020-1 (EL RANCHO VERDE), DOES HEREBY RESOLVE, DETERMINE AND**
7 **ORDER AS FOLLOWS:**

- 8 1. The Council hereby finds and determines that the foregoing recitals are true and correct.
- 9 2. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such
10 terms in the Fiscal Agent Agreement.
- 11 3. The Council hereby authorizes the issuance of the 2025 Bonds as an additional Series of Bonds
12 under the Fiscal Agent Agreement, in an amount not to exceed \$21,000,000, as Related Parity
13 Bonds to the 2023 Bonds, for the purpose of financing the Facilities, funding an additional deposit
14 to the debt service reserve account (as authorized in paragraph 10), and paying costs of issuance
15 related to the 2025 Bonds. Following the issuance of the 2025 Bonds, no additional Series of
16 Bonds shall be issued under the Fiscal Agent Agreement except for a Series of Bonds to refund all
17 or a portion of the 2023 Bonds, the 2025 Bonds or other parity refunding bonds.
- 18 4. The First Supplemental Fiscal Agent Agreement, in substantially the form on file with the City
19 Clerk of the City and presented to the Council at this meeting, is hereby approved. Any one of the
20 Mayor, the City Manager or the Finance Director of the City, or their respective designees (each,
21 an “Authorized Officer”), is hereby authorized and directed, for and in the name and on behalf of
22 the CFD, to execute and deliver the First Supplemental Fiscal Agent Agreement in substantially
23 the form on file, with such revisions, amendments and completions as may be approved by the
24 Authorized Officer executing the same, subject to the provisions of this Resolution, such approval
25 to be conclusively evidenced by the execution and delivery thereof, and the City Clerk is hereby
26 authorized to attest to such execution.
- 27 5. The Preliminary Official Statement, in substantially the form on file with the City Clerk of the
28 City and presented to the Council at this meeting, is hereby approved with such revisions,
amendments and completions as may be approved by an Authorized Officer in order to make the

1 Preliminary Official Statement final as of its date, except for the omission of certain information,
2 as permitted by Section 240.15c2-12(b)(1) of Title 17 of the Code of Federal Regulations (the
3 “Rule”). Any Authorized Officer is authorized and directed, for and in the name and on behalf of
4 the CFD, to execute and deliver a certificate relating to the finality of the Preliminary Official
5 Statement under the Rule. Any Authorized Officer is authorized and directed, for and in the name
6 and on behalf of the CFD, to execute and deliver the final Official Statement in substantially the
7 form hereby approved, with such additions and changes as may be approved by the Authorized
8 Officer executing the same, subject to the provisions of this Resolution, such approval to be
9 conclusively evidenced by the execution and delivery thereof. The distribution of the Preliminary
10 Official Statement and the final Official Statement by the Underwriter is hereby approved.

11 6. The Continuing Disclosure Agreement, in substantially the form on file with the City Clerk of the
12 City and presented to the Council at this meeting, is hereby approved. Any Authorized Officer is
13 hereby authorized and directed, for and in the name and on behalf of the CFD, to execute and
14 deliver the Continuing Disclosure Agreement in substantially the form on file, with such revisions,
15 amendments and completions as may be approved by the Authorized Officer executing the same,
16 subject to the provisions of this Resolution, such approval to be conclusively evidenced by the
17 execution and delivery thereof, and the City Clerk is hereby authorized to attest to such execution.

18 7. The Council hereby finds and determines that the value of the real property that would be subject
19 to the special tax to pay debt service on the Bonds will be at least three times the principal amount
20 of the 2023 Bonds and the 2025 Bonds to be sold and the principal amount of all other bonds
21 outstanding that are secured by a special tax or special assessment levied pursuant to law within
22 the CFD.

23 8. The CFD hereby authorizes and directs that the 2025 Bonds be sold on a negotiated basis to the
24 Underwriter. Any Authorized Officer is hereby authorized and directed, for and in the name and
25 on behalf of the CFD, to undertake all appropriate steps to implement the sale of the 2025 Bonds.
26 The total principal amount of the 2025 Bonds shall not exceed \$21,000,000. The true interest cost
27 for the 2025 Bonds shall not exceed 6.50% per annum, the Underwriter’s discount or fee
28 (excluding any original issue discount) shall not exceed 1.50% of the original principal amount of
the 2025 Bonds and the final maturity of the 2025 Bonds shall not exceed 35 years. The Bond

1 Purchase Agreement, in substantially the form on file with the City Clerk of the City and presented
2 to the Council at this meeting, is hereby approved. Any Authorized Officer is hereby authorized
3 and directed, for and in the name and on behalf of the CFD, to execute and deliver the Bond
4 Purchase Agreement, with such additions and changes as may be approved by the Authorized
5 Officer executing the same, subject to the provisions of this Resolution, such approval to be
6 conclusively evidenced by the execution and delivery thereof, and the City Clerk is hereby
7 authorized to attest to such execution.

8 9. In accordance with Section 5852.1 of the California Government Code, good faith estimates of the
9 following are set forth in an exhibit to the staff report for this action: (a) the true interest cost of
10 the 2025 Bonds, (b) the sum of all fees and charges paid to third parties with respect to the 2025
11 Bonds, (c) the amount of proceeds of the 2025 Bonds expected to be received net of the fees and
12 charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds
13 of the 2025 Bonds, and (d) the sum total of all debt service payments on the 2025 Bonds calculated
14 to the final maturity of the 2025 Bonds plus the fees and charges paid to third parties not paid with
15 the proceeds of the 2025 Bonds.

16 10. Each Authorized Officer, the City Clerk and all other officers of the City are hereby authorized
17 and directed, for and in the name and on behalf of the City and the CFD, with the concurrence of
18 the City Attorney, to do any and all things and take any and all other actions, including the
19 publication of any notices necessary or desirable in connection with the sale of the 2025 Bonds,
20 determination of whether to provide for or add to a reserve fund for the 2025 Bonds and the reserve
21 requirement thereof, procurement of municipal bond insurance and/or a reserve surety, if necessary
22 or desirable, and execution and delivery of any and all assignments, certificates, requisitions,
23 agreements, notices, consents, instruments of conveyance, terminations, warrants and other
24 documents, which they, or any of them, deem necessary or advisable to consummate the lawful
25 issuance and sale of the 2025 Bonds and the transactions as described herein.

26 11. All actions heretofore taken by any Authorized Officer or any officer, employee or agent of the
27 City with respect to the issuance, delivery and sale of the 2025 Bonds or in connection with or
28 related to any of the agreements referred to herein, are hereby approved, confirmed and ratified.

12. This Resolution shall become effective immediately upon adoption.

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13. The City Clerk shall certify to the adoption of this Resolution. Notwithstanding the foregoing, such certification and any of the other duties and responsibilities assigned to the City Clerk pursuant to this Resolution may be performed by a Deputy City Clerk with the same force and effect as if performed by the City Clerk hereunder.

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PASSED APPROVED AND ADOPTED this ____ day of _____, 2025.

Joe Baca, Mayor

ATTEST:

BARBARA McGEE, City Clerk

APPROVED AS TO FORM:

ERIC VAIL, City Attorney

1 **STATE OF CALIFORNIA**)
2 **COUNTY OF SAN BERNARDINO**) ss
3 **CITY OF RIALTO**)

4 I, Barbara McGee, City Clerk of the City of Rialto, do hereby certify that the foregoing
5 Resolution No.____ was duly passed and adopted at a regular meeting of the City Council of the City of
6 Rialto held on the ____ day of _____, 2025.

7 Upon motion of Council Member _____, seconded by Council Member _____,
8 the foregoing Resolution No. ____ was duly passed and adopted.

9 Vote on the motion:

10 AYES:

11 NOES:

12 ABSENT:

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14 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of
15 Rialto this ____ day of _____, 2025.

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17 _____
18 BARBARA McGEE, CITY CLERK
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