

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

314



FROM: Registrar of Voters

SUBMITTAL DATE:
December 6, 2011

SUBJECT: Approval of Election Services

RECOMMENDED MOTION: That the Board approve election services for Community Facilities District No. 1 of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority for the January 10, 2012 Special Mail Ballot Election.

BACKGROUND: California Elections Code § 10002 allows jurisdictions to request that the Board of Supervisors approve the Registrar of Voters to conduct elections by submitting a resolution requesting these services. The aforementioned jurisdiction has complied with this requirement and requests the Registrar of Voters to conduct their election. The department has the resources to conduct the election. The jurisdiction will reimburse the department based on associated direct costs.

Departmental Concurrence

Attachments: Resolution No. 2011-12/9

Resolution No. 2011-12/12

Kari Verjil
KARI VERJIL
Registrar of Voters

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	N/A

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: *Stephanie Persi*
Stephanie Persi

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Benoit and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione and Benoit
Nays: None
Absent: Stone and Ashley
Date: December 20, 2011
xc: ROV

Kecia Harper-Ihem
Clerk of the Board
By: *[Signature]*
Deputy

Dept's Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: | **District:** | **Agenda Number:** 2.6

RESOLUTION NO. 2011-12/9

RESOLUTION OF THE BOARD OF THE TEMECULA VALLEY UNIFIED SCHOOL DISTRICT AND HEMET UNIFIED SCHOOL DISTRICT JOINT SCHOOL FACILITIES AUTHORITY DETERMINING THE VALIDITY OF PRIOR PROCEEDINGS, ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 1, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 1, ESTABLISHING AN APPROPRIATIONS LIMIT, CALLING AN ELECTION AND TAKING RELATED ACTIONS ON BEHALF OF COMMUNITY FACILITIES DISTRICT NO. 1

WHEREAS, the Board of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority ("Authority"), has heretofore adopted Resolution No. 2011-12/5 stating its intention to form Community Facilities District No. 1 ("CFD No. 1") of the District pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended ("Act"); and

WHEREAS, a copy of Resolution No. 2011-12/5, setting forth a description of the proposed boundaries of CFD No. 1, the facilities to be provided, the cost of providing such facilities and the proposed rate and method of apportionment ("RMA") of the special tax to be levied within CFD No. 1 to pay for the facilities and other costs, including payment of the principal and interest on bonds or other securities proposed to be authorized within CFD No. 1, is on file with the Secretary of the Board of the Authority ("Authority Board") and incorporated herein by this reference; and

WHEREAS, pursuant to the directives of Authority Resolution No. 2011-12/6, a copy of the proposed boundary map of proposed CFD No. 1 was recorded in the office of the County Recorder of the County of Riverside, State of California, on July 27, 2011, as Instrument No. 2011-0328601, Book No. 75, Page 20-22, in the Books of Assessment and Community Facilities District Maps in such office, in compliance with Section 3110, *et seq.*, of the Streets and Highways Code of the State of California and the Act; and

WHEREAS, on August 25, 2011, the Authority adopted Resolution No. 2011-12/8, ordering certain changes to the RMA and adoption of a proposed First Amended Rate and Method of Apportionment of Special Taxes of CFD No. 1 ("First Amended RMA") which replaces the RMA for all purposes relating to the proceedings of CFD No. 1; and

WHEREAS, notice of the public hearings relating to the levy of special taxes and incurring of bonded indebtedness were posted and published within proposed CFD No. 1, all as required by the Act; and

WHEREAS, pursuant to the provisions of the Act, the Authority Board conducted the public hearings on the formation of proposed CFD No. 1, and related matters, on August 25, 2011; and

WHEREAS, during such hearing all persons desiring to be heard on all matters pertaining to the formation of CFD No. 1 were heard and a full and fair hearing was held; and

WHEREAS, at such hearing a community facilities district report ("Report") containing a brief description of the public facilities by type which will be required to meet the needs of CFD No. 1 and the estimated cost of providing those facilities was presented to, and considered by, the Authority Board; and

WHEREAS, the Authority Board has been provided with information relating to the number of registered voters within the boundaries of proposed CFD No. 1.

NOW, THEREFORE, THE BOARD OF THE AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are hereby incorporated herein by this reference.

Section 2. Pursuant to Section 53325.1(b) of the Act, the Authority Board finds and determines that the proceedings conducted prior hereto were valid and in conformity with the requirements of the Act including, but not by way of limitation, the following:

Adoption by the Authority Board of a Resolution of Intention to establish such Community Facilities District (Resolution No. 2011-12/5) and a Resolution of Intention for said Community Facilities District to incur bonded indebtedness (Resolution No. 2011-12/7); publication and posting of the notices of the hearings on the establishment of Community Facilities District No. 1, the authorization of special taxes and proposed incurring of bonded indebtedness; filing of the Resolution of Intention with the County of Riverside; recording of the proposed boundary map in the office of the County Recorder for the County of Riverside, State of California, pursuant to Section 3110, *et seq.*, of the Streets and Highways Code of the State of California; Adoption by the Authority Board of a Resolution order certain changes to the RMA and adopting the First Amended RMA (Resolution No. 2011-12/8); conducting and completing the public hearing on the establishment of Community Facilities District No. 1 at which time the Authority Board received the Report, as ordered by the Authority Board, and at which time no interested parties and taxpayers protested against the establishment of Community Facilities District No. 1, the proposed Special Tax, the intention to incur bonded indebtedness and the furnishing of the proposed public facilities.

Section 3. The Report, prepared pursuant to the Act, as previously reviewed as a part of the hearing process and made a part of the record of the hearing, is hereby approved and is ordered to be kept on file with the record of these proceedings and available for public inspection.

Section 4. The Authority Board finds that the public convenience and necessity require the facilities proposed to be funded through CFD No. 1.

Section 5. A community facilities district to be named the "Community Facilities District No. 1 of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority" is hereby established pursuant to the Act for the area shown on Exhibit "A."

Section 6. The type of public facilities proposed to be provided within CFD No. 1 are described in Exhibit "B" attached hereto, and incorporated herein by this reference, and within the Report (hereinafter the "Facilities").

Section 7. For all funds needed to accomplish the herein described actions, it is the intention of the District to levy annually, in accordance with the procedures contained in the Act, a special tax sufficient to pay for the acquisition and construction of the Facilities, and/or to pay the principal and interest and other periodic costs on securities which may be issued to finance the Facilities; any installment purchase payments or lease payments for or related to the Facilities; and all incidental expenses including: the cost of planning, designing, constructing, acquisition, relocation and rehabilitation of the Facilities to be financed pursuant to the Act, including the cost of environmental evaluations of the Facilities; the costs associated with the creation of CFD No. 1, issuance of bonds or other securities, determination of the amount of taxes, collection of taxes or other securities, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of CFD No. 1; and any other expenses incidental to the construction, acquisition, relocation, rehabilitation, completion and/or inspection of the Facilities including all costs incidental to, or connected with, the accomplishment of the purposes for which debt may be incurred, including, but not limited to, the estimated costs of construction or acquisition of buildings, or both; costs of acquisition of real property; satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time bonds or other debt or securities are issued pursuant to the Act; architectural, engineering, inspection, legal, fiscal, and financial consultant fees; reserve funds; discount fees; interest on any securities of CFD No. 1 due and payable prior to the expiration of one (1) year from the date of completion of the Facilities, not to exceed two (2) years from the date of issuance of the securities; election costs; and all costs of issuance of securities, including, but not limited to, fees for special counsel and legal counsel, costs of obtaining credit ratings, insurance premiums, fees for letters of credit, tax surety bonds, and/or other credit enhancement costs, and printing costs. The Authority Board also reserves the right to establish a fund, and use tax revenues, pursuant to Section 53314.5 of the Act. As herein provided, CFD No. 1 may also, in lieu of issuing bonds, issue or execute and deliver equivalent securities, including, but not limited to, lease revenue bonds, revenue anticipation notes or certificates of participation, which may involve a lease-purchase financing arrangement for property and/or facilities with a nonprofit public benefit corporation.

Section 8. The First Amended RMA of the special taxes to be levied within CFD No. 1 is described in detail on Exhibit "C" attached hereto and made a part hereof. The special tax is based upon the general benefit received by parcels of real property within CFD No. 1 derived from the right to use the Facilities necessitated by development in such area. The special tax is further based upon the cost of making the Facilities available to each parcel in the area. The

special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special tax is not based upon the ownership of real property.

Any special taxes collected pursuant to the authorization of the qualified electors for Land Use Classification 1 shall be collected for a period not to exceed thirty (30) years from the beginning of the fiscal year a property is taxed as Developed Property (as further set forth in the First Amended RMA). Any special taxes collected pursuant to the authorization of the qualified electors for Land Use Classification 2 shall be collected for a period not to exceed thirty-five (35) years from the beginning of the fiscal year a property is taxed as Developed Property (as further set forth in the First Amended RMA). Under no circumstances will the special tax levied as against any parcel within CFD No. 1 be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within CFD No. 1 by more than ten percent (10%).

Section 9. It is the intention of the Authority Board that owners of parcels within CFD No. 1 may prepay the special tax obligation to CFD No. 1 for such parcel(s) by those method(s) set forth in the First Amended RMA.

Section 10. In the event that a portion of the property within CFD No. 1 shall become for any reason exempt, wholly or partially, from the levy of the special tax specified in Exhibit "C," the Authority Board shall, on behalf of CFD No. 1, increase the levy to the extent necessary, and permitted by statute, up to the authorized maximum tax, upon the remaining property within CFD No. 1 which is not exempt in order to yield the required debt service payments or other payments.

Section 11. Written protests have not been filed by fifty-percent (50%) or more of the registered voters or property owners of one-half (½) or more of the area of land within CFD No. 1.

Section 12. The special taxes proposed to be levied in CFD No. 1 to pay for the proposed Facilities have not been eliminated by protest by fifty-percent (50%) or more of the registered voters residing within the territory of CFD No. 1 or the owners of one-half (½) or more of the area of land within CFD No. 1.

Section 13. The Authority hereby calls and orders a special election on behalf of CFD No. 1 on the proposition of levying special taxes on property within CFD No. 1 as set forth below.

Section 14. The Authority, on behalf of CFD No. 1, hereby submits to the qualified electors of CFD No. 1 a proposition to establish an appropriations limit as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for CFD No. 1. Such appropriations limit shall be equal to the amount of the proposed amount of bonded indebtedness to be authorized for CFD No. 1. The proposition to establish an appropriations limit shall be combined pursuant to Government Code Section 53353.5 of the Act with the proposition relating to levy of a special tax, and proposition to incur bonded indebtedness, and is set forth in Exhibit "D," attached hereto and made a part hereof by this reference.

Section 15. The Authority hereby calls and orders, on behalf of CFD No. 1, a combined mail-in ballot Community Facilities District Election ("Election") on the proposition of levying special taxes on property within CFD No. 1 and shall be consolidated with the Election - Combined Community Facilities District Election on the proposition of incurring bonded indebtedness, pursuant to Section 53353.5 of the Act. The proposed proposition relative to incurring indebtedness in the maximum principal aggregate amount of Sixty Million Dollars (\$60,000,000) within CFD No. 1, and the First Amended RMA of the Special Taxes and the proposition to establish an appropriations limit shall be submitted to the voters on one ballot pursuant to Section 53353.5 of the Act. The form of the Measure for such Election is set forth in Exhibit "D," attached hereto and made a part hereof by this reference.

Section 16. Pursuant to Section 53326 of the Act and documents furnished to the Authority Board, the Authority Board hereby determines that there are twelve (12) registered voters or more within CFD No. 1. Pursuant to Section 53326(b) of the Act, the Authority Board hereby determines and directs that the Election shall be a registered voter election with each registered voter having one (1) vote. Pursuant to Section 53326(d) of the Act, the Election shall be a mail-in ballot election.

Section 17. The date of the Election for CFD No. 1 on the proposition of authorizing the levy of the Special Tax, and other combined measures, shall be on January 11, 2012.

Section 18. Pursuant to the provisions of Section 53327(b) of the Act, the Authority Board hereby confirms and directs that the Riverside County Registrar of Voters shall be the Election Official ("Election Official") for this Election. Pursuant to Section 53326(d) of the Act, the Election Official shall conduct the Election by mail-in ballot. The Election Official is authorized to, and shall, take all actions necessary to conduct the Election as provided for herein.

Section 19. A tax rate statement, as required by Elections Code Sections 9400-9404, shall be furnished to the qualified electors. The District staff and consultants are hereby authorized to assist in the preparation of such tax statement.

Section 20. Pursuant to the requirements and provisions of Government Code Section 50075.1, the Authority Board hereby finds, determines and directs as follows:

(a) The special taxes to be authorized at the Election shall be used only as set forth in the Act and the First Amended RMA for the purposes set forth in Section 8 hereof, which is incorporated herein by this reference.

(b) All special taxes so levied and collected within CFD No. 1 shall be used only for the above-referenced purposes.

(c) The Authority staff is directed to create a fund or account, which may include sub-accounts, in which the special taxes levied and collected within CFD No. 1 shall be deposited. Such fund(s) and/or account(s) may, at the appropriate time, be combined or merged with funds, accounts and subaccounts created and used to pay debt service and for other purposes in connection with outstanding bonds, or other securities,

issued by, or on behalf of, CFD No. 1 to finance the Facilities as further described herein (collectively referred to herein as the "Bonds").

(d) The Authority's Treasurer/Controller, or such other officer(s) as shall be designated by the Authority Board, on behalf of CFD No. 1, shall have the responsibility, no less often than annually, to provide the Authority Board with a written report which shall contain at least the following information:

(i) the amount of special taxes collected within CFD No. 1 and expended for an identified period, which may be quarterly, semi-annually or annually; and

(ii) a brief discussion of the status of the acquisition, construction or financing of the Facilities with the above-referenced special taxes.

The report required by this Section 20(d) may be combined with other periodic reports which include the same information, including, but not limited to, periodic reports made to the California Debt and Investment Advisory Commission (CDIAC), continuing disclosure reports provided in connection with the outstanding Bonds and/or those reports required under Section 20(d) of this Resolution. Reports shall be prepared for each year in which special taxes are levied and collected within CFD No. 1.

The provisions of this Section 20 shall cease and terminate upon the earliest of any of the following events:

(i) the dissolution of CFD No. 1;

(ii) the recordation of a Notice of Cessation of Special Taxes for all of the territory within CFD No. 1; or

(iii) the final year in which special taxes may be collected within CFD No. 1 pursuant to the provisions of the First Amended RMA.

Section 21. The Secretary of the Authority Board, Authority officers and staff and consultants are hereby directed to take all necessary and appropriate action(s) as may be required by the Election Official to conduct the election referenced herein and to carry out the directives of this Resolution.

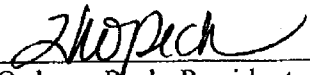
Section 22. The Authority Board hereby establishes that the Treasurer/Controller and the Authority staff, or at the discretion of the Authority, a hired consultant, will be responsible for preparing annually, a current roll of special tax levy obligations by assessor parcel number and will be responsible for estimating future tax levies in CFD No. 1 pursuant to Section 53340.2 of the Act. The Authority staff may be reached at 31350 Rancho Vista Road, Temecula, CA 92592.

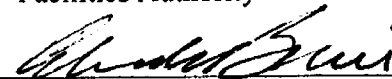
Section 23. Upon recordation of the Notice of Special Tax Lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property within CFD No. 1 and this lien shall continue in full force and effect until the special tax obligation is prepaid and

permanently satisfied and the lien canceled in accordance with law or until collection of the authorized special tax by the Authority Board ceases.

ADOPTED, SIGNED AND APPROVED this 25th day of August, 2011.

**TEMECULA VALLEY UNIFIED SCHOOL
DISTRICT AND HEMET UNIFIED SCHOOL
DISTRICT JOINT SCHOOL FACILITIES
AUTHORITY:**

By: 
Lori Ordway-Peck, President of the Board
of the Temecula Valley Unified District and
Hemet Unified School District Joint School
Facilities Authority

By: 
Alexander Bowie, Assistant Secretary of the
Board of the Temecula Valley Unified
District and Hemet Unified School District
Joint School Facilities Authority

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Alexander Bowie, Assistant Secretary of the Board of the Temecula Valley Unified District and Hemet Unified School District Joint School Facilities Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of said Authority at a meeting of said Board held on the 25th day of August, 2011, and that it was so adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

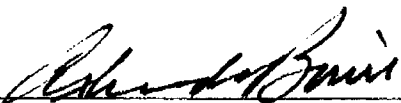


Assistant Secretary of the Board of the Temecula
Valley Unified District and Hemet Unified School
District Joint School Facilities Authority

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Alexander Bowie, Assistant Secretary of the Board of the Temecula Valley Unified District and Hemet Unified School District Joint School Facilities Authority, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2011-12/9 of said Board and that the same has not been amended or repealed.

Dated this 25th day of August, 2011.



Assistant Secretary of the Board of the Temecula
Valley Unified District and Hemet Unified School
District Joint School Facilities Authority

EXHIBIT "A"

BOUNDARY MAP OF CFD NO. 1

copy

COMMUNITY FACILITIES DISTRICT NO. 1
OF THE TVUSD/HUSD JOINT SCHOOL FACILITIES AUTHORITY
RIVERSIDE COUNTY
STATE OF CALIFORNIA

SHEET 1 OF 3



(1) Filed in the office of the Secretary of the Authority Board this 11th day of July 2011.

[Signature]

Secretary of the Authority Board

(2) I hereby certify that the within map showing the boundaries of Community Facilities District No. 1 of the TVUSD/HUSD Joint School Facilities Authority, Riverside County, State of California, was approved by the Authority Board at a special meeting thereof, held on this 21st day of July 2011, by its Resolution No. 16



[Signature]

Secretary of the Authority Board

(3) Filed this 21st day of JUN 2011, at the hour of 2:21 o'clock PM in Book 15 of Maps of Assessment and Community Facilities Districts at page 40-21 and as Instrument No. 2011-0227141 in the office of the County Recorder of Riverside County, State of California. Fee \$11.

[Signature]
County Recorder of Riverside County
Larry W. Weir - Assessor-Clerk-Recorder

Legend

	Boundary of Community Facilities District No. 1
	Assessor Parcel Boundary

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

COPY

COMMUNITY FACILITIES DISTRICT NO. 1
OF THE TVUSD/HUSD JOINT SCHOOL FACILITIES AUTHORITY
RIVERSIDE COUNTY
STATE OF CALIFORNIA

Assessor Parcels within Community Facilities District No. 1

1	472-170-001	26	476-010-025	51	476-040-003	76	476-040-028	101	476-041-014	126	476-042-001	151	476-051-001	176	476-054-002	201	476-055-003	226	476-060-014	251	476-061-022	276	476-061-047	301	476-062-007
2	472-170-002	27	476-010-026	52	476-040-004	77	476-040-029	102	476-041-015	127	476-042-002	152	476-051-002	177	476-054-003	202	476-055-004	227	476-060-015	252	476-061-023	277	476-061-048	302	476-070-001
3	472-170-003	28	476-010-027	53	476-040-005	78	476-040-030	103	476-041-016	128	476-042-003	153	476-051-003	178	476-054-004	203	476-055-005	228	476-060-016	253	476-061-024	278	476-062-001	303	476-070-002
4	472-170-004	29	476-010-028	54	476-040-006	79	476-040-031	104	476-041-017	129	476-042-004	154	476-051-004	179	476-054-005	204	476-055-006	229	476-060-017	254	476-061-025	279	476-062-002	304	476-070-003
5	472-180-001	30	476-010-029	55	476-040-007	80	476-040-032	105	476-041-018	130	476-042-005	155	476-051-005	180	476-054-006	205	476-055-007	230	476-060-018	255	476-061-026	280	476-062-003	305	476-070-004
6	472-180-002	31	476-010-030	56	476-040-008	81	476-040-033	106	476-041-019	131	476-042-006	156	476-051-006	181	476-054-007	206	476-055-008	231	476-060-019	256	476-061-027	281	476-062-004	306	476-070-005
7	472-180-003	32	476-010-031	57	476-040-009	82	476-040-034	107	476-041-020	132	476-042-007	157	476-051-007	182	476-054-008	207	476-055-009	232	476-060-020	257	476-061-028	282	476-062-005	307	476-070-006
8	476-010-001	33	476-010-036	58	476-040-010	83	476-040-035	108	476-041-021	133	476-042-008	158	476-051-008	183	476-054-009	208	476-055-010	233	476-060-021	258	476-061-029	283	476-062-006	308	476-070-007
9	476-010-002	34	476-010-040	59	476-040-011	84	476-040-036	109	476-041-022	134	476-042-009	159	476-051-009	184	476-054-010	209	476-055-011	234	476-060-022	259	476-061-030	284	476-062-007	309	476-070-008
10	476-010-003	35	476-010-042	60	476-040-012	85	476-040-037	110	476-041-023	135	476-042-010	160	476-051-010	185	476-054-011	210	476-055-012	235	476-060-023	260	476-061-031	285	476-062-008	310	476-070-009
11	476-010-004	36	476-010-045	61	476-040-013	86	476-040-038	111	476-041-024	136	476-042-011	161	476-051-011	186	476-054-012	211	476-055-013	236	476-060-024	261	476-061-032	286	476-062-009	311	476-070-010
12	476-010-005	37	476-010-050	62	476-040-014	87	476-040-039	112	476-041-025	137	476-042-012	162	476-051-012	187	476-054-013	212	476-055-014	237	476-060-025	262	476-061-033	287	476-062-010	312	476-070-011
13	476-010-006	38	476-010-051	63	476-040-015	88	476-041-001	113	476-041-026	138	476-042-013	163	476-051-013	188	476-054-014	213	476-055-015	238	476-060-026	263	476-061-034	288	476-062-011	313	476-070-012
14	476-010-007	39	476-010-052	64	476-040-016	89	476-041-002	114	476-041-027	139	476-042-014	164	476-051-014	189	476-054-015	214	476-055-016	239	476-060-027	264	476-061-035	289	476-062-012	314	476-070-013
15	476-010-008	40	476-010-054	65	476-040-017	90	476-041-003	115	476-041-028	140	476-042-015	165	476-051-015	190	476-054-016	215	476-055-017	240	476-060-028	265	476-061-036	290	476-062-013	315	476-070-014
16	476-010-009	41	476-010-057	66	476-040-018	91	476-041-004	116	476-041-029	141	476-042-016	166	476-051-016	191	476-054-017	216	476-055-018	241	476-060-029	266	476-061-037	291	476-062-014	316	476-070-015
17	476-010-010	42	476-010-055	67	476-040-019	92	476-040-019	117	476-041-030	142	476-042-017	167	476-051-017	192	476-054-018	217	476-055-019	242	476-060-030	267	476-061-038	292	476-062-015	317	476-070-016
18	476-010-011	43	476-010-056	68	476-040-020	93	476-041-005	118	476-041-031	143	476-042-018	168	476-051-018	193	476-054-019	218	476-055-020	243	476-060-031	268	476-061-039	293	476-062-016	318	476-070-017
19	476-010-012	44	476-010-058	69	476-040-021	94	476-041-006	119	476-041-032	144	476-042-019	169	476-051-019	194	476-054-020	219	476-055-021	244	476-060-032	269	476-061-040	294	476-062-017	319	476-070-018
20	476-010-013	45	476-010-059	70	476-040-022	95	476-041-007	120	476-041-033	145	476-042-020	170	476-051-020	195	476-054-021	220	476-055-022	245	476-060-033	270	476-061-041	295	476-062-018	320	476-070-019
21	476-010-016	46	476-010-059	71	476-040-023	96	476-041-008	121	476-041-034	146	476-042-021	171	476-051-021	196	476-054-022	221	476-055-023	246	476-060-034	271	476-061-042	296	476-062-019	321	476-070-020
22	476-010-017	47	476-030-001	72	476-040-024	97	476-041-009	122	476-041-035	147	476-042-022	172	476-051-022	197	476-054-023	222	476-055-024	247	476-060-035	272	476-061-043	297	476-062-020	322	476-070-021
23	476-010-018	48	476-030-002	73	476-040-025	98	476-041-010	123	476-041-036	148	476-042-023	173	476-051-023	198	476-054-024	223	476-055-025	248	476-060-036	273	476-061-044	298	476-062-021	323	476-070-022
24	476-010-023	49	476-040-001	74	476-040-026	99	476-041-011	124	476-041-037	149	476-042-024	174	476-051-024	199	476-054-025	224	476-055-026	249	476-060-037	274	476-061-045	299	476-062-022	324	476-070-023
25	476-010-024	50	476-040-002	75	476-040-027	100	476-041-012	125	476-041-038	150	476-042-025	175	476-051-025	200	476-054-026	225	476-055-027	250	476-060-038	275	476-061-046	300	476-062-023	325	476-070-024

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

copy 12/28

COMMUNITY FACILITIES DISTRICT NO. 1
 OF THE TVUSD/HUSD JOINT SCHOOL FACILITIES AUTHORITY
 RIVERSIDE COUNTY
 STATE OF CALIFORNIA

Assessor Parcels within Community Facilities District No. 1

326	476-072-001	351	476-074-001	376	476-080-001	401	476-080-026	426	476-082-007	451	476-320-008	476	476-322-009	501	476-323-015	526	476-330-003	551	476-333-001	576	476-340-011	601	476-340-007
327	476-072-002	352	476-074-002	377	476-080-002	402	476-080-027	427	476-082-008	452	476-320-009	477	476-322-010	502	476-323-016	527	476-330-004	552	476-333-002	577	476-340-012		
328	476-072-003	353	476-074-003	378	476-080-003	403	476-080-028	428	476-083-001	453	476-320-005	478	476-322-011	503	476-323-017	528	476-330-005	553	476-333-003	578	476-340-013		
329	476-072-004	354	476-074-004	379	476-080-004	404	476-080-029	429	476-083-002	454	476-321-001	479	476-322-012	504	476-323-018	529	476-330-006	554	476-333-004	579	476-340-014		
330	476-072-005	355	476-074-005	380	476-080-005	405	476-080-030	430	476-083-003	455	476-321-002	480	476-322-013	505	476-323-019	530	476-330-007	555	476-333-005	580	476-340-015		
331	476-072-006	356	476-074-006	381	476-080-006	406	476-080-031	431	476-083-004	456	476-321-003	481	476-322-014	506	476-323-020	531	476-330-008	556	476-333-006	581	476-340-016		
332	476-072-007	357	476-074-007	382	476-080-007	407	476-080-032	432	476-083-005	457	476-321-004	482	476-322-015	507	476-323-021	532	476-330-009	557	476-333-007	582	476-340-017		
333	476-072-008	358	476-074-008	383	476-080-008	408	476-080-033	433	476-083-006	458	476-321-005	483	476-322-016	508	476-323-022	533	476-330-010	558	476-333-008	583	476-340-018		
334	476-072-009	359	476-074-009	384	476-080-009	409	476-080-034	434	476-083-007	459	476-321-006	484	476-322-017	509	476-323-023	534	476-330-011	559	476-333-009	584	476-340-019		
335	476-072-010	360	476-074-010	385	476-080-010	410	476-081-001	435	476-083-008	460	476-321-007	485	476-322-018	510	476-323-024	535	476-330-012	560	476-333-010	585	476-340-020		
336	476-072-011	361	476-074-011	386	476-080-011	411	476-081-002	436	476-083-009	461	476-321-008	486	476-322-019	511	476-323-025	536	476-330-013	561	476-333-011	586	476-340-021		
337	476-072-012	362	476-074-012	387	476-080-012	412	476-081-003	437	476-083-010	462	476-321-009	487	476-322-020	512	476-323-026	537	476-330-014	562	476-333-012	587	476-340-022		
338	476-072-013	363	476-074-013	388	476-080-013	413	476-081-004	438	476-083-011	463	476-321-010	488	476-322-021	513	476-323-027	538	476-330-015	563	476-333-013	588	476-340-023		
339	476-072-014	364	476-074-014	389	476-080-014	414	476-081-005	439	476-083-012	464	476-321-011	489	476-322-022	514	476-323-028	539	476-330-016	564	476-333-014	589	476-340-024		
340	476-072-015	365	476-074-015	390	476-080-015	415	476-081-006	440	476-083-013	465	476-321-012	490	476-322-023	515	476-323-029	540	476-330-017	565	476-333-015	590	476-340-025		
341	476-072-016	366	476-074-016	391	476-080-016	416	476-081-007	441	476-083-014	466	476-321-013	491	476-322-024	516	476-323-030	541	476-330-018	566	476-333-016	591	476-340-026		
342	476-072-017	367	476-074-017	392	476-080-017	417	476-081-008	442	476-083-015	467	476-321-014	492	476-322-025	517	476-323-031	542	476-330-019	567	476-333-017	592	476-340-027		
343	476-072-018	368	476-074-018	393	476-080-018	418	476-081-009	443	476-083-016	468	476-321-015	493	476-322-026	518	476-323-032	543	476-330-020	568	476-333-018	593	476-340-028		
344	476-072-019	369	476-074-019	394	476-080-019	419	476-081-010	444	476-083-017	469	476-321-016	494	476-322-027	519	476-323-033	544	476-330-021	569	476-333-019	594	476-340-029		
345	476-072-020	370	476-074-020	395	476-080-020	420	476-082-001	445	476-083-018	470	476-322-002	495	476-323-008	519	476-323-034	544	476-330-022	569	476-333-020	594	476-340-030		
346	476-072-021	371	476-074-021	396	476-080-021	421	476-082-002	446	476-083-019	471	476-322-003	496	476-323-009	520	476-323-035	545	476-330-023	570	476-333-021	595	476-340-031		
347	476-072-022	372	476-074-022	397	476-080-022	422	476-082-003	447	476-083-020	472	476-322-004	497	476-323-010	521	476-323-036	546	476-330-024	571	476-333-022	596	476-340-032		
348	476-072-023	373	476-074-023	398	476-080-023	423	476-082-004	448	476-083-021	473	476-322-005	498	476-323-011	522	476-323-037	547	476-330-025	572	476-333-023	597	476-340-033		
349	476-072-024	374	476-074-024	399	476-080-024	424	476-082-005	449	476-083-022	474	476-322-006	499	476-323-012	523	476-323-038	548	476-330-026	573	476-333-024	598	476-340-034		
350	476-072-025	375	476-074-025	400	476-080-025	425	476-082-006	450	476-083-023	475	476-322-007	499	476-322-013	524	476-323-039	549	476-330-027	574	476-333-025	599	476-340-035		

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

EXHIBIT "B"

PUBLIC FACILITIES

The types of Facilities proposed to be planned for, designed, acquired, constructed, leased, expanded, improved, rehabilitated and financed by proposed Community Facilities District No. 1 ("CFD") of Temecula Valley Unified District and Hemet Unified School District Joint School Facilities Authority ("Authority"), under the Mello-Roos Community Facilities Act of 1982 ("Act") are, as follows:

"Facilities" means any elementary, middle and high school facility with an estimated useful life of five (5) years or longer, including sites and site improvements (including landscaping, access roadways, drainage, sidewalks and gutters, utility lines, playground areas and equipment), classrooms, recreational facilities, on-site office space at a school, central support and administrative facilities, interim housing and transportation facilities needed by District in order to serve the student population to be generated as a result of development of the property within CFD No. 1.

"Facilities" may also include the attributable costs of engineering, design, planning, materials testing, coordination, construction staking and construction, together with the expenses related to issuance and sale of any "debt," as defined in Section 53317(d) of the Act, including underwriters' discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, bond and official statement printing, administrative expenses of CFD No. 1 and bond trustee(s) or fiscal agent(s) related to CFD No. 1, and any such debt and all other incidental expenses.

The Facilities listed in this Exhibit are representative of the types of improvements to be furnished by CFD No. 1. Addition, deletion or modification of descriptions of Facilities may be made consistent with the requirements of the District, CFD No. 1, and the Act.

EXHIBIT "C"

FIRST AMENDED RATE AND METHOD OF APPORTIONMENT

**FIRST AMENDED
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

**TEMECULA VALLEY UNIFIED SCHOOL DISTRICT
AND
HEMET UNIFIED SCHOOL DISTRICT
JOINT SCHOOL FACILITIES AUTHORITY**

COMMUNITY FACILITIES DISTRICT NO. 1

The Board ("Authority Board") of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority ("Authority"), acting as the Legislative Body of Community Facilities District No. 1 of the Authority ("CFD" or "District"), shall levy and collect special taxes ("Special Taxes") applicable to each Assessor's Parcel (as defined below) located within the boundaries of the CFD.

The Special Taxes will be levied as herein specified. All property located within the boundaries of the CFD shall be taxed, to the extent and in the manner herein set forth, unless exempted by law or as herein provided.

Section 1. Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Section 53311, et seq. of the California Government Code.

"Administrative Expense" means any actual or estimated ordinary and necessary expense incurred by the Authority on behalf of the CFD related to the determination of the amount of the levy of Special Taxes, the collection of Annual Maximum Special Tax, including the expenses of collecting delinquencies, the administration of Bonds, the payment of salaries and benefits or appropriate allocation thereof of any employee whose duties are directly related to the administration of the CFD, and costs otherwise incurred in order to carry out the authorized purposes of the CFD.

"Age-Restricted Unit" means a residential unit restricted for the use consistent with the provisions of Section 65995.1 of the Government Code or subsequent successor statutory provisions.

"Annual Maximum Special Tax" means the maximum Special Tax which may be annually levied on an Assessor's Parcel that has been classified as Developed Property. The Annual Maximum Special Tax is established in the Initial Fiscal Year based upon Table 2, as applicable, adjusted as described in Section 3. The Annual Maximum Special Tax for a Residential Dwelling Unit is not subject to increase once established in the Initial Fiscal Year.

"Assessor's Parcel" means a parcel of land as designated on an official map of the County Assessor and for which a discrete identifying parcel number has been assigned.

"Authority" means the Temecula Valley Unified School District and the Hemet Unified School District Joint School Facilities Authority.

"Authority Board" means the Board of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority.

"Bonds" means the bonds authorized and issued or to be issued on behalf of the CFD or equivalent securities, including but not limited to bond anticipation notes, certificates of participation or leases issued and sold by or on behalf of the CFD or which are to be funded by proceeds of Special Taxes of the CFD, or to which the Special Taxes have been pledged to finance School Facilities.

"Calendar Year" means the period of time commencing on January 1 of any year and ending the following December 31.

"County" means the County of Riverside.

"Developed Property" means Assessor's Parcels for which a building permit for a Residential Dwelling Unit has been issued by the applicable agency on or before the March 1 prior to each Fiscal Year which is not Exempt Property and for which the Annual Maximum Special Tax obligation has not been fully prepaid and/or permanently satisfied. Assessor's Parcels for which a building permit has been issued by the applicable agency on or before March 1 shall be designated as Developed Property and subject to the levy of the Annual Maximum Special Tax in the following Fiscal Year. If a building permit has been issued for which the improvements to be constructed by the building permit together with previously issued building permits, if applicable, does not constitute the ultimate development of the entire Assessor's Parcel, as reasonably determined by the Authority, the remaining undeveloped portion of the Assessor's Parcel will be classified as Undeveloped Property and will be subject to the levy of the Annual Maximum Special Tax at the then current rate, if and when such additional building permits are issued.

"Exempt Property" means all Assessor's Parcels which are exempt from Special Tax pursuant to law or Section 7, hereof.

"Existing Residential Dwelling Unit" means a Residential Dwelling Unit which received a building permit from the issuing agency on or before the date of the canvass by the CFD of a successful election as provided by the County Assessor data.

"Fiscal Year" means the period of time commencing on July 1 of any year and ending the following June 30.

"Index" means the Marshall and Swift Class "D" Wood Frame Construction Cost Index as shown in the index titled, "Current Building Cost Indexes, Western Division, Class D"

or such other index as the Authority Board shall determine if the Index herein ceases publication. The first increase shall occur March 1, 2012. The increase in the Index to be in effect for Fiscal Year 2012/13 shall be based upon the last available data as of March 1, 2012.

"Initial Fiscal Year" applies only to Developed Property and means the first Fiscal Year in which the Annual Maximum Special Tax will be apportioned and levied as to an Assessor's Parcel classified as Developed Property.

"Land Use Classification" means the land use classifications listed in Table 1.

"New Residential Dwelling Unit" means a Residential Dwelling Unit which receives a building permit from the issuing agency after the date of the canvass by the CFD of a successful election approving the Special Taxes and Bonds.

"Nonresidential Development" means the development of a portion of or an entire Assessor's Parcel for nonresidential use including Age-Restricted Units, hotel, motel, timeshares, commercial, industrial or any other uses, other than uses associated with a Residential Dwelling Unit. Such development shall be subject to the payment of statutory school fees.

"Occupied Residential Property" means all Assessor's Parcels of Residential Property which have closed escrow to an end user (homeowner).

"Residential Dwelling Unit" means one residential unit, or residential area of a mixed commercial/residential unit, of any configuration, including, but not limited to a single family attached or detached dwelling unit, second dwelling unit, condominium unit, apartment unit, mobile home, or otherwise, but excludes therefrom Nonresidential Development. The addition of a second dwelling unit, of any configuration, onto a parcel containing an Existing Residential Dwelling Unit constitutes a Residential Dwelling Unit.

"Residential Property" means all Developed Property within the CFD for which a building permit is requested or has been issued for the purpose of constructing one or more Residential Dwelling Units.

"School Facilities" means the planning, designing, acquisition, construction, leasing, expanding, improving, relocation, rehabilitating and/or financing of interim and permanent facilities, including classrooms, multi-purpose, administration and auxiliary space at a school, central support and administrative facilities and special education facilities, together with furniture, equipment and technology, needed in order to serve development occurring within the Temecula Valley Unified School District, including the project students, as more particularly set forth in the Authority's Resolution of Intention to Establish the CFD, in addition to all land or interests in land required for the construction of such on-site or off-site facilities and all land or interests in land required to be provided by the Authority as mitigation of impacts associated with the development of such facilities.

"Special Tax" or "Special Taxes" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property pursuant to Section 3 of this First Amended Rate and Method of Apportionment.

"Taxable Property" means all Assessor's Parcels, except Exempt Property and Undeveloped Property, that are subject to the levy of the Special Taxes.

"Undeveloped Property" means all Assessor's Parcels that are not classified as Developed Property or Exempt Property.

Section 2. Assignment to Land Use Classifications

The District shall classify all Assessor's Parcels within the boundaries of the CFD as Developed Property, Undeveloped Property or Exempt Property. Such classification shall be made annually on or before July 1 of each year. All Developed Property shall be assigned to one of the applicable designated Land Use Classifications listed in Table 1 and taxed as set forth in Table 2. For purposes of this determination, the District may rely on the building permit(s) issued by the applicable issuing agency and for an Existing Residential Dwelling Unit on the County Assessor data as to land use, year of construction and assessed improvement value. Undeveloped Property shall not be taxed.

**Table 1
Land Use Classifications for Developed Property**

Land Use Classification	Description
	Type of Development
1	Existing Residential Dwelling Unit
2	New Residential Dwelling Unit

Section 3. Annual Maximum Special Tax

The Annual Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the amount determined by reference to Table 2 as applicable and the paragraphs that follow Table 2.

Table 2
Annual Maximum Special Tax
Fiscal Year 2011/12 per Land Use Classification

Land Use Classification	Annual Maximum Special Tax
1	\$44.00 per Residential Dwelling Unit
2	\$1,253.00 per Residential Dwelling Unit

Escalation of Land Use Classification 1 - Annual Maximum Special Tax:
The Annual Special Tax for Land Use Classification 1 does not increase.

Escalation of Land Use Classification 2 - Annual Maximum Special Tax:
In determining the Annual Maximum Special Tax applicable to an Assessor's Parcel of Developed Property in its Initial Fiscal Year, the Annual Maximum Special Tax for Land Use Classification 2 only, as shown in Table 2, shall be increased for the 2012/13 Fiscal Year, and each Fiscal Year thereafter by the greater of: (i) the annual percentage change in the Index determined on March 1, 2012 for the prior twelve (12) month period, and on each March 1st thereafter for the prior twelve (12) month period, or (ii) two percent (2%). The Annual Maximum Special Tax for a Residential Dwelling Unit in Land Use Classification 2, after the Initial Fiscal Year, and each Fiscal Year thereafter, shall be fixed and no longer subject to any increases.

Section 4. Levy of the Special Tax

Commencing in Fiscal Year 2012/13, the Authority Board shall levy the Annual Maximum Special Tax on each Assessor's Parcel which is classified as Developed Property.

Section 5. Partial Prepayment of the Annual Maximum Special Tax

A property owner may make a one-time election to prepay a portion of the Annual Maximum Special Tax on an Assessor's Parcel by notifying the Authority in writing of such intention no less than thirty (30) business days prior to such Assessor's Parcel becoming Occupied Residential Property. The written notification shall include such owner's intent to partially prepay the Annual Maximum Special Tax, the date the Assessor's Parcel is expected to close escrow to a homeowner, a copy of the final map, the Acres of each lot, the lot number(s) and Assessor's Parcel Number(s) for which partial prepay is requested, the Building Square Footage of the Residential Dwelling Unit(s) and the percentage by which the Annual Maximum Special Tax shall be prepaid. The partial prepayment formula per Residential Dwelling Unit is defined as follows:

Partial Prepayment Formula per Residential Dwelling Unit: $PP = (PVT \times PCT) + F + RP$

The variables are described as: PP - the partial prepayment amount per Residential Dwelling Unit. PVT - the present value of the current Annual Maximum Special Tax using a 5.0% interest rate and a term of 35 years. PCT - the partial prepayment percent. F - all prepayment fees, and RP - redemption premium on the Bonds, if applicable. The partial prepayment percent shall be indicated in the notification described above.

The CFD administrator shall provide the owner with a statement of the amount required per Residential Dwelling Unit for the partial prepayment of the Annual Maximum Special Tax within ten (10) business days of the request and may charge a reasonable fee for providing this service. The payment of the partial prepayment of the Annual Maximum Special Tax is due prior to the close of escrow for the Residential Dwelling Unit.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of the Annual Maximum Special Tax that may be levied on all Taxable Property within the CFD both prior to and after the proposed partial prepayment is at least 1:1 times the annual debt service on the outstanding Bonds.

Section 6. Prepayment of the Annual Maximum Special Tax

An Assessor's Parcel classified as Developed Property which is subject to the Annual Maximum Special Tax may prepay the *entire outstanding* Special Tax obligation at any time. The prepayment formula per Residential Dwelling Unit is defined as follows:

Prepayment Formula: $P = PVT + F + RP$

The variables are described as: P - the prepayment amount, PVT - the present value of taxes, F - all prepayment fees, and RP - redemption premium on the Bonds if applicable. The PVT or present value of taxes means the present value of the Annual Maximum Special Tax applicable to the Assessor's Parcel in each remaining Fiscal Year that such taxes may be levied subsequent to the Fiscal Year in which the calculation is made. The present value of the Annual Maximum Special Tax is calculated by using an interest rate of 5.0%. The remaining Fiscal Years, or the term for the present value calculation, is calculated by subtracting the number of years, including the present Fiscal Year, the Assessor's Parcel has been subject to the Annual Maximum Special Tax from thirty-five (35). The current year's Special Taxes must be paid directly to the County and will not be accepted by the School District with the prepayment.

Prepayment fees or F means the fees of the Authority, the fiscal agent and any consultants retained by the Authority in connection with the prepayment calculations and redemption of the Bonds.

Redemption premium on the Bonds or RP means a prepayment premium as set forth in the Bond indenture for a mandatory redemption of the Bonds as of the prepayment date.

Bonds shall be redeemed in a manner such that the yield on the Bonds outstanding after the prepayment is as close as possible to the original yield on all of the Bonds.

The CFD administrator shall provide the owner with a statement of the amount required for the prepayment of the Annual Maximum Special Tax within ten (10) business days of the request and may charge a reasonable fee for providing this service. In addition, any property owner prepaying his or her Annual Maximum Special Tax must also pay the present Fiscal Year levy and all delinquent special taxes, interest and penalties owing on the Assessor's Parcel on which prepayment is being made, if any, to the County of Riverside.

Notwithstanding the foregoing, no prepayment shall be allowed unless the amount of the Annual Maximum Special Tax that may be levied on all Taxable Property within the CFD both prior to and after the proposed partial prepayment is at least 1.1 times the annual debt service on the outstanding Bonds.

Section 7. Limitations

The Authority Board shall not levy any Special Taxes on properties conveyed or irrevocably dedicated to a public agency, land which is in the public right-of-way, unmanned utility easements which make utilization for other than the purpose set forth in the easement impractical, common areas including homeowner's association property, private streets, school, parks, property used as a golf course other than the clubhouse facilities, open space lots and Assessor's Parcels of Nonresidential Development, although subject to applicable statutory fees. Except as set forth above, the Authority Board shall not levy any Special Taxes on properties which are owned by the State of California, Federal or local governments, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act.

Section 8. Manner of Collection

The Annual Maximum Special Taxes will be collected in the same manner and at the same time as ordinary ad valorem real property taxes, unless otherwise authorized by the CFD. The Annual Maximum Special Taxes shall be subject to the same penalties, procedures, sale and lien priority in any case of delinquency as provided for with ad valorem taxes. The collection of the Annual Maximum Special Taxes shall otherwise be subject to the provisions of the Act. The Authority Board reserves the power to provide for alternative means of collection of special taxes as permitted by the Act.

Section 9. Term of the Special Taxes

The Annual Maximum Special Tax Land Use Classification 1 shall be levied for a period not to exceed thirty (30) years from the beginning of the Initial Fiscal Year a property is taxed as Developed Property. The Annual Maximum Special Tax Land Use Classification 2 shall be levied for a period not to exceed thirty-five (35) years from the beginning of the Initial Fiscal Year a property is taxed as Developed Property.

Section 10. Review/Appeals Panel

Any property owner who feels that the amount or application of the Special Tax, as to their Assessor's Parcel, is not correct may file a written notice of appeal with the CFD not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the Board of the CFD or its designee's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment may be made to the Annual Maximum Special Tax on that Assessor's Parcel in the subsequent Fiscal Years, if applicable.

RESOLUTION NO. 2011-12/12

RESOLUTION OF THE TEMECULA VALLEY UNIFIED SCHOOL DISTRICT AND HEMET UNIFIED SCHOOL DISTRICT JOINT SCHOOL FACILITIES AUTHORITY CHANGING THE DATE OF SPECIAL ELECTION AND AMENDING THE PROPOSITION LANGUAGE RELATING TO THE PROPOSITION AUTHORIZING THE LEVY OF SPECIAL TAX, INCURRING OF BONDED INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED \$60,000,000, AND ESTABLISHING AN APPROPRIATIONS LIMIT WITHIN COMMUNITY FACILITIES DISTRICT NO. 1 OF THE TEMECULA VALLEY UNIFIED SCHOOL DISTRICT AND HEMET UNIFIED SCHOOL DISTRICT JOINT SCHOOL FACILITIES AUTHORITY

WHEREAS, on July 21, 2011, the Board (“Authority Board”) of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority (“Authority”), adopted Resolution No. 2011-12/5 stating its intention to form Community Facilities District No. 1 of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority (“CFD No. 1”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (“Act”); and

WHEREAS, on July 21, 2011, the Authority Board also adopted Resolution No. 2011-12/7 stating its intention to incur indebtedness in an amount not to exceed Sixty Million Dollars (\$60,000,000) within proposed CFD No. 1 for the purpose of financing certain public facilities to serve the area within CFD No. 1; and

WHEREAS, on August 25, 2011, the Authority Board conducted and concluded a noticed public hearing, as required by law, relative to the determination to proceed with the formation of CFD No. 1 and the rate and method of apportionment of the special taxes to be levied within CFD No. 1 to pay the principal and interest on the proposed indebtedness and to pay other obligations of CFD No. 1, all as set forth in Resolution No. 2011-12/9; and

WHEREAS, the Authority Board subsequent to such public hearing adopted Resolution No. 2011-12/9 establishing CFD No. 1; and

WHEREAS, on August 25, 2011, the Authority Board also conducted and concluded a noticed public hearing relative to the necessity to authorize the bonds, the purpose for which the bonds are to be issued, the amount of the proposed debt, the maximum term of the bonds and the maximum annual rate of interest to be paid, and subsequent to such public hearing, adopted Resolution No. 2011-12/10, authorizing the incurring of bonded indebtedness in an amount not to exceed Sixty Million Dollars (\$60,000,000) within CFD No. 1; and

WHEREAS, pursuant to Section 53326 of the Act and Resolution Nos. 2011-12/9 and 2011-12/10 (together, the “Resolutions”), a combined special election to authorize the levy of special taxes, incur bonded indebtedness in an amount not to exceed \$60,000,000, and establish

an appropriations limit within CFD No. 1 was called for January 11, 2012 ("Special Election"); and

WHEREAS, the proposition language for the Special Election was attached to the Resolutions and incorporated therein and such Resolutions designated the Riverside County Registrar of Voters shall act as the Election Official ("Election Official") for the Special Election; and

WHEREAS, at this time, the Election Official has advised that the Special Election be held on January 10, 2012, and that the Proposition be revised to not exceed 75 words.

NOW, THEREFORE, THE BOARD OF THE TEMECULA VALLEY UNIFIED SCHOOL DISTRICT AND HEMET UNIFIED SCHOOL DISTRICT JOINT SCHOOL FACILITIES AUTHORITY, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1, DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are hereby incorporated herein by this reference.

Section 2. The Special Election date is hereby changed from January 11, 2012, to January 10, 2012.


Section 3. The revised Proposition is set forth as Exhibit "A" attached hereto and made a part hereof by this reference ("Revised Proposition"). The Revised Proposition shall replace the Proposition for all purposes.

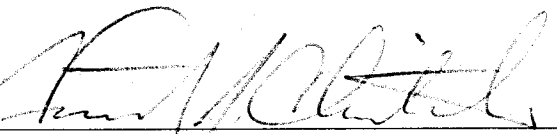
Section 4. Except as stated in Section 2 and Section 3 above, Resolution Nos. 2011-12/9 and 2011-12/10 are not otherwise changed and all directives therein shall remain in full force and effect.

Section 5. The Secretary of the Board and Authority's staff and consultants are hereby directed to take all necessary action(s) as may be required by the Election Official to conduct the Special Election.

ADOPTED, SIGNED AND APPROVED this 13th day of October, 2011.

**TEMECULA VALLEY UNIFIED SCHOOL
DISTRICT AND HEMET UNIFIED SCHOOL
DISTRICT JOINT SCHOOL FACILITIES
AUTHORITY:**

By: 
Lori Ordway-Peck, President of the Board
of the Temecula Valley Unified District and
Hemet Unified School District Joint School
Facilities Authority

By: 
Vincent Christakos, Secretary of the Board
of the Temecula Valley Unified District and
Hemet Unified School District Joint School
Facilities Authority

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Vincent Christakos, Secretary of the Board of the Temecula Valley Unified District and Hemet Unified School District Joint School Facilities Authority, do hereby certify that the foregoing resolution was duly adopted by the Board of said Authority at a meeting of said Board held on the 13th day of October, 2011, and that it was so adopted by the following vote:

AYES: 2

NOES: 0

ABSTAIN: 0

ABSENT: 0

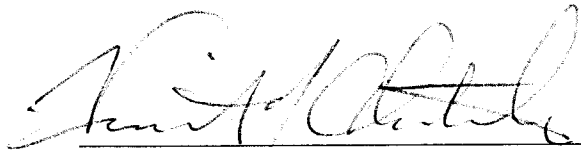


Secretary of the Board of the Temecula Valley
Unified District and Hemet Unified School District
Joint School Facilities Authority

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Vincent Christakos, Secretary of the Board of the Temecula Valley Unified District and Hemet Unified School District Joint School Facilities Authority, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2011-12/12 of said Board and that the same has not been amended or repealed.

Dated this 13th day of October, 2011.



Secretary of the Board of the Temecula Valley
Unified District and Hemet Unified School District
Joint School Facilities Authority

EXHIBIT A

**TEMECULA VALLEY UNIFIED SCHOOL DISTRICT AND
HEMET UNIFIED SCHOOL DISTRICT
JOINT SCHOOL FACILITIES AUTHORITY**

**Community Facilities District No. 1
Election Day: January 10, 2012**

Ballot Measure Statement

Shall Community Facilities District No. 1 ("CFD No. 1") of the Temecula Valley Unified School District and Hemet Unified School District Joint School Facilities Authority ("Authority") be authorized on behalf of CFD No. 1 to finance the cost of public school facilities by incurring bonded indebtedness in a maximum amount of \$60,000,000, levy special taxes on property within CFD No. 1, and for each year, commencing with fiscal year 2012-2013, shall an appropriations limit, as defined in the California Constitution, be established for CFD No. 1 in an amount equal to \$60,000,000?