

## **RESOLUTION NO.11701**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE, ACTING AS THE LEGISLATIVE BODY OF CITY OF ORANGE COMMUNITY FACILITIES DISTRICT NO. 06-1 (DEL RIO PUBLIC IMPROVEMENTS), AUTHORIZING THE ISSUANCE OF ITS 2026 SPECIAL TAX REFUNDING BONDS AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the City Council (the “City Council” or the “legislative body of the District”) of the City of Orange (the “City”) has previously undertaken proceedings to establish City of Orange Community Facilities District No. 06-1 (Del Rio Public Improvements) (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 proceedings taken and an election held on December 12, 2006 to authorize the issuance of bonds of the District, the levy of special taxes within the District and the establishment of an appropriations limit for the District, the District was authorized to issue bonds in one or more series, pursuant to the Act, in an aggregate principal amount not to exceed \$47,000,000; and

**WHEREAS**, the District has previously issued its 2015 Special Tax Refunding Bonds in the aggregate principal amount of \$23,920,000, of which \$18,795,000 is currently outstanding (the “2015 Bonds”), to refinance certain public improvements serving the District; and

**WHEREAS**, in order to benefit taxpayers within the District by lowering the annual special taxes to be levied for debt service, the City Council, acting as the legislative body of the District, now desires to refund and defease the 2015 Bonds maturing on and after October 1, 2026 through the issuance of bonds in an aggregate principal amount not to exceed \$20,000,000 designated as the “City of Orange Community Facilities District No. 06-1 (Del Rio Public Improvements) 2026 Special Tax Refunding Bonds” (the “2026 Bonds”); and

**WHEREAS**, in order to effect the issuance of the 2026 Bonds, the City Council, acting as the legislative body of the District, desires to approve the forms of and authorize the execution and delivery of: (i) a Bond Indenture (the “Indenture”) with U.S. Bank Trust Company, National Association, as Trustee; (ii) an Escrow Agreement (2015 Bonds) (the “Escrow Agreement”) with U.S. Bank Trust Company, National Association, as escrow agent; (iii) a Preliminary Official Statement for the 2026 Bonds (the “Preliminary Official Statement”), which the Underwriter (as such term is defined herein) will use to market the 2026 Bonds; (iv) a Bond Purchase Agreement (the “Bond Purchase Agreement”) with the Underwriter; and (v) a Continuing Disclosure Agreement of the District relating to the 2026 Bonds (the “Continuing Disclosure Agreement”), all in substantially the forms presented herewith, and to authorize such changes and additions

thereto as the Authorized Officers (as such term is defined herein) deem necessary or desirable; and

**WHEREAS**, the City Council, acting in its capacity as the legislative body of the District, finds that the issuance of the 2026 Bonds will achieve debt service savings and will benefit taxpayers within the District, and has determined that it is prudent in the management of the District's fiscal affairs to issue the 2026 Bonds; and

**WHEREAS**, the legislative body of the District has determined, in consultation with its municipal advisor, in accordance with Government Code Section 53360.4, that a negotiated sale of the 2026 Bonds to Stifel, Nicolaus & Company, Incorporated, as underwriter (the "Underwriter") in accordance with the terms of the Bond Purchase Agreement approved as to form by the City Council herein will result in a lower overall cost to the District than a public sale, in that a negotiated sale will allow for the timing of the sale of the 2026 Bonds to be accomplished at a time of the District's choosing; and

**WHEREAS**, the aggregate assessed value of the real property in the District that is subject to the special tax to pay debt service on the 2026 Bonds is not less than three times the principal amount of the 2026 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, which fact is required as a precondition to the issuance of the 2026 Bonds.

**NOW, THEREFORE**, the City Council of the City of Orange does hereby resolve as follows:

### **SECTION 1 - RECITALS TRUE AND CORRECT**

Each of the above recitals is true and correct and is adopted by the City Council, acting in its capacity as the legislative body of the District.

### **SECTION 2 – FINDINGS**

The City Council, acting in its capacity as the legislative body of the District: (i) finds that the issuance of the 2026 Bonds as described in the Preliminary Official Statement will provide significant public benefits by reducing the total amount of special taxes to be levied for debt service within the District; and (ii) finds and determines that the issuance and sale of the 2026 Bonds are consistent with the District's financing policy with respect to community facilities district financings adopted pursuant to Government Code Section 53312.7 and currently in effect. In satisfaction of the requirements contained in Government Code Section 53363.2, the City Council hereby determines that:

(a) it is anticipated that the purchase of the 2026 Bonds will occur no later than July 30, 2026 and that the refunding of the 2015 Bonds will occur on October 1, 2026, or as soon thereafter as practicable and permitted by the terms of the 2015 Bonds (subject to change at the discretion of any of the Authorized Officers);

(b) the 2026 Bonds shall be dated their date of issuance, and be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the 2015 Bonds being refunded), be payable at the place and be in the form specified in the Bond Purchase Agreement to be executed by the District in accordance with Section 6;

(c) the 2026 Bonds will bear interest at the minimum rate of 0.05% per annum;

(d) the 2015 Bonds shall be payable at the place specified in the Escrow Agreement to be executed by the District in accordance with Section 4; and

(e) the designated cost of issuing the 2026 Bonds, as defined by Government Code Section 53363.8, shall include all of the costs specified in Government Code Section 53363.8(a), (b)(2) and (c).

### **SECTION 3 – AUTHORIZATION OF BONDS; APPROVAL OF INDENTURE**

If the District is able to realize at least 3% net present value savings by refunding the 2015 Bonds, the issuance of the 2026 Bonds in a principal amount not to exceed \$20,000,000 is hereby authorized and approved pursuant to the Act. The 2026 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 and otherwise shall be substantially in the form set forth in the Indenture on file with the City Clerk of the City. All other provisions of the 2026 Bonds shall be governed by the terms and conditions set forth in the Indenture prepared by Bond Counsel to the District and executed by the Mayor of the City, the City Manager of the City and the Assistant City Manager/Administrative Services Director of the City, or the written designee thereof (each, an “Authorized Officer”). The Indenture is hereby approved substantially in the form on file with the City Clerk of the City. Each Authorized Officer is hereby authorized and directed to execute and deliver the Indenture with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel to the District and approved by the officer executing the same, said execution being conclusive evidence of such approval. Capitalized terms that are used in this Resolution and not defined have the meaning ascribed to them in the form of the Indenture.

### **SECTION 4 – APPROVAL OF ESCROW AGREEMENT**

The Escrow Agreement is hereby approved substantially in the form on file with the City Clerk of the City. Each Authorized Officer is hereby authorized and directed to execute and deliver the Escrow Agreement with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel to the District and approved by the officer executing the same, said execution being conclusive evidence of such approval.

### **SECTION 5 – APPROVAL OF PRELIMINARY OFFICIAL STATEMENT**

The Preliminary Official Statement is hereby approved in substantially in the form on file with the City Clerk of the City, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to deliver such Preliminary Official Statement to the Underwriter to be used in connection with the offering and sale of the 2026 Bonds. The Authorized

Officers are each hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934 prior to its distribution and to execute and deliver to the Underwriter a final Official Statement substantially in the form of the Preliminary Official Statement, with such changes therein, deletions therefrom and modifications thereto as the Authorized Officer executing the same shall approve (the “Official Statement”). The Underwriter is hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the 2026 Bonds and is directed to deliver copies of the Official Statement to the purchasers of the 2026 Bonds. Execution of the Official Statement shall conclusively evidence the District’s approval of the Official Statement.

#### **SECTION 6 – APPROVAL OF BOND PURCHASE AGREEMENT**

The Bond Purchase Agreement is hereby approved substantially in the form on file with the City Clerk of the City. Each Authorized Officer is hereby authorized and directed to execute and deliver the Bond Purchase Agreement with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel to the District and approved by the officer executing the same, said execution being conclusive evidence of such approval; provided, however, that: (i) the principal amount of the 2026 Bonds shall not exceed \$20,000,000; (ii) the net present value savings realized by refunding the 2015 Bonds shall not be less than 3%; and (iii) the Underwriter’s discount for the 2026 Bonds shall not exceed 1.00% of the principal amount thereof.

#### **SECTION 7 – APPROVAL OF CONTINUING DISCLOSURE AGREEMENT**

The Continuing Disclosure Agreement is hereby approved substantially in the form on file with the City Clerk of the City. Each Authorized Officer is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement with such changes, insertions and omissions as may be recommended by the City Attorney or Bond Counsel to the District and approved by the officer executing the same, said execution being conclusive evidence of such approval.

#### **SECTION 8 – GOOD FAITH ESTIMATES**

The good faith estimates of costs related to the 2026 Bonds which are required by California Government Code Section 5852.1 are disclosed in Exhibit A hereto and are available to the public at the meeting at which this Resolution is approved.

#### **SECTION 9 – FINDINGS RELATED TO ASSESSED VALUE**

In accordance with the requirements of Government Code Section 53345.8, the City Council hereby determines that the aggregate assessed value of the real property in the District that is subject to the special tax to pay debt service on the 2026 Bonds is not less than three times the principal amount of the 2026 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. This determination is based on the assessed value of the real property within the District as set forth in the fiscal year 2025-26 County Assessor’s roll.

**SECTION 10 – AUTHORIZATION RELATING TO BOND INSURANCE**

The City Council hereby authorizes the Authorized Officers: (i) to solicit bids on a municipal bond insurance policy and/or reserve surety policy for the 2026 Bonds; (ii) to negotiate the terms of such policy or policies; (iii) to finalize, if appropriate, the form of such policy or policies with a municipal bond insurer; and (iv) if it is determined that the policy or policies will result in net savings for the District, to pay the insurance premium of such policy or policies from the proceeds of the issuance and sale of the 2026 Bonds. The City Council hereby authorizes such changes to the Indenture and Preliminary Official Statement as are necessary to reflect the purchase of municipal bond insurance and/or a reserve surety.

**SECTION 11 – OTHER ACTIONS AUTHORIZED**

All actions heretofore taken by officers and agents of the City and the District with respect to the sale and issuance of the 2026 Bonds are hereby approved, confirmed and ratified, and the Authorized Officers and the other officers of the City and the District who are 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 2026 Bonds in accordance with the provisions of this Resolution, including but not limited to the solicitation and acceptance of bond insurance and/or a reserve surety policy for the 2026 Bonds, the preparation of escrow or redemption instructions with respect to the 2015 Bonds, the approval of the investment of the moneys deposited under the Escrow Agreement in federal securities, State and Local Government Series or other investments as permitted under the Escrow Agreement and the fiscal agent agreement pursuant to which the 2015 Bonds were issued, the retention of a bidding agent with respect to such escrow investments, the retention of a verification agent to verify the sufficiency of the escrow deposit and the fulfillment of all other purposes of the 2026 Bonds as described in the Indenture.

**SECTION 12 – EFFECTIVE DATE**

This Resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk of the City shall certify the vote adopting this Resolution.

**ADOPTED** this 9th day of June 2026.

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Daniel R. Slater, Mayor, City of Orange

**ATTEST:**

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Pamela Coleman, City Clerk, City of Orange

**APPROVED AS TO FORM:**

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Nathalie Adourian, City Attorney, City of Orange

STATE OF CALIFORNIA    )  
CITY OF ORANGE         ) ss.  
COUNTY OF ORANGE    )

I, PAMELA COLEMAN, City Clerk of the City of Orange, California, do hereby certify that the foregoing Resolution was duly and regularly adopted by the City Council of the City of Orange at a regular meeting thereof held on the \_\_\_\_ day of \_\_\_\_\_, 2026 by the following vote:

AYES:            COUNCILMEMBERS:  
NOES:            COUNCILMEMBERS:  
ABSENT:         COUNCILMEMBERS:

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Pamela Coleman, City Clerk, City of Orange

## EXHIBIT A

### GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2026 Bonds in accordance with California Government Code Section 5852.1.

*Principal Amount.* Based on the District's financing plan and current market conditions, a good faith estimate of the principal amount of the 2026 Bonds is \$16,005,000 (the "Estimated Principal Amount").

*True Interest Cost.* Assuming that the 2026 Bonds are issued in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the true interest cost of the 2026 Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2026 Bonds, is 3.59%.

*Finance Charge.* Assuming that the 2026 Bonds are issued in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the finance charge for the 2026 Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2026 Bonds), is \$468,305.

*Amount of Proceeds to be Received.* Assuming that the 2026 Bonds are issued in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the amount of proceeds expected to be received by the District from the 2026 Bonds (including original issue premium), less the finance charge of the 2026 Bonds, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the 2026 Bonds, is \$16,531,951.

*Total Payment Amount.* Assuming that the 2026 Bonds are issued in the Estimated Principal Amount, and based on market interest rates prevailing at the time of preparation of such estimate, a good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service on the 2026 Bonds, plus the finance charge for the 2026 Bonds, as described above, not paid with the proceeds of the 2026 Bonds, calculated to the final maturity of the 2026 Bonds, is \$23,360,437.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the 2026 Bonds, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to: (a) the actual date of the issuance of the 2026 Bonds being different than the date assumed for purposes of such estimates; (b) the actual principal amount of the 2026 Bonds being different from the Estimated Principal Amount; (c) the actual amortization of the 2026 Bonds being different than the amortization assumed for purposes of such estimates; (d) the actual market interest rates at the time of issuance of the 2026 Bonds being different than those estimated for purposes of such estimates; (e) other market conditions; or (f) alterations in the District's financing plan, delays in the financing, additional legal work or a combination of such factors and additional finance charges, if any, attributable thereto. The actual issuance date and principal amount of the 2026 Bonds will be determined by the District based on the timing of the need for proceeds of the 2026 Bonds and other factors.