

RESOLUTION NO. CFD EM1 RES _____

RESOLUTION OF THE BOARD OF DIRECTORS OF EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1 (CITY OF MESA, ARIZONA), APPROVING THE FEASIBILITY REPORT RELATING TO THE ACQUISITION AND FINANCING OF CERTAIN IMPROVEMENTS BENEFITING THE DISTRICT; DECLARING ITS PRELIMINARY INTENTION TO ISSUE NOT TO EXCEED \$3,500,000 GENERAL OBLIGATION BONDS TO FINANCE THE ACQUISITION OF CERTAIN IMPROVEMENTS AS DESCRIBED IN THE FEASIBILITY REPORT RELATING TO SUCH IMPROVEMENTS PURSUANT TO THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, AND ALL AMENDMENTS THERETO.

WHEREAS, pursuant to Arizona Revised Statutes ("A.R.S.") § 48-715, as amended, the Board of Directors of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the "*District*"), has caused a study of the feasibility and benefits of the Project (as such term and all other initially capitalized terms are defined hereinafter) to be prepared, relating to certain public infrastructure provided for in the General Plan of the District and to be financed with the proceeds of the sale of general obligation bonds of the District (the "*Report*"), which Report includes, among other things, a description of certain public infrastructure to be acquired and all other information useful to understand the Project, an estimate of the cost to acquire, operate and maintain the Project, an estimated schedule for completion of the Project, a map or description of the area to be benefited by the Project and a plan for financing the Project, a copy of which is on file with Clerk; and

WHEREAS, pursuant to A.R.S. § 48-715, as amended, a public hearing on the Report was held on the date hereof, after provision for publication and mailing of notice thereof as provided by law;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1 (CITY OF MESA, ARIZONA), that:

Section 1. Definitions. In this resolution, the following terms shall have the following meanings:

"*Act*" shall mean Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended.

"*Board*" shall mean this Board of Directors of the District.

"*Bonds*" shall mean the District's General Obligation Bonds, Series 2014.

"*Clerk*" shall mean the Clerk of the District.

"*District*" shall mean Eastmark Community Facilities District No. 1 (City of Mesa, Arizona).

"*Project*" shall mean the acquisition of Public Infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition by the District of the improvements described on Exhibit A hereto.

"*Report*" shall mean the Feasibility Report dated April 3, 2014, pertaining to the Project on file with the Clerk prior to the date and time hereof, discussing the matters required by A.R.S. § 48-715, as amended, as such matters relate to the Project.

Section 2. Approval of Feasibility Report. Published notice of the public hearing on the Report has been provided by the Clerk not less than ten (10) days in advance of the date of the public hearing on the Report and such publication is hereby ratified and approved. The Clerk has provided the Report and notice of public hearing on the Report to the governing body of the City of Mesa, Arizona, not less than ten (10) days in advance of the date of the public hearing. Based on the review by the Board and the presentation of the Report at the public hearing on April 3, 2014, the Report is hereby adopted and approved in the form submitted to the Board.

Section 3. Resolution of Intent. Pursuant to A.R.S. § 48-715, as amended, this Board hereby identifies the public infrastructure of the Project, the areas benefited, the expected method of financing and the system of providing revenues to operate and maintain the Project, all as identified and provided for in the Report, for any and all purposes of the Act. Any portion of the costs of the Project not financed by the proceeds of the Bonds shall remain eligible to be financed through the sale of future bonds of the District should the District choose in its sole and unfettered discretion to issue any future bonds.

Section 4. Preliminary Intent to Issue and Sell Bonds. The Board hereby declares its intent to proceed with the financing of the Project in substantially the manner presented in the Report, and if such financing is consummated, to acquire the Project. Nothing contained in this Resolution shall be construed to limit the Board's sole and unfettered discretion in making its final decision to issue bonds to finance the Project, including the Bonds.

Section 5. No Obligation of City. Neither the full faith and credit nor the general taxing power of the City of Mesa, Arizona, or the State of Arizona or any political subdivision thereof (other than the District) is pledged to the payment of the Bonds. The Bonds will be obligations of the District only. None of the City of Mesa, Arizona, the State of Arizona, or any political subdivision thereof (other than the District) will have any obligation with respect to Debt Service (as defined in the Act) for the Bonds.

Section 6. Ratification of Actions. All actions of the officers and agents of the District which conform to the purposes and intent hereof and which further the issuance and sale of the Bonds as contemplated hereby whether heretofore or hereafter taken shall be and are hereby ratified, confirmed and approved. The proper officers and agents of the District are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the District as may be necessary to carry out the terms and intent of this resolution.

Section 7. Repeal of Resolution. After any of the Bonds are authenticated and delivered upon receipt of payment therefor in accordance with the proceedings authorizing the issuance of the Bonds, this resolution shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, canceled and discharged.

Section 8. Severability. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

Section 9. Effective Date. This resolution shall be effective immediately.

PASSED, ADOPTED AND APPROVED on April 3, 2014.

ATTEST:

Chairman, Board of Directors

Clerk, Board of Directors

APPROVED AS TO FORM:

Gust Rosenfeld P.L.C., Bond Counsel

Attachments: Exhibit A - Description of Improvements

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) at a regular meeting held on April 3, 2014, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

Clerk, Board of Directors

EXHIBIT A

"Project" shall mean the acquisition of Public Infrastructure (as such term is defined in the Act) described in the Report, including particularly the acquisition by the District of the following, together with all other costs related to the issuance of any Bonds:

Public Infrastructure to be Acquired

<u>ACQUISITION PROJECT DESCRIPTION</u>	<u>TOTAL ESTIMATED COST</u>	<u>CERTIFIED ENGINEER'S COST</u>	<u>TO BE PAID BY THE BONDS</u>	<u>ELIGIBLE FOR FUNDING FROM FUTURE BONDS</u>	<u>COMPLETION DATE</u>
1. Ray Road Phase 1 Project CP016 (S828) Construction of a new major arterial roadway within the District consisting of approximately 2 miles of half street improvements. These improvements include water, non-potable water, water valves, fire hydrants, storm drain, storm drain manholes, concrete catch basins, vertical concrete curb and gutter, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public signage, landscaping and irrigation, reinforced concrete triple box culvert, reinforced concrete channel weir structure, drywells, and conduit for future traffic signalization. The roadway consists of three paved lanes made up of 5 ½" of asphaltic concrete over 10" of aggregate base course, together with vertical curb for the raised/landscaped median. All improvements are shown on the approved plans dated 7-25-12 by the City of Mesa, which may be amended from time to time to allow for additional property uses adjacent to Ray Road that are not yet known.	\$6,713,392	\$6,713,392	\$2,928,953	\$3,784,439	June 2013
2. Signal Butte Phase 1 Project CP0168 (S831) Construction of a new major arterial roadway within the District consisting of approximately ½ mile of half street improvements. These improvements include water, waterline casing, water valves, fire hydrants, storm drain, storm drain manholes, concrete catch basins, vertical concrete curb and gutter, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public	\$2,411,089	\$2,411,089	\$0	\$2,411,089	June 2013

ACQUISITION PROJECT DESCRIPTION	TOTAL ESTIMATED COST	CERTIFIED ENGINEER'S COST	TO BE PAID BY THE BONDS	ELIGIBLE FOR FUNDING FROM FUTURE BONDS	COMPLETION DATE
signage, landscaping and irrigation, two reinforced concrete double box culverts, gabion retaining walls, and conduit for future traffic signalization. The roadway consists of three paved lanes made up of 5 ½" of asphaltic concrete over 10" of aggregate base course. All improvements are shown on the approved plans dated 7-25-12 by the City of Mesa, which may be amended from time to time to allow for additional property uses adjacent to Signal Butte that are not yet known.					
3. Great Park Phase 1 Project S833	\$2,570,087	\$2,570,087	\$0	\$2,570,087	June 2013
Construction of a new public park within the District consisting of approximately 8 acres of park improvements. These improvements include water, non-potable water, water valves, fire hydrants, storm drain bleed lines, concrete sidewalks, concrete multi-use paths, concrete palm plaza, concrete splash pad, CMU splash pad equipment enclosure, two CMU trash enclosures, paved parking lot, vertical curb in parking lot area, 3 half basketball courts, landscaping and irrigation. All improvements are shown on the approved plans dated 10-18-12 by the City of Mesa, which may be amended from time to time to allow for future uses.					
TOTAL:	\$11,694,568	\$11,694,568	\$2,928,953	\$8,765,615	