

RESOLUTION NO. CFD EM2 RES 2

A RESOLUTION DECLARING THE RESULTS OF AND ADOPTING A CERTIFICATE OF RESULT OF THE GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX ELECTION HELD IN AND FOR THE DISTRICT AND ORDERING THE RECORDING OF SUCH CERTIFICATE

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF EASTMARK COMMUNITY FACILITIES DISTRICT NO. 2 (CITY OF MESA, ARIZONA) as follows:

1. Findings.

A. Eastmark Community Facilities District No. 2 (City of Mesa, Arizona) (the “*District*”) is authorized (1) by Arizona Revised Statutes, as amended (“A.R.S.”), Section 48-719, to issue and sell general obligation bonds of the District to provide moneys for certain “public infrastructure” and “public infrastructure purposes” consistent with the “general plan” of the District (as such terms are defined in A.R.S. Title 48, Chapter 4, Article 6 (the “*Act*”)); and (2) by A.R.S. Section 48-723 to levy an ad valorem tax to provide for the payment of the District’s operation and maintenance expenses.

B. Such general obligation bonds may not be issued and such ad valorem tax to pay operation and maintenance expenses may not be levied unless approved at an election ordered and called to submit to the qualified electors of the District (hereinafter referred to as “*qualified electors*”) or to those persons who are qualified to vote pursuant to A.R.S. Section 48-707(G), being, if no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to A.R.S. Section 48-3043 (the “*Landowners*” and in either case referred to collectively as the “*Electors*”), the question of authorizing the Board of Directors of the District (the “*District Board*”) to issue such general obligation bonds for such purposes set forth in the ballot and the question authorizing the District Board to levy such ad valorem tax to pay operation and maintenance expenses.

C. The District Board deemed it necessary and advisable to order and call such an election and to establish the procedures whereby such election should be held; and did so pursuant to Resolution No. CFD EM2 RES 1, passed and adopted by the District Board on February 28, 2019, ordering and calling a general obligation bond and operation and maintenance ad valorem tax election, which provided that a special election, in and for the District, be held on April 4, 2019 (the “*Election*”). No person had registered to vote within the District within fifty (50) days immediately preceding the Election or at any other time prior to the Election. On April 4, 2019, there was submitted to the Electors of the District the questions set forth in the official ballot described in Resolution No. CFD EM2 RES 1.

D. The election board for the Election has filed with the District Board its returns of Election and the ballots cast at the polling place, and, within fourteen (14) days after the Election, the District Board has canvassed the returns of the Election and determined:

(1) that no persons who would constitute resident qualified electors resided in the District;

(2) that Landowners of land within the District were eligible to vote in accordance with A.R.S. Sections 48-707G and 48-3043;

(3) that the total number of votes eligible to be cast (equal to the number of acres or portions thereof rounded upward to the nearest one-fifth of an acre) equaled 210.2 acres;

(4) that a total of six (6) ballots representing all of the acres in the District (209.528 acres, as rounded upward per A.R.S. 48-707G to 210.2 votes) had been cast by Landowners in response to Question No. 1, that 210.2 votes were marked "Bonds, Yes" and -0- votes were marked "Bonds, No";

(5) that a total of six (6) ballots representing all of the acres in the District (209.528 acres, as rounded upward per A.R.S. 48-707G to 210.2 votes) had been cast by Landowners in response to Question No. 2, that 210.2 votes were marked "Tax, Yes" and -0- votes were marked "Tax, No";

(6) that the Election had been conducted and the returns thereof made as required by law; and

(7) that only qualified electors (none) and Landowners of land within the District were permitted to vote at the Election.

2. Canvass. After careful examination of the official returns of the Election, it is found and determined by the District Board as follows:

A. That a majority of the votes cast by the Electors voting at the Election voted in favor of both Question No. 1 and Question No. 2 shown on Exhibit A attached hereto.

B. That up to and including \$70,000,000 aggregate original principal amount of general obligation bonds are therefore authorized to be issued and sold by the District Board, and that the District Board has been authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate of not to exceed thirty cents (\$0.30) per one hundred dollars (\$100) of assessed valuation, such taxes to be applied to the operation and maintenance expenses of the District;

C. That the Chairman of the District Board shall execute, and the District Clerk attest, the "Certificate of Results of Election" attached as Exhibit B hereto; and

D. That the District Clerk is hereby directed to record the attached "Certificate of Results of Election" in the Office of the County Recorder of Maricopa County, Arizona; to return said copy with the recording date shown therein to the official records of the District; and to provide a copy thereof to the Arizona Department of Real Estate.

3. Effective Date. This resolution shall be effective immediately.

PASSED by the Board of Directors of Eastmark Community Facilities District No. 2
(City of Mesa, Arizona) on April 18, 2019.

**EASTMARK COMMUNITY FACILITIES
DISTRICT NO. 2 (CITY OF MESA,
ARIZONA)**

ATTEST:

Chairman, Board of Directors

District Clerk

APPROVED AS TO FORM

Sherman & Howard L.L.C., Special District Counsel

Exhibit A Ballot

Exhibit B Certificate of Results of Election

EXHIBIT A

Number of acres owned _____;
rounded up per A.R.S. 48-707G to _____ votes

OFFICIAL BALLOT

GENERAL OBLIGATION BOND AND OPERATION AND MAINTENANCE AD VALOREM TAX SPECIAL ELECTION FOR EASTMARK COMMUNITY FACILITIES DISTRICT NO. 2 (CITY OF MESA, ARIZONA)

April 4, 2019

Question No. 1

Shall the Board of Directors (the "Board") of Eastmark Community Facilities District No. 2 (City of Mesa, Arizona) (the "District") be authorized to issue general obligation bonds of the District, in the denominations, series and form prescribed by the Board, and having the maturities (not exceeding twenty-five years (25) years), interest payment dates and interest rates, whether fixed or variable, not exceeding twelve percent (12%) per annum, established by the Board and containing such other terms, conditions, covenants and agreements as the Board deems proper, in the maximum amount of not to exceed seventy million dollars (\$70,000,000.00) to provide monies: (A) (1) for planning, design, engineering, construction, acquisition or installation of any or all of the following improvements, including necessary or incidental work, whether newly constructed, renovated or existing, and all necessary or desirable appurtenances ("public infrastructure"): (a) sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge; (b) drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge; (c) water systems for domestic, industrial, irrigation, municipal or fire protection purposes including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements described herein; (d) highways, streets, roadways and parking facilities including all areas for vehicular use for travel, ingress, egress and parking; (e) areas for pedestrian, equestrian, bicycle or other nonmotor vehicle use for travel, ingress, egress and parking; (f) pedestrian malls, parks, recreational facilities other than stadiums, and open space areas for the use of members of the public for entertainment, assembly and recreation; (g) landscaping, including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems; (h) public buildings, public safety facilities and fire protection facilities; (i) lighting systems; (j) traffic control systems and devices, including signals, controls, markings and signage; and (k) equipment, vehicles, furnishings and other personalty related to such items; (2) acquiring, converting, renovating or improving existing facilities for public infrastructure; (3) acquiring interests in real property for public infrastructure; (4) establishing, maintaining and replenishing reserves to secure payment of debt service on bonds; (5) funding and paying from bond proceeds interest accruing on bonds for a period of not to exceed three (3) years from their date of issuance; (6) refinancing any matured or unmatured bonds with new bonds; (7) public infrastructure previously constructed within Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) following the Board's determination that such public infrastructure benefits the real property owners within the District and (8) expenses of the District incident to and reasonably necessary to carry out the purposes specified in this paragraph (clauses (1) through (8), inclusive, being "public infrastructure purposes"); and (B) for repaying all or part of the amounts advanced by landowners for public infrastructure purposes set forth above; such bonds shall be payable from a tax levied and collected annually on all taxable property in the District, sufficient to pay interest on such bonds when due and to redeem such bonds when they mature, as authorized by the Constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Title 48, Chapter 4, Article 6, Arizona Revised Statutes, together with all amendments and additions thereto?

The voter shall place a mark in the square opposite the words "Bonds, Yes" or "Bonds, No", whichever words express the voter's choice.

BONDS, YES
BONDS, NO

Question No. 2

Shall the Board of Directors of Eastmark Community Facilities District No. 2 (City of Mesa, Arizona) (the "District") be authorized to levy and collect an annual ad valorem tax on the assessed value of all real and personal property in the District at a rate not to exceed thirty cents (30¢) per one hundred dollars (\$100) of assessed valuation of all real and personal property in the District, such taxes to be applied to the operation and maintenance expenses of the District, in accordance with the Constitution and laws of the State of Arizona, including particularly (but not by way of limitation) Section 48-723, Arizona Revised Statutes, as amended?

The voter shall place a mark in the square opposite the words "Tax, Yes" or "Tax, No", whichever words express the voter's choice.

TAX, YES
TAX, NO

NOTICE TO VOTERS:

The voter shall indicate his vote on each question by inserting a mark in the square opposite the phrase which expresses his choice. Only qualified electors of the District are eligible to vote at this special election. The voter understands that the vote cast will constitute the vote for all of the acres owned by the voter.

Número de acres poseídos _____;
redondeado por A.R.S. 48-707G a ____ votos

BOLETA ELECTORAL OFICIAL

ELECCIÓN ESPECIAL DE BONOS DE OBLIGACIÓN GENERAL Y DE IMPUESTOS AD VALOREM PARA LA OPERACIÓN Y EL MANTENIMIENTO DEL DISTRITO NÚM. 2 DE LAS INSTALACIONES COMUNITARIAS DE EASTMARK (CIUDAD DE MESA, ARIZONA)

Abril 4 de 2019

Pregunta Núm. 1

¿La Junta Directiva (la "Junta") del Distrito Núm. 2 de las Instalaciones Comunitarias de Eastmark (Ciudad de Mesa, Arizona) (el "Distrito") deberá estar autorizada para emitir bonos de obligación general del Distrito, en las denominaciones, series y forma prescritos por la Junta, y que tengan vencimientos (que no excedan de veinticinco años (25) años), fechas de pago de intereses y tasas de interés, ya sean fijas o variables, que no excedan al doce por ciento (12%) por año, establecidas por la Junta y que contengan aquellos otros términos, condiciones, convenios y acuerdos que la Junta considere apropiados, en una cantidad máxima que no exceda a los 70 millones de dólares (\$70,000,000.00) a fin de proveer fondos: (A) (1) para planificación, diseño, ingeniería, construcción, adquisición o instalación de cualquiera o de todos los siguientes mejoramientos, incluyendo trabajo necesario o incidental, ya sea en construcción nueva, renovación o existente, y todos los accesorios necesarios o deseables ("infraestructura pública"): a) sistemas de drenaje sanitario, incluyendo recolección, transporte, almacenamiento, tratamiento, dispersión, uso y descarga de efluentes; (b) sistemas de drenaje y control de inundaciones, incluyendo recolección, transporte, desviación, almacenamiento, detención, retención, dispersión, uso y descarga; c) sistemas de agua para propósitos domésticos, industriales, de riego, municipales o de protección contra incendios, incluyendo producción, recolección, almacenamiento, tratamiento, transporte, entrega, conexión y dispersión, pero sin incluir instalaciones con el propósito de riego agrícola a menos que sea para la reparación o el reemplazo de instalaciones existentes cuando sea requerido por otros mejoramientos descritos en este documento; (d) carreteras, calles, caminos e instalaciones de estacionamiento, incluyendo todas las áreas de uso vehicular para viajar, entrar, salir y estacionarse; (e) áreas para el uso peatonal, ecuestre, ciclista o para otros vehículos no motorizados para viajar, entrar, salir y estacionarse; (f) explanadas peatonales, parques, instalaciones recreativas que no sean estadios, y espacios abiertos para el uso de los miembros del público para entretenimiento, asamblea y recreación; g) jardinería ornamental, incluyendo terraplenes, estructuras, lagos y otros elementos acuáticos, plantas, árboles y sistemas de suministro de agua conexos; h) edificios públicos, instalaciones de seguridad pública e instalaciones de protección contra incendios; i) sistemas de alumbrado; j) sistemas y dispositivos de control de tráfico, incluyendo semáforos, controles, marcas y señalización; y (k) equipo, vehículos, muebles y otra propiedad personal movable relacionados con dichos artículos; (2) para adquirir, convertir, renovar o mejorar las instalaciones existentes para la infraestructura pública; (3) para adquirir intereses en bienes raíces para la infraestructura pública; (4) para establecer, mantener y reabastecer reservas para asegurar el pago del servicio de la deuda en bonos; (5) para financiación y pago de los intereses devengados por los bonos durante un período que no exceda a los tres (3) años a partir de su fecha de emisión; (6) para refinanciar cualquier bono vencido o sin vencer con bonos nuevos; (7) para infraestructura pública previamente construida dentro del Distrito Núm. 1 de las Instalaciones Comunitarias de Eastmark (Ciudad de Mesa, Arizona) siguiendo la determinación de la Junta de que dicha infraestructura pública beneficie a los dueños de los bienes raíces dentro del Distrito y (8) para los gastos de incidentes y razonablemente necesarios del Distrito para llevar a cabo los propósitos especificados en este párrafo (cláusulas (1) a la (8), inclusivas, siendo "propósitos para la infraestructura pública"); y (B) para pagar la totalidad o parte de las cantidades adelantadas por los propietarios de terrenos para propósitos de la infraestructura pública establecidos arriba; dichos bonos deberán ser pagaderos de un impuesto gravado y recaudado anualmente sobre todas las propiedades gravables en el Distrito, suficiente para pagar intereses sobre dichos bonos cuando éstos sean pagaderos y para canjear dichos bonos cuando se venzan, como lo autorice la Constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) el Título 48, Capítulo 4, Artículo 6, Estatutos de Arizona Modificados, junto con todas las enmiendas y adiciones a esto?

El/la votante deberá colocar una marca en la casilla opuesta a las palabras "Bonos, Sí" o "Bonos, No", cualesquiera que sean las palabras que expresen la elección del/la votante.

BONOS, SÍ

BONOS, NO

Pregunta Núm. 2

¿La Junta Directiva (la "Junta") del Distrito Núm. 2 de las Instalaciones Comunitarias de Eastmark (Ciudad de Mesa, Arizona) (el "Distrito") deberá estar autorizada para gravar y recaudar un impuesto anual ad valorem sobre el valor de avalúo de toda propiedad raíz y personal en el Distrito a una tasa que no exceda de treinta centavos (30¢) por cada cien dólares (\$100) del avalúo tasado de toda la propiedad raíz y personal en el Distrito, tales impuestos serán aplicados a los gastos de operación y mantenimiento del Distrito, en conformidad con la Constitución y las leyes del Estado de Arizona, incluyendo particularmente (pero no en forma de limitación) la Sección 48-723, Estatutos de Arizona Modificados, como han sido enmendados?

El/la votante deberá colocar una marca en la casilla opuesta a las palabras "Impuesto, Sí" o "Impuesto, No", cualesquiera que sean las palabras que expresen la elección del/la votante.

IMPUESTOS, SÍ

IMPUESTOS, NO

AVISO A LOS VOTANTES:

El/la votante deberá indicar su voto sobre cada cuestión insertando una marca en la casilla opuesta a la frase que exprese su elección. Sólo los electores calificados del Distrito son elegibles para votar en esta elección especial. El/la votante entiende que la emisión del voto constituirá el voto por todos los acres poseídos por el/la votante.

EXHIBIT B

When recorded, return to:

Zachary D. Sakas, Esq.
Sherman & Howard L.L.C.
7033 East Greenway Parkway, Suite 250
Scottsdale, Arizona 85254-2080

CERTIFICATE OF RESULTS OF ELECTION BY THE BOARD OF DIRECTORS OF EASTMARK COMMUNITY FACILITIES DISTRICT NO. 2 (CITY OF MESA, ARIZONA), RELATIVE TO THE SPECIAL ELECTION HELD ON APRIL 4, 2019.

The Board of Directors (the “District Board”) of Eastmark Community Facilities District No. 2 (City of Mesa, Arizona) (the “District”), hereby certifies as follows:

1. Pursuant to the resolution passed and adopted by the District Board on February 28, 2019, an election was duly called and held on April 4, 2019, for the purpose of authorizing the issuance and sale by the District Board of general obligation bonds of the District in the aggregate original principal amount of \$70,000,000 and approving the levy of an ad valorem tax for payment of operation and maintenance costs in the District.

2. The election has been conducted and the official returns thereof have been filed as required by law and the total number of votes cast at the special bond election in answer to the question submitted were as follows:

<u>QUESTION NUMBER</u>	<u>VOTES, YES</u>	<u>VOTES, NO</u>
Question 1 – \$70,000,000 General Obligation Bonds	210.2	0
Question 2 – Operation and Maintenance Tax	210.2	0

3. Each and every person who voted at the special election was a lawful elector of the District.

4. The majority of the votes cast at the election was in favor of the issuance and sale of the District’s general obligation bonds as described in the official ballot.

5. The majority of the votes cast at the election was in favor of the levy of the ad valorem tax to provide for payment of the operation and maintenance expenses of the District as described in the official ballot.

IN WITNESS WHEREOF, the Chairman of the Board of Directors of Eastmark Community Facilities District No. 2 (City of Mesa, Arizona) has hereunto placed his hand and caused the same to be attested by the District Clerk on April 18, 2019.

Chairman, Board of Directors

ATTEST:

District Clerk

THIS DOCUMENT MUST BE RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, AND A COPY OF THIS DOCUMENT, ONCE RECORDED, SHALL BE FILED WITH THE ARIZONA DEPARTMENT OF REAL ESTATE.