

RESOLUTION NO. CFD CD RES _____

RESOLUTION OF THE BOARD OF DIRECTORS OF CADENCE COMMUNITY FACILITIES DISTRICT (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 \$1,500,000 OF 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 Cadence Community Facilities District (City of Mesa, Arizona) (the “*District*”), has caused the Report (as such term and all other initially capitalized terms are defined herein) to be prepared relating to certain public infrastructure and public infrastructure purposes (as such terms are defined in the Act, and are referred to collectively herein as “*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, which Report includes, among other things, a description of the 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 and expected method for financing the Project, including the nature and timing of the issuance of bonds, if any, a copy of which is on file with the District Clerk; and

WHEREAS, pursuant to A.R.S. § 48-715, as amended, the District Clerk has, not less than ten (10) days in advance of the date of public hearing on the Report, (i) published notice of the public hearing on the Report and (ii) provided the Report and notice of the public hearing on the Report to the City Council of the City of Mesa, Arizona. A public hearing on the Report was held on the date hereof, after provision for publication of notice thereof as provided by law; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF CADENCE COMMUNITY FACILITIES DISTRICT (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.

“*Bonds*” shall mean the District’s General Obligation Bonds, Second Series 2019, or such other series designation as determined by the District Board.

“*District*” shall mean Cadence Community Facilities District (City of Mesa, Arizona).

“*District Board*” shall mean this Board of Directors of the District.

“*District Clerk*” shall mean the Clerk of the District.

“*Project*” shall mean the acquisition of the Public Infrastructure described in the Report, including, particularly, the acquisition by the District of the Public Infrastructure described on Exhibit A hereto.

“*Report*” shall mean the Feasibility Report dated September 5, 2019, pertaining to the Project on file with the District 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 District 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 District 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 this District Board and the presentation of the Report at the public hearing on September 5, 2019, the Report is hereby adopted and approved in the form submitted to this District Board.

Section 3. Resolution of Intent. Pursuant to A.R.S. § 48-715, as amended, this District Board hereby identifies the Public Infrastructure of the Project, the areas benefited, the expected method of financing, including the nature and timing of the issuance of the Bonds, 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 this District Board choose in its sole and absolute discretion to issue any future bonds.

Section 4. Preliminary Intent to Issue and Sell Bonds. This District 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. In accordance with the Report, the Bonds shall be in an amount not to exceed \$1,500,000. Nothing contained in this resolution shall be construed to limit the District Board’s sole and absolute discretion in making its final decision to issue bonds to finance the acquisition of 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, 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 September 5, 2019.

ATTEST:

Chairman, Board of Directors

District Clerk

APPROVED AS TO FORM:

Sherman & Howard L.L.C., Bond Counsel

Attachments: Exhibit A - Description of Project

CERTIFICATE

I hereby certify that the above and foregoing resolution was duly passed by the Board of Directors of Cadence Community Facilities District (City of Mesa, Arizona) at a regular meeting held on September 5, 2019, and that a quorum was present thereat and that the vote thereon was _____ ayes and _____ nays; _____ did not vote or were absent.

District Clerk

EXHIBIT A

“Project” shall mean the acquisition of Public Infrastructure and Public Infrastructure Purposes (as such terms are 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:

Acquisition Project Description	Total Estimated Cost	Certified Engineer’s Cost	Paid by Prior Bonds	Eligible for Funding From the Bonds and Future Bonds	Completion Date (a)
1. Crismon					
Road Phase 1	\$940,302	\$802,856	\$0	\$802,856	02/2018
Construction of approximately 1,000 linear feet of improvements. These improvements include water, water valves, fire hydrants, storm drains, storm drain manholes, concrete catch basins, concrete curb, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public signage, hardscape, landscape and irrigation. The roadway consists of four paved driving lanes and a striped divided median of 5 1/2 inches of asphaltic concrete over 10 inches of aggregate base course. Construction of these improvements have been completed and were accepted by the City on May 4, 2018.					
2. Cadence					
Parkway					
Phase 1-(B)1					
and Phase 1-					
C	6,715,069	6,715,069	1,964,300	4,750,769	04/2019
Construction of new roadway within the District consisting of approximately 4,300 linear feet of full street improvements. These improvements include sewer, sewer manholes, water, water valves, fire hydrants, storm drains, storm drain manholes, concrete catch basins, storm drain bleed lines, concrete curb, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public signage, hardscape, landscape and irrigation. The roadway consists of two paved driving lanes of 3 1/2 inches of asphaltic concrete over 6 inches of aggregate base course and a raised divided landscaped median. All improvements are shown on the approved plans dated February 24, 2017 by the City. All improvements for Cadence Parkway Phase 1-B(1) and Cadence Parkway Phase 1-C were accepted by the City as of May 13, 2019.					
3. Cadence					
Parkway					
Phase 1-B(2)	894,993	894,933	0	894,993	04/2019
Construction of certain utility system, paving and landscaping improvements located outside of the District but will connect to and tie-in with Cadence Parkway Phase 1 and the Public Infrastructure within Ellsworth Road. Specifically, the construction consists of a portion of new roadway consisting of approximately 940 linear feet of full street improvements. These improvements include sewer, sewer manholes, water, water valves, fire hydrants, storm drain bleed-off, storm drain manholes, concrete catch basins, storm drain bleed lines, concrete curb, concrete sidewalk, concrete ramps with truncated domes, paving, striping, street lights, public signage, hardscape, landscape and irrigation. The roadway consists of two paved driving lanes and two paved bike lanes of 3 1/2 inches of asphaltic concrete over 6 inches of aggregate base course and a raised divided landscaped median. Construction of these improvements, except for landscaping, have been completed and were accepted by the City on November 21, 2018. Landscaping was completed in April 2019 and was accepted by the City on May 13, 2019.					
Totals	\$8,550,364	\$8,412,918	\$1,964,300	\$6,448,618	

(a) Represents the date the Public Infrastructure was constructed, which may differ from the date that it was accepted by the District/City.

Proceeds of the Bonds are reasonably expected to be used to finance the acquisition of all or a portion of the Project upon acceptance by the District and the City of the Public Infrastructure pursuant to the terms of the Development, Financing Participation, Waiver and Intergovernmental Agreement recorded November 23, 2015 at Document No. 2015-0833434 in the records of Maricopa County, Arizona, and the terms and provisions of all applicable laws, ordinances, codes and rules. All interests in such Public Infrastructure financed by the District will be dedicated or otherwise transferred to the City after acceptance. Additional portions of Public Infrastructure, as contemplated by the District's formational documents, may be constructed and will be subject to administrative approval by the District before such Public Infrastructure is eligible for funding from future bonds, if any.