



**2024 Special  
Tax Refunding Bonds  
CFD No. 2 (Amerige Heights)**

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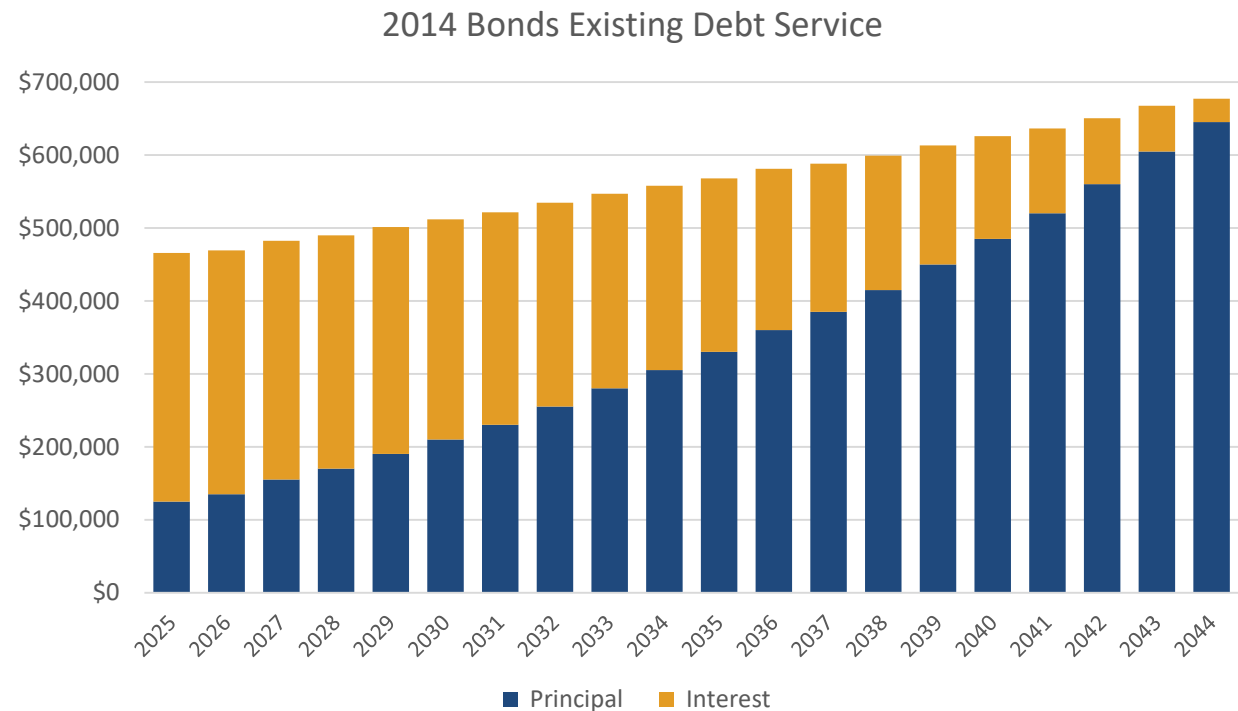
July 16, 2024



# Background – 2014 Bonds

In 2014, the City of Fullerton issued the \$7,570,000 Community Facility District No. 2 (Amerige Heights) 2014 Special Tax Refunding Bonds (“2014 Bonds”)

- Secured by special tax revenues of CFD No. 2
- \$6,920,000 currently outstanding
- Interest rates of 4.00% to 5.00%
- Debt payments escalate at 2%
- Final maturity of September 1, 2044
- Can be redeemed without premium on any date





# Recommended Refunding\*

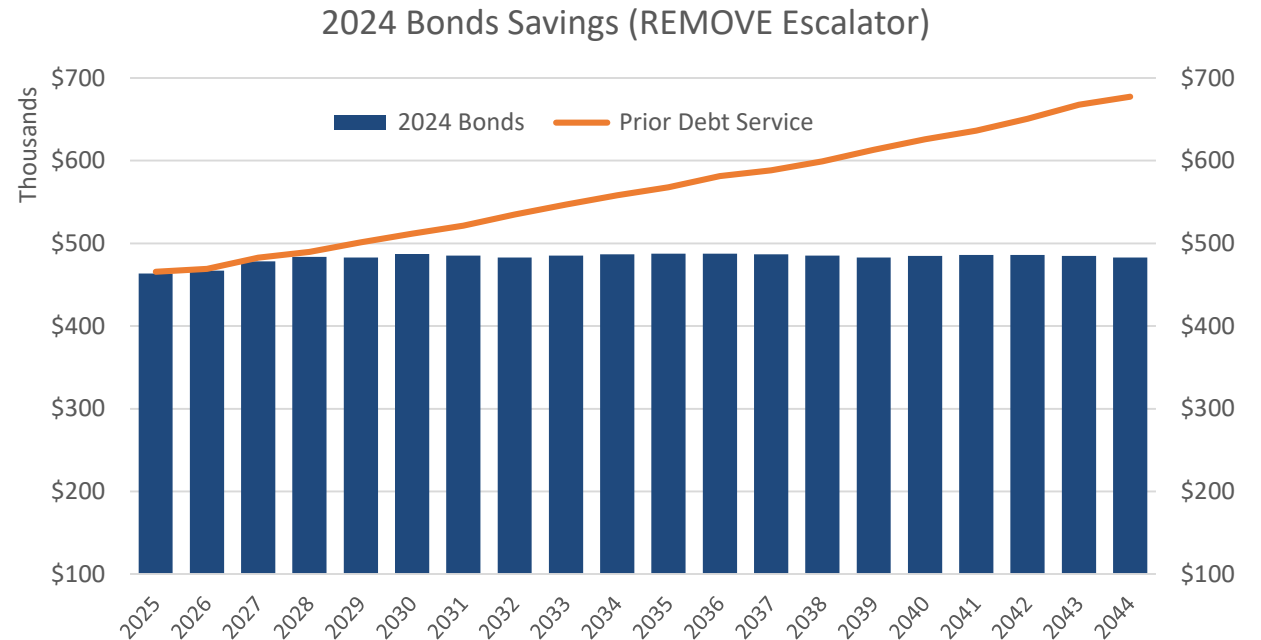
**Issue the 2024 Bonds to refund the prior 2014 Bonds to achieve debt service savings**

## 2024 Bonds:

- Secured by special tax revenues of the CFD
- Net present value savings of approximately \$265,009 or 3.83% of principal amount of the 2014 Bonds
- Level Annual Payments (Remove Escalator)
- Savings Increase Over Time
  - \$0 (2025) to \$1,700 (2044) per parcel<sup>1</sup>
  - Avg. annual per parcel savings of \$722<sup>1</sup>

<sup>1</sup> Based on 113 taxable residential parcels.

\*Preliminary; subject to change. Savings summary reflects market conditions as of June 24, 2024.





# RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF SPECIAL TAX REFUNDING BONDS AND APPROVING RELATED DOCUMENTS AND ACTIONS

- Authorize Issuance of 2024 Bonds; Appoint and Retain the Financing Team; Approve Financing Documents in Substantial Form; and Authorize Certain Other Actions in Connection Therewith
  - Financing Documents:
    - Fiscal Agent Agreement
    - Escrow Agreement
    - Purchase Agreement
    - Preliminary Official Statement, including Continuing Disclosure Statement



# Recommendation

Direct staff to refinance with a level debt structure; and

Adopt Resolution No. 2024-XXX:

- **RESOLUTION NO. 2024-XXX – A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF SPECIAL TAX REFUNDING BONDS AND APPROVING RELATED DOCUMENTS AND ACTIONS**