

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
BEAUMONT, ACTING AS THE LEGISLATIVE BODY OF THE
CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT
NO. 93-1, AUTHORIZING THE ISSUANCE OF SPECIAL TAX
REFUNDING BONDS AND APPROVING CERTAIN
DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN
CONNECTION THEREWITH**

WHEREAS, the City Council of the City of Beaumont (the “City”), located in Riverside County, California (hereinafter sometimes referred to as the “legislative body of the District”), has heretofore undertaken proceedings to form the City of Beaumont Community Facilities District No. 93-1 (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, the District has previously issued the following bonds (collectively, the “Prior Bonds”) to finance or refinance certain public improvements for the benefit of Improvement Area Nos. 7B, 7C, 17A, 19C and 20 of the District:

- 1) City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2012 Series C (Improvement Area No. 7B) (the “Prior 2012 Series C Bonds”); and
- 2) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series D (Improvement Area No. 7B) (the “Prior 2012 Series D Bonds” and together with the Prior 2012 Series C Bonds, the “Prior Improvement Area No. 7B Bonds”); and
- 3) City of Beaumont Community Facilities District No. 93-1 Special Tax Refunding Bonds, 2012 Series E (Improvement Area No. 7C) (the “Prior 2012 Series E Bonds”); and
- 4) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series F (Improvement Area No. 7C) (the “Prior 2012 Series F Bonds” and together with the Prior 2012 Series E Bonds, the “Prior Improvement Area No. 7C Bonds”); and
- 5) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2013 Series B (Improvement Area No. 17A) (the “Prior Improvement Area No. 17A Bonds”); and
- 6) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2013 Series A (Improvement Area No. 19C) (the “Prior Improvement Area No. 19C Bonds”); and
- 7) City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series B (Improvement Area No. 20) (the “Prior Improvement Area No. 20 Bonds”).

WHEREAS, the legislative body of the District now desires to refund the Prior Bonds through the issuance of bonds as follows:

- 1) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 7B) 2021 Special Tax Refunding Bonds (the “Improvement Area No. 7B 2021 Bonds”) in an aggregate

principal amount not to exceed \$1,800,000 for the purpose of refunding the Prior Improvement Area No. 7B Bonds; and

- 2) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 7C) 2021 Special Tax Refunding Bonds (the “Improvement Area No. 7C 2021 Bonds”) in an aggregate principal amount not to exceed \$1,700,000 for the purpose of refunding the Prior Improvement Area No. 7C Bonds; and
- 3) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 17A) 2021 Special Tax Refunding Bonds (the “Improvement Area No. 17A 2021 Bonds”) in an aggregate principal amount not to exceed \$9,000,000 for the purpose of refunding the Prior Improvement Area No. 17A Bonds; and
- 4) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 19C) 2021 Special Tax Refunding Bonds (the “Improvement Area No. 19C 2021 Bonds”) in an aggregate principal amount not to exceed \$5,600,000 for the purpose of refunding the Prior Improvement Area No. 19C Bonds; and
- 5) City of Beaumont Community Facilities District No. 93-1 (Improvement Area No. 20) 2021 Special Tax Refunding Bonds (the “Improvement Area No. 20 2021 Bonds” and together with the Improvement Area No. 7B 2021 Bonds, the Improvement Area No. 7C 2021 Bonds, the Improvement Area No. 17A 2021 Bonds and the Improvement Area No. 19C 2021 Bonds, the “2021 Bonds”) in an aggregate principal amount not to exceed \$3,000,000 for the purpose of refunding the Prior Improvement Area No. 20 Bonds.

WHEREAS, in order to effect the issuance of the Improvement Area No. 7B 2021 Bonds, the legislative body of the District desires to enter into a Thirty-Eighth Supplemental Indenture of Trust (the “Thirty-Eighth Supplemental Indenture”), in substantially the form presented herewith, which is supplemental to the Indenture date as of January 15, 1994, as amended to the date hereof, by and between the District and Wilmington Trust National Association (the “1994 Indenture” and together with the Thirty-Eighth Supplemental Indenture, the “Improvement Area No. 7B Indenture”), as trustee thereunder; and

WHEREAS, in order to effect the issuance of the Improvement Area No. 7C 2021 Bonds, the legislative body of the District desires to enter into a Bond Indenture (the “Improvement Area No. 7C Indenture”), by and between the District and Wilmington Trust National Association, as trustee thereunder, in substantially the form presented herewith; and

WHEREAS, in order to effect the issuance of the Improvement Area No. 17A 2021 Bonds, the legislative body of the District desires to enter into a Bond Indenture (the “Improvement Area No. 17A Indenture”), by and between the District and Wilmington Trust, National Association, as trustee thereunder, in substantially the form presented herewith; and

WHEREAS, in order to effect the issuance of the Improvement Area No. 19C 2021 Bonds, the legislative body of the District desires to enter into a Thirty-Ninth Supplemental Indenture of Trust (the “Thirty-Ninth Supplemental Indenture”), in substantially the form presented herewith, which is supplemental to the Indenture date as of January 15, 1994, as amended to the date hereof, by and between the District and Wilmington Trust National Association (the “1994 Indenture” and together with the Thirty-Ninth Supplemental Indenture, the “Improvement Area No. 19C Indenture”), as trustee thereunder; and

WHEREAS, in order to effect the issuance of the Improvement Area No. 20 2021 Bonds, the legislative body of the District desires to enter into a Bond Indenture (the “Improvement Area No. 20 Indenture”), by and between the District and Wilmington Trust, National Association, as trustee thereunder, in substantially the form presented herewith; and

WHEREAS, in order to effect the refunding and redemption of the Prior Bonds, the legislative body of the District desires to enter into one or more Escrow Agreements (the “Escrow Agreements”), by and among the District, the Beaumont Financing Authority and Wilmington Trust, National Association, as Escrow Agent (the “Escrow Agent”), in substantially the forms presented herewith; and

WHEREAS, the legislative body of the District has determined in accordance with Section 53360.4 of the Code that a negotiated sale of the 2021 Bonds to the Beaumont Public Improvement Authority (the “Authority”) in accordance with the terms of the Bond Purchase Agreement to be entered into by and among the Authority, the District and Stifel Nicolaus & Company, Incorporated (the “Bond Purchase Agreement”) approved as to form by this legislative body herein will result in a lower overall cost to the District than a public sale; and

WHEREAS, the legislative body of the District has determined that it is prudent in the management of its fiscal affairs to issue the 2021 Bonds and to sell such 2021 Bonds to the Authority; and

WHEREAS, the Authority will issue its bonds (the “Authority Bonds”) to provide funds for its purchase of the 2021 Bonds; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY, ACTING AS THE LEGISLATIVE BODY OF THE DISTRICT, DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. Each of the above recitals is true and correct.

SECTION 2. The legislative body of the District is authorized pursuant to the Act to issue the 2021 Bonds for the benefit of the District for purposes set forth herein and to take the necessary steps to refund and redeem the Prior Bonds.

SECTION 3. The issuance of each series of the 2021 Bonds in the aggregate principal amount not to exceed the applicable amounts set forth in the whereas recitals above is hereby authorized with the exact principal amount of each series to be determined by the official signing the Bond Purchase Agreement in accordance with Section 6 below. The legislative body of the District hereby determines that it is prudent in the management of its fiscal affairs to issue the 2021 Bonds. The 2021 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 in accordance with Section 6 hereof.

The Improvement Area No. 7B 2021 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 7B Indenture. The Improvement Area No. 7C 2021 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 7C Indenture. The Improvement Area No. 17A 2021 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 17A Indenture. The Improvement Area No. 19C 2021 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 19C Indenture. The Improvement Area No. 20 2021 Bonds shall be governed by the terms and conditions of the form Improvement Area No. 20 Indenture.

Each of the Thirty-Eighth Supplemental Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Thirty-Ninth Supplemental Indenture and the Improvement Area No. 20 Indenture shall be executed by one or more of the Mayor and the City Clerk of the legislative body of the District, the City Manager, the Assistant City Manager, the Finance Director, and their written designees (collectively, the “Authorized Officers”) substantially in the forms presented at this meeting, with such additions thereto and changes therein as the officer or officers executing the same deem necessary, including to cure any ambiguity or defect therein, to insert the offering price(s), interest rate(s), selling compensation, principal amount per maturity, redemption dates and prices and such other related terms and provisions as limited by Section 6 hereof, to conform any provisions therein to the Indenture for the Authority Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of each of the Thirty-Eighth Supplemental Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Thirty-Ninth Supplemental Indenture and the Improvement Area No. 20 Indenture by one or more Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Improvement Area No. 7B Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Improvement Area No. 19C Indenture or the Improvement Area No. 20 Indenture, as applicable.

In satisfaction of the requirements contained in Section 53363.2 of the Act, the legislative body of the District hereby determines that: (1) it is anticipated that the purchase of the 2021 Bonds will occur on or about June 15, 2021 (2) each series of 2021 Bonds shall be dated, be in the denominations, have the maturity dates (which do not exceed the latest maturity date of the related series of Prior Bonds being refunded), and be payable at the place and be in the form specified in the Thirty-Eighth Supplemental Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Thirty-Ninth Supplemental Indenture and the Improvement Area No. 20 Indenture, as applicable, (3) each series of the 2021 Bonds will bear interest at the minimum rate of 0.10% per annum, and (4) the designated cost of issuing each series of the 2021 Bonds being used to refund the related series of Prior Bonds, as defined by Section 53363.8 of the Act, shall include all of the costs specified in Section 53363.8(a), (b)(2) and (c) of the Act.

In satisfaction of the requirements contained in Section 53364.2 of the Act, the legislative body of the District hereby determines that any savings achieved through the issuance of the Improvement Area No. 7B 2021 Bonds shall be used to reduce special taxes of Improvement Area No. 7B, any savings achieved through the issuance of the Improvement Area No. 7C 2021 Bonds shall be used to reduce special taxes of Improvement Area No. 7C, any savings achieved through the issuance of the Improvement Area No. 17A 2021 Bonds shall be used to reduce special taxes of Improvement Area No. 17A, any savings achieved through the issuance of the Improvement Area No. 19C 2021 Bonds shall be used to reduce special taxes of Improvement Area No. 19C and any savings achieved through the issuance of the Improvement Area No. 20 2021 Bonds shall be used to reduce special taxes of Improvement Area No. 20, and such reductions shall be made in accordance with the Act.

SECTION 4. The 2021 Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Mayor of the legislative body of the District, and the seal of the City of Beaumont, or a facsimile thereof, shall be impressed or imprinted thereon and attested with the manual or facsimile signature of the City Clerk of the legislative body of the District. Wilmington Trust, National Association is hereby appointed to act as Trustee for the 2021 Bonds.

SECTION 5. The covenants set forth in the Improvement Area No. 7B Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Improvement Area No. 19C Indenture and the Improvement Area No. 20 Indenture in accordance with Section 3 above are hereby approved, shall be deemed to be covenants of the City Council in its capacity as the legislative body of the District and shall be complied with by the District and its officers.

SECTION 6. The forms of the Bond Purchase Agreement and the Preliminary Official Statement presented herewith are hereby approved; and any one of the Authorized Officers is hereby authorized and directed, for and in the name of the District, to execute the Bond Purchase Agreement substantially in the form approved, with such additions thereto and changes therein as may be approved or required by an Authorized Officer, including changes relating to dates and numbers as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the 2021 Bonds as of the sale date. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that the Bond Purchase Agreement shall be signed only if, (i) the principal and total net interest cost to maturity on the Improvement Area No. 7B 2021 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 7B Bonds being refunded; (ii) the principal and total net interest cost to maturity on the Improvement Area No. 7C 2021 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 7C Bonds being refunded; (iii) the principal and total net interest cost to maturity on the Improvement Area No. 17A 2021 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 17A Bonds being refunded; (iv) the principal and total net interest cost to maturity on the Improvement Area No. 19C 2021 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 19C Bonds being refunded; (v) the principal and total net interest cost to maturity on the Improvement Area No. 20 2021 Bonds is less than the principal and total net interest cost to maturity of the Prior Improvement Area No. 20 Bonds being refunded; and (vi) the net present value of the debt service savings resulting from the issuance of the 2021 Bonds is equal to or greater than three percent (3.00%) of the principal amount of the Prior Bonds. Stifel Nicolaus & Company, Incorporated is hereby authorized to distribute the Official Statement (in both preliminary and final forms) to prospective purchasers, and an Authorized Officer is hereby authorized to certify to Stifel Nicolaus & Company, Incorporated prior to the distribution of the Official Statement in preliminary form that such Official Statement is deemed final by the District within the meaning of Rule 15c2-12 of the Securities and Exchange Commission, as amended.

SECTION 7. The forms of the Escrow Agreements presented at this meeting are hereby approved and any one of the Authorized Officers is hereby authorized and directed, for and in the name of the District, to execute and the City Clerk, or his or her written designee, is authorized to attest to the Escrow Agreements, with such additions thereto and changes therein as may be approved or required by an Authorized Officer, including changes to conform to the final pricing of the escrow investments and to clarify any ambiguities; provided that the form of Escrow Agreements may be modified to conform to federal tax law requirements or to achieve further savings, with the advice and assistance of Bond Counsel, such approval to be conclusively evidenced by the execution of the Escrow Agreements by an Authorized Officer. Wilmington Trust, National Association is hereby appointed to act as Escrow Agent under the Escrow Agreements. The Authorized Officers are hereby authorized to execute as many Escrow Agreements as are necessary to effect the refunding of the Prior Bonds.

SECTION 8. In accordance with the requirements of Section 53345.8 of the Act, the legislative body of the District hereby determines that the Fiscal Year 2020-21 assessed value of the real property in each of Improvement Area No. 7B, Improvement Area No. 7C, Improvement Area No. 17A, Improvement Area No. 19C and Improvement Area No. 20 subject to the special tax to pay debt service on the applicable series of 2021 Bonds is at least three times the maximum principal amount of such series of 2021 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 Improvement Area No. 7B, Improvement Area No. 7C, Improvement Area No. 17A, Improvement Area 19C and Improvement Area No. 20, as applicable.

SECTION 9. Each of the Authorized Officers are authorized, but not required, to cooperate with the Authority so that the Authority may obtain a rating of the Authority Bonds from a nationally

recognized rating service and to obtain a municipal bond insurance policy guaranteeing payment of principal and interest with respect to some or all of the Authority Bonds and/or a debt service reserve policy with respect to the Authority Bonds. The Authorized Officers are hereby further authorized to revise any of the documents referenced herein, or any related documents, to incorporate any provisions required in order to obtain such a municipal bond insurance policy and/or a debt service reserve policy.

SECTION 10. The Authorized Officers are each authorized to provide for all services necessary to effect the issuance of the 2021 Bonds. Such services shall include, but not be limited to, obtaining legal services, trustee services and any other services deemed appropriate as set forth in a certificate of an Authorized Officer. The Authorized Officers are authorized to pay for the cost of such services, together with other costs of issuance from 2021 Bond proceeds, including premium costs for a municipal bond insurance policy and for a debt service reserve policy.

SECTION 11. All actions heretofore taken by officers and agents of the District and the City with respect to the sale and issuance of the 2021 Bonds and the Authority Bonds are hereby approved, confirmed and ratified, and the Mayor and City Clerk of the legislative body of the District, the City Manager, the Assistant City Manager, the Finance Director, and the other officers and staff of the City and the District 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 2021 Bonds and the Authority Bonds in accordance with the provisions of this Resolution and the fulfillment of the purposes of the 2021 Bonds as described in the Improvement Area No. 7B Indenture, the Improvement Area No. 7C Indenture, the Improvement Area No. 17A Indenture, the Improvement Area No. 19C Indenture and the Improvement Area No. 20 Indenture. In the event that the Mayor of the legislative body of the District is unavailable to sign any document authorized for execution herein, any other member of the legislative body of the District or the City Manager, the Assistant City Manager or the Finance Director or their written designee, may sign such document. Any document authorized herein to be signed by the City Clerk of the legislative body of the District may be signed by a duly appointed deputy or assistant City clerk.

SECTION 12. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 1st day of June, 2021.

Mike Lara, Mayor of the City of Beaumont, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1

(SEAL)

ATTEST:

Nicole Wheelwright, Deputy City Clerk of the City of Beaumont, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Nicole Wheelwright, Deputy City Clerk of the City of Beaumont, do hereby certify that the foregoing resolution was duly adopted by the City Council of said City, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1, at a regular meeting of said Board held on the 1st day of June, 2021, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

Nicole Wheelwright, Deputy City Clerk
City of Beaumont

(SEAL)

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Nicole Wheelwright, Deputy City Clerk of the City of Beaumont, do hereby certify that the above and foregoing is a full, true and correct copy of RESOLUTION NO. ____, of said City Council, acting in its capacity as the legislative body of the City of Beaumont Community Facilities District No. 93-1, and that the same has not been amended or repealed.

DATED: _____, 2021

Nicole Wheelwright, Deputy City Clerk
City of Beaumont

(SEAL)