

RESOLUTION NO. ____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
BEAUMONT PUBLIC IMPROVEMENT AUTHORITY,
RIVERSIDE COUNTY, CALIFORNIA, AUTHORIZING THE
ISSUANCE OF ITS LOCAL AGENCY REFUNDING BONDS
IN ONE OR MORE SERIES, IN AN AGGREGATE
PRINCIPAL AMOUNT NOT TO EXCEED TWENTY
MILLION DOLLARS (\$20,000,000) AND APPROVING
CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER
ACTIONS IN CONNECTION THEREWITH**

WHEREAS, the Beaumont Public Improvement Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act (the “Bond Law”) to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations to provide financing and refinancing for capital improvements of member entities of the Authority and other local agencies;

WHEREAS, the City of Beaumont Community Facilities District No. 93-1 (“CFD No. 93-1”) previously issued its City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2012 Series A (Improvement Area No. 8C) (the “Prior Improvement Area No. 8C Bonds”) to finance certain public improvements in connection with the issuance by the Beaumont Financing Authority of its 2012 Local Agency Revenue Bonds, Series A (Improvement Area No. 8C) (the “2012 BFA Bonds”);

WHEREAS, CFD No. 93-1 previously issued its City of Beaumont Community Facilities District No. 93-1 Special Tax Bonds, 2011 Series A and 2011 Series B (Improvement Area No. 17B) (the “Prior Improvement Area No. 17B Bonds” and together with the Prior Improvement Area No. 8C Bonds, the “Prior Bonds”) to finance and refinance certain public improvements in connection with the issuance by the Beaumont Financing Authority of its 2011 Local Agency Revenue Bonds, Series A (Improvement Area No. 17B) (the “2011 BFA Bonds” and together with the 2012 BFA Bonds, the “Prior BFA Bonds”);

WHEREAS, as a result of favorable conditions in the municipal bond market, the Authority and CFD No. 93-1 desire to defease and refund the outstanding Prior Bonds to effectuate a simultaneous defeasance and refunding of the Prior BFA Bonds; and

WHEREAS, the Authority, for the purpose of acquiring special tax refunding bonds of CFD No. 93-1 (collectively, the “Local Obligations”) relating to each of Improvement Area Nos. 8C and 17B located therein (the “Improvement Areas”), the proceeds of which will be utilized to defease and refund on an advance basis the Prior Bonds, has determined to issue its Local Agency Refunding Bonds (the “Authority Bonds”) pursuant to and secured by an Indenture (as defined below) providing for the issuance of the Authority Bonds, all in the manner provided therein; and

Resolution No. ____

WHEREAS, the Authority Bonds will be secured by debt service payments paid with respect to the Local Obligations, the payment on each of which will be secured special tax liens on taxable property within the applicable Improvement Area; and

WHEREAS, for this refinancing there has been filed with the Secretary of the Board of Directors of the Authority the forms of the following documents to be executed by the Authority with respect to the issuance of the Authority Bonds, which documents the Board desires to approve for execution as described herein:

(1) The Indenture of Trust, (the “Indenture”), by and between the Authority and Wilmington Trust, National Association, as Trustee (“Wilmington Trust”);

(2) The Preliminary Official Statement for the Authority Bonds (the “Preliminary Official Statement”);

(3) The Bond Purchase Agreement, to be dated the date of sale, by and between Stifel, Nicolaus & Company, Incorporated, as Underwriter (the “Underwriter”), the Authority and CFD No. 93-1 (the “Bond Purchase Agreement”); and

(4) The Continuing Disclosure Agreement by and between the Authority and Webb Municipal Finance, LLC, as dissemination agent (the documents described in (1) through (4) above are collectively referred to herein as the “Authority Documents”);

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE BEAUMONT PUBLIC IMPROVEMENT AUTHORITY DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Each of the above recitals is true and correct and is adopted by the Board of Directors.

Section 2. The Authority Bonds shall be issued in an aggregate principal amount not to exceed \$20,000,000 with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 4 below. The Authority 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 Authority in accordance with Section 4 below. The Authority Bonds shall be issued under the terms of the Indenture, the form of which is on file with the Secretary of the Board of Directors. The form of the Indenture presented at this meeting is hereby approved and each of the Chair of the Board of Directors, the Executive Director and the Treasurer, or their respective written designees (collectively, the “Authorized Officers”), is hereby authorized to execute the Indenture, in the form hereby approved, with such additions thereto and changes therein as the officer or officers executing the same deem necessary to accomplish the issuance of the Authority Bonds as contemplated by this Resolution. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by one or more of such Authorized Officers.

Section 3. The Authority Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Board of Directors, and attested with the manual or facsimile signature of the Secretary of the Board of Directors.

Resolution No. ____

Section 4. The form of the Bond Purchase Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is hereby authorized to execute the Bond Purchase Agreement in the form so approved, with such additions thereto and changes therein as are necessary to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the Authority Bonds as of the sale date or to cure any defect or ambiguity therein. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement by one or more of such Authorized Officers; provided, however, that the Bond Purchase Agreement shall be signed only if the Underwriter's discount (exclusive of original issue discount) does not exceed 1.21% of the principal amount of the Authority Bonds. Each of the Executive Director, the Treasurer and their written designees is authorized to determine the day on which the Authority Bonds are to be priced in order to attempt to produce the lowest borrowing cost for the Authority and may reject any terms presented by the Underwriter to the Authority if determined not to be in the best interest of the Authority.

In the event the Executive Director or his or her written designee determines that the purchase of one or more of the Local Obligations will not result in sufficient net present value savings to CFD No. 93-1 or will not otherwise achieve the purposes of the Authority set forth in this Resolution, then such Local Obligations will not be purchased by the Authority, and the Authority Documents may be amended to reflect that such Local Obligations will not be purchased by the Authority.

Section 5. The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved; and each of the Authorized Officers is authorized to execute and deliver the Continuing Disclosure Agreement in the form hereby approved, with such additions thereto and changes therein as the officers executing the same deem necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission, as amended, and to cure any ambiguity or defect therein. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Continuing Disclosure Agreement by one or more of such officers.

Section 6. The form of the Preliminary Official Statement presented at this meeting is hereby approved; and the Underwriter is hereby authorized to distribute the Preliminary Official Statement to prospective purchasers of the Authority Bonds in the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Treasurer of the Authority, or his or her written designee, to make such Preliminary Official Statement final as of its date for purposes of Rule 15c2-12 of the Securities and Exchange Commission, as amended, including, but not limited to, such additions and changes as are necessary to make the information therein accurate and not misleading. Each of the Authorized Officers is hereby authorized to execute a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary by the Treasurer of the Authority, or his or her written designee, to make such Official Statement complete and accurate as of its date. The Underwriter is further authorized to distribute the final Official Statement for the Authority Bonds and any supplement thereto to the purchasers thereof upon its execution on behalf of the Authority as described above.

Section 7. The Authorized Officers are hereby appointed as the authorized officers of the Authority for all purposes required to effect the issuance of the Authority Bonds and are hereby authorized, empowered, and directed, jointly and severally, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the foregoing actions.

Resolution No. ____

Section 8. Stradling Yocca Carlson & Rauth, a Professional Corporation (“SYCR”) shall act as bond counsel and disclosure counsel with respect to the issuance of the Authority Bonds and the Local Obligations to be issued simultaneously with the issuance of the Authority Bonds. Each of the Authorized Officers is authorized to execute and deliver a Bond Counsel Agreement with SYCR.

Section 9. Urban Futures, Incorporated (“UFI”) shall act as municipal advisor to the Authority and CFD No. 93-1 in connection with the issuance of the Authority Bonds and the Local Obligations.

Section 10. Webb Municipal Finance, LLC shall act as special tax consultant in connection with the issuance of the Authority Bonds and the Local Obligations.

Section 11. Wilmington Trust shall act as Trustee and Fiscal Agent in connection with the issuance of the Authority Bonds and the Local Obligations, respectively.

Section 12. Wilmington Trust shall act as Escrow Agent in connection with the refunding of the Prior Bonds and Prior BFA Bonds.

Section 13. Each of the Authorized Officers is authorized, but not required, to obtain a rating of the Authority Bonds from a nationally recognized rating service and to obtain a municipal bond insurance policy and/or a reserve surety guaranteeing payment of principal and interest with respect to some or all of the Authority Bonds, and to pay the premium or fee therefor from the proceeds of the sale of the Authority Bonds, if such Authorized Officer, in consultation with UFI, determines that obtaining such rating, municipal bond insurance policy or reserve surety will result in a lower total interest cost 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 reserve surety. Each of the Authorized Officers, acting alone, is further authorized to execute commitments and reimbursement agreements relating to such municipal bond insurance policy and reserve surety.

Section 14. The Board of Directors acknowledges that the good faith estimates required by Section 5852.1 of the California Government Code are disclosed in the staff report for this Resolution and are available to the public at the meeting at which this Resolution is approved.

Section 15. All actions heretofore taken by the officers and agents of the Authority or the City of Beaumont (the “City”), acting for and on behalf of the Authority, with respect to the sale and issuance of the Authority Bonds are hereby approved, confirmed and ratified. The Authorized Officers are hereby authorized and directed, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance and sale of the Authority Bonds and otherwise to effectuate the purposes of this Resolution.

Section 16. This Resolution shall take effect immediately upon its adoption.

ADOPTED, SIGNED AND APPROVED this 7th day of July, 2020.

Resolution No. ____

Rey Santos, Chair,
Beaumont Public Improvement Authority

ATTEST:

Nicole Wheelwright, Assistant Secretary,
Beaumont Public Improvement Authority

