

**RESOLUTION NO. PFA 25-\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE KERMAN PUBLIC FINANCING AUTHORITY APPROVING, AUTHORIZING AND DIRECTING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$25,000,000 TO ASSIST THE CITY OF KERMAN IN FINANCING CAPITAL IMPROVEMENTS, AND APPROVING RELATED DOCUMENTS AND ACTIONS**

WHEREAS, the City of Kerman (the "City") desires to finance public capital improvements, anticipated to consist of a new multi-generational community resiliency center and improvements to the City's new police station (collectively, the "Project"), to be financed through the issuance and sale by the Kerman Public Financing Authority (the "Authority") of its 2025 Lease Revenue Bonds (the "Bonds"); and

WHEREAS, to finance the Project, the City has proposed to lease certain real property to the Authority (the "Leased Property"), and to lease back the Leased Property from the Authority in consideration of semi-annual lease payments securing the repayment of the Bonds; and

WHEREAS, the City Council has duly held a public hearing regarding the issuance by the Authority of the Bonds to finance a portion of the Project in accordance with the requirements of the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of Chapter 5, Division 7, Title 1 of the Government Code of the State of California, commencing with Section 6584 of said Code (the "Bond Law"), the notice of which has been given in accordance with the requirements of Section 6586.5 of the Bond Law; and

WHEREAS, the information required to be obtained and disclosed by the Board related to the financing under Government Code Section 5852.1 is set forth in the staff report accompanying this resolution; and

WHEREAS, the Board has duly considered such transactions and wishes at this time to approve all proceedings and documents to which the Authority is a party relating to the proposed financing.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the Kerman Public Financing Authority as follows:

- Section 1. Approval of Financing Plan; Authorization of Bonds. The Board hereby authorizes and approves the issuance of the Bonds under the Bond Law in the principal amount of not to exceed \$25,000,000, for the purpose of providing financing for the Project. The Board hereby confirms that the meeting at which this Resolution is being adopted is a regular meeting of the Board.

Section 2. Approval of Financing Agreements. The Board hereby approves each of the following agreements required to implement the financing plan described above, in substantially the respective forms on file with the Secretary together with any changes therein or additions thereto deemed advisable by the Chair, Executive Director or the Chief Financial Officer (each, an “Authorized Officer”):

- Site Lease between the City as lessor and the Authority as lessee, under which the City leases the Leased Property to the Authority in consideration of the payment of an upfront site lease payment, which will be applied by the City to finance the Project and pay costs of issuance.
- Lease Agreement between the Authority as lessor and the City as lessee, under which the Authority leases the Leased Property back to the City and the City agrees to pay semi-annual lease payments which are sufficient to provide for payment of principal of and interest on the Bonds when due.
- Assignment Agreement between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), whereby the Authority assigns certain of its rights under the Lease Agreement to the Trustee for the benefit of the Bond owners.
- Indenture of Trust between the Authority and the Trustee, prescribing the terms and conditions upon which the Bonds will be issued.

Each Authorized Officer is hereby separately authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed, if necessary, to attest the final form of each of the foregoing agreements, and the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions.

Section 3. Sale of Bonds. The Board hereby authorizes the negotiated sale of the Bonds to Oppenheimer & Co. Inc. as underwriter (the “Underwriter”) under the Bond Purchase Contract in substantially the form on file with the Secretary together with any changes therein or additions thereto deemed advisable by an Authorized Officer, and the execution thereof shall be conclusive evidence of the approval of any such changes or additions. The Board hereby delegates to an Authorized Officer the authority to accept an offer from the Underwriter to purchase the Bonds and to execute the Bond Purchase Contract for and in the name and on behalf of the Authority; provided, the amount of Underwriter’s discount shall not exceed 0.75% of the par amount of the Bonds and the true interest rate on the Bonds may not exceed 5.75%.

Section 4. Authorization to Obtain Municipal Bond Insurance and Reserve Fund Insurance. The Board hereby directs the Authorized Officers to determine whether it is feasible and in the best interests of the Authority to obtain municipal bond insurance and/or reserve fund insurance for the Bonds. If it is determined to be in the best interests of the Authority to obtain such insurance, each Authorized Officer is authorized to accept a commitment from a municipal bond insurer to issue such insurance, in the name and on behalf of the Authority.

Section 5. Official Statement. The Board hereby approves and deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Bonds in the form on file with the Secretary, together with such modifications thereof as may be approved by an Authorized Officer. An Authorized Officer is hereby authorized and directed to (a) execute and deliver to the Underwriter a certificate deeming the Preliminary Official Statement to be final, as of its date, within the meaning of such Rule, (b) approve any changes in or additions to cause a Final Official Statement to be prepared, and (c) execute the Final Official Statement for and in the name and on behalf of the Authority. The Board hereby authorizes the distribution of the Preliminary Official Statement and the Final Official Statement.

Section 6. Official Actions. The Chair, the Executive Director, the Chief Financial Officer, the Secretary and all other officers of the Authority are each authorized and directed in the name and on behalf of the Authority to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution, including executing any commitments or other documents necessary to obtain bond insurance and/or a reserve surety policy for the Bonds (as described above) and to coordinate the release or substitution of real property previously leased by the City and Authority to accomplish the purposes of the financing. Whenever in this Resolution any officer of the Authority is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of any person serving in such role in an interim capacity or by any officer or person designated by such officer to act on his or her behalf.

Section 7. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

The foregoing resolution was adopted by the Board of Directors of the Kerman Public Financing Authority at a regular meeting held on the 27th day of August, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing Resolution is hereby approved.

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Maria Pacheco  
Chair

ATTEST:

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Josie Camacho  
Secretary