

RESOLUTION NO. 19-01-CPFA

A RESOLUTION OF THE GOVERNING BOARD OF THE CARSON PUBLIC FINANCING AUTHORITY APPROVING THE ISSUANCE AND SALE OF ITS REVENUE BONDS, SERIES 2019 (MEASURE M & R LOCAL STREETS PROJECT) TO ASSIST THE CITY OF CARSON IN THE FINANCING AND CONSTRUCTION OF CERTAIN LOCAL STREETS AND TRAFFIC SIGNALS, APPROVING THE FORM AND AUTHORIZING EXECUTION AND DELIVERY OF AN INDENTURE, AN INSTALLMENT SALE AGREEMENT AND A BOND PURCHASE CONTRACT, APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND APPROVING RELATED ACTIONS

WHEREAS, the Carson Public Financing Authority (the “Authority”) is a joint exercise of powers authority duly organized and existing under and pursuant to that certain Amended and Restated Joint Exercise of Powers Agreement, dated October 6, 2015, by and between the City of Carson (the “City”) and the Carson Housing Authority, 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 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

WHEREAS, the City plans to finance the acquisition and construction of certain of street projects, including traffic signalization (the “Projects”); and

WHEREAS, for the purpose of providing funds to finance the Projects, the Authority has determined to issue its Carson Public Financing Authority Revenue Bonds, Series 2019 (Measure M & R Local Streets Project), in the aggregate principal amount not to exceed \$22,000,000 (the “Bonds”); and

WHEREAS, the Bonds will be issued under the provisions of the Act and an indenture of trust (the “Indenture”), by and between the Authority and The Bank of New York Mellon Trust Company, as trustee; and

WHEREAS, in order to provide for the repayment of the Bonds, the Authority will sell the Projects to the City pursuant to an installment sale agreement (the “Installment Sale Agreement”), under which the City will agree to make installment payments (the “Installment Payments”) to the Authority payable from “Measure R Receipts” and “Measure M Receipts” (being a portion of the revenues of the Los Angeles County Metropolitan Transportation Authority allocable to the City derived from a retail transactions and use tax imposed by the County of Los Angeles (“County”) and approved by at least two-thirds of the electors of the County on July 24,

2008 and November 8, 2016, respectively), which, in the aggregate, will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest and premium (if any) on the Bonds when due and payable; and

WHEREAS, as required pursuant to section 6586.5(a)(2), a public hearing has been held by the City in connection with the financing of the Projects and the City Council has determined there are significant public benefits in accordance with the Act; and

WHEREAS, adoption of this Resolution shall constitute authorization of the Indenture, the Installment Purchase Agreement and the Bond Purchase Contract within the meaning of Section 864 of the California Code of Civil Procedure and any validation act that is effective after this Resolution takes effect; and

WHEREAS, the Authority has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the Authority.

NOW THEREFORE, THE GOVERNING BOARD OF THE CARSON PUBLIC FINANCING AUTHORITY DOES HEREBY FIND, DETERMINE, RESOLVE AND ORDER AS FOLLOWS:

Section 1. Findings. The Commission hereby finds that significant public benefits will arise from the financing of the Projects with the proceeds of the Bonds, in accordance with section 6586 of the California Government Code, including but not limited to greater employment opportunities, more efficient delivery of public services with improved and new streets, and demonstrable savings in effective interest rates, bond preparation, bond underwriting and bond issuance cost.

Section 2. Issuance of Bonds; Approval of Indenture. The Commission hereby authorizes the issuance of the Bonds under and pursuant to the Act and the Indenture, for the purpose of providing funds to finance the Projects. The Board hereby approves the Indenture in the form presented at this meeting, together with any changes therein or additions thereto approved by the President, the Vice-President, the Secretary, the Chief Administrative Officer, the Finance Director or the Treasurer (the "Designated Officers"), whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Indenture for and in the name of the Authority. The Commission hereby authorizes the delivery and performance of the Indenture.

Section 3. Approval of Installment Sale Agreement. The Commission hereby approves the Installment Sale Agreement, in the form presented at this meeting, together with any

changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of such approval. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Installment Sale Agreement for and in the name of the Authority. The Commission hereby authorizes the delivery and performance of the Installment Sale Agreement.

Section 4. Sale of Bonds; Approval of Bond Purchase Contract. The Commission hereby approves the negotiated sale of the Bonds to Piper Jaffray & Co. and Cabrera Capital Markets, Inc. (collectively, the “Underwriters”). The Commission hereby approves a Bond Purchase Contract, by and among the Authority, the City and the Underwriters (the “Bond Purchase Contract”), in the form presented at this meeting, together with any changes therein or additions thereto deemed advisable by any Designated Officer, whose execution thereof shall be conclusive evidence of the approval of any such changes or additions, so long as principal amount of the Bonds does not exceed \$22,000,000, the maximum annual debt service does not exceed \$1,610,000, the final maturity date of the Bonds is not later than June 1, 2039, and the Underwriters’ discount with respect to the Bonds does not exceed 0.42% of the par amount of the Bonds, exclusive of any original issue discount which does not represent compensation to the Underwriters. The Designated Officers, each acting alone, are hereby authorized and directed for and in the name and on behalf of the Authority to execute the final form of the Bond Purchase Contract for and in the name of the Authority. The Commission hereby authorizes the delivery and performance of the Bond Purchase Contract.

Section 5. Official Statement. The Commission hereby approves, and hereby deems nearly final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 (the “Rule”), the preliminary official statement describing the Bonds (the “Preliminary Official Statement”) in the form presented at this meeting. The Designated Officers, each acting alone, are hereby authorized and directed to execute an appropriate certificate stating the Authority’s determination that the Preliminary Official Statement is deemed final within the meaning of the Rule. Distribution of the Preliminary Official Statement in connection with the sale of the Bonds is hereby approved. The Designated Officers, each acting alone, are hereby authorized and directed to approve any non-substantive changes in or additions to a final form of official statement (the “Final Official Statement”), and the execution thereof by any Designated Officer shall be conclusive evidence of approval of any such changes and additions. The Commission hereby authorizes the distribution of the Final Official Statement by the Underwriters. The Final Official Statement shall be executed in the name and on behalf of the Authority by any Designated Officer.

Section 6. Official Actions. The President, the Vice-President, the Chief Administrative Officer, the Treasurer, the Finance Director, 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, tax certificates, insurance commitments or agreements

for bond insurance or a reserve fund surety, 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 documents approved pursuant to this Resolution. 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 such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 7. Effective Date. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED AND ADOPTED by the Governing Board of the Carson Public Financing Authority at a regular meeting held on the ___ day of _____, 2019.

ATTEST:

Authority President Albert Robles

Authority Secretary Donesia Gause-Aldana, MMC

APPROVED AS TO FORM:

Authority Attorney Sunny K. Soltani

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF CARSON)

I, Donesia Gause-Aldana, MMC, Secretary of the Carson Public Financing Authority, of the City of Carson, California, do hereby certify that the whole number of commissioners of the Carson Public Financing Authority is five; that the foregoing resolution, being Resolution No. ___1 was duly and regularly adopted by said Authority at a regular meeting duly and regularly held on the ___th day of _____, 2019, and that the same was passed and adopted by the following vote:

AYES: AUTHORITY COMMISSIONERS: _____
NOES: AUTHORITY COMMISSIONERS: _____
ABSTAIN: AUTHORITY COMMISSIONERS: _____
ABSENT: AUTHORITY COMMISSIONERS: _____

Secretary