

**RESOLUTION NO. 24-071**

**RESOLUTION OF THE CITY OF CARSON APPROVING, AUTHORIZING AND DIRECTING EXECUTION OF A SITE AND FACILITIES LEASE, A PROPERTY LEASE AND CERTAIN OTHER FINANCING DOCUMENTS AND DIRECTING CERTAIN RELATED ACTIONS IN CONNECTION WITH THE ISSUANCE BY THE CARSON PUBLIC FINANCING AUTHORITY OF ITS 2024 LEASE REVENUE BONDS**

WHEREAS, the City of Carson (the "City") and the Carson Housing Authority entered into an Amended and Restated Joint Exercise of Powers Agreement, dated as of October 6, 2015, establishing the Carson Public Financing Authority (the "Authority") for the purpose, among others, of providing assistance to the City with its financing programs; and

WHEREAS, to provide assistance to the City with the financing of its acquisition and construction of certain projects, including the acquisition, construction and/or rehabilitation of an Emergency Operations Center, Leonardo Drive, Citywide street repairs, Carriage Crest Park, Mills Park, Anderson Park, City Hall, the Community Center, and Foisia Park and other improvements (the "Projects"), the Authority and the City have determined to enter into certain agreements; and

WHEREAS, in order to finance the Projects, (i) the City and the Authority will enter into a Site and Facilities Lease (the "Site Lease"), under which the City will lease to the Authority certain real property and improvements of the City (the "Leased Property"), (ii) the City and the Authority will enter into a Property Lease (the "Property Lease"), under which the Authority will sublease the Leased Property to the City, and , (iii) the Authority will enter into an Indenture (the "Indenture") with Bank of New York Mellon Trust Company, N.A (the "Trustee") and (v) the Authority will issue its 2024 Lease Revenue Bonds (the "Bonds"), which will be payable from the lease payments made by the City to the Authority under the Property Lease; and

WHEREAS, the Leased Property shall constitute any or all or a combination of the following properties City Hall, Community Center, Corporate Yard, Veterans Park, Carson Park, Anderson Park and/or Hemmingway Park, which properties are essential to the City; and

WHEREAS, the City is authorized to enter into the Site Lease and the Property Lease pursuant to Government Code Sections 37350 and 37380; and

WHEREAS, the Bonds will be issued pursuant to the Marks Roos Local Bond Pooling Act of 1985, constituting Sections 6584 *et seq.* of the California Government Code (the "Law"); and

WHEREAS, there has been submitted to the City Council a form of preliminary Official Statement in connection with the marketing of the Bonds and the City Council, with the aid of its staff, has reviewed the preliminary Official Statement to assure proper disclosure of all material facts relating to the 2024 Lease Revenue Bonds that are in the personal knowledge of the Council Members and the City staff; and

WHEREAS, the Authority and the City propose to sell the 2024 Lease Revenue Bonds to Samuel A. Ramirez & Co., Inc. (the "Underwriter") pursuant to a bond purchase agreement (the

“Bond Purchase Agreement”), the form of which is on file with the City Clerk and presented at this meeting; and

WHEREAS, in order to assist the Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission, the City will undertake certain continuing disclosure obligations with respect to the 2024 Lease Revenue Bonds pursuant to a continuing disclosure certificate to be executed by the City, a form of which is attached as Exhibit E to the Preliminary Official Statement (the “Continuing Disclosure Certificate”); and

WHEREAS, pursuant to Government Code Section 5852.1, certain information relating to the 2024 Lease Revenue Bonds is set forth in Exhibit A attached to this Resolution for the public; and

WHEREAS, pursuant to Government Code Sections 6586 and 6586.5, the City has published notice of public hearing regarding the significant public benefits received from the financing at least five days prior to the public hearing; and

WHEREAS, the City has duly considered such transactions and wishes at this time to approve certain matters relating to the transactions as being in the public interest of the City;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Carson, as follows:

Section 1. Pursuant to the Law, and based on the information provided to the City Council by City staff and consultants, all as set forth in the proceedings and documents providing for the issuance and delivery of the 2024 Lease Revenue Bonds, the City Council hereby finds and determines that the issuance of the 2024 Lease Revenue Bonds and the transactions related thereto will result in significant public benefits, including demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs by combining multiple projects and using the same financing team and undertaking the Projects in a diligent manner.

Section 2. The City Council hereby approves the preparation of, and hereby authorizes the Mayor, the City Manager, or the written designee of the City Manager (each, a “Designated Officer”), acting alone, to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (except for permitted omissions), the preliminary form of the Official Statement describing the 2024 Lease Revenue Bonds (the “Preliminary Official Statement”) on file with the City Clerk and presented at this meeting, together with such changes or additions as a Designated Officer, acting alone may deem necessary, desirable or appropriate upon consultation with bond counsel. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. A Designated Officer, acting alone, is hereby authorized to execute the final form of the Official Statement with such changes or additions as the Designated Officer deems necessary, desirable or appropriate upon consultation with disclosure counsel, and the execution of the final Official Statement by the City shall be conclusive evidence of the approval of any such additions and changes. The City Council hereby authorizes the distribution of the final Official Statement.

Section 3. The City Council hereby approves the forms of the Site Lease and the Property Lease on file with the City Clerk and presented at this meeting, with such additions thereto and changes therein as a Designated Officer, acting alone, deems necessary, desirable or appropriate upon consultation with bond counsel, the execution of which by a Designated Officer shall be conclusive evidence of the approval of any such additions and changes. A Designated Officer,

acting alone, is hereby authorized and directed to execute, and the City Clerk is hereby authorized to attest, as appropriate, the Site Lease and the Property Lease. The City Council hereby authorizes the performance by the City of its obligations under the Site Lease and the Property Lease. The City Council further hereby authorizes and directs execution and delivery by a Designated Officer of a memorandum of Property Lease.

Section 4. The City Council hereby approves the Continuing Disclosure Certificate in the form which is attached as Exhibit E to the Preliminary Official Statement, together with such changes thereto as a Designated Officer, acting alone, deems necessary, desirable or appropriate, the execution of which by a Designated Officer shall be conclusive proof of the approval thereof. A Designated Officer, acting alone, is hereby authorized and directed to execute the Continuing Disclosure Certificate, with such changes, insertions and omissions as may be approved by such official executing the Continuing Disclosure Certificate.

Section 5. The City Council hereby approves the form of the Bond Purchase Agreement on file with the City Clerk and presented at this meeting, with such additions thereto and changes therein as a Designated Officers, acting alone, deems necessary, desirable or appropriate upon consultation with bond counsel, the execution of which by a Designated Officer shall be conclusive evidence of the approval of any such additions or changes; provided that no such addition or change shall provide for an underwriter's discount (exclusive of any original issue discount) of greater than 0.5% and a not to exceed true interest rate of 6%. and a not to exceed principal amount of \$92,000,000. A Designated Officer, acting alone, is hereby authorized and directed to execute the Bond Purchase Agreement on behalf of the City and to take all actions necessary to fulfill the City's obligations thereunder.

Section 6. The Designated Officers, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name of and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, tax certificates, termination agreements, memoranda of agreements, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, subordination agreements, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the 2024 Lease Revenue Bonds, the financing of the Projects, the Site Lease, the Property Lease, the selection of the Leased Property , any amendments to the documents, the purchase of one or more policies of insurance under the Property Lease, insurance and/or reserve policies for the 2024 Lease Revenue Bonds if determined to be in the best interest of the City by a Designated Officer, and the consummation of the transactions as described herein, and such documents, assignments, certificates, tax certificates, termination agreements, memoranda of agreements and other agreements as may be required by any of the documents approved herein.

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

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PASSED, APPROVED AND ADOPTED by the City Council of the City of Carson at a regular meeting held this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

AYES: Councilmember:  
NOES: Councilmember:  
ABSENT: Councilmember:  
ABSTAIN: Councilmember

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Mayor

ATTEST:

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City Clerk

## EXHIBIT A

### REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1

1. True Interest Cost of the 2024 Lease Revenue Bonds: 4.2%
2. Finance charge for the 2024 Lease Revenue Bonds, being the sum of all fees and charges paid to third parties (Costs of Issuance of approximately \$400,000 plus estimated underwriter's compensation of \$423,000): \$823,000.
3. Amount of proceeds of the 2024 Lease Revenue Bonds expected to be received by the Authority, net of proceeds for Costs of Issuance described in (2) above and net of capitalized interest (if any) and reserves (if any) paid or funded with the proceeds of the 2024 Lease Revenue Bonds: \$90,800,000.
4. Total payment amount for the 2024 Lease Revenue Bonds, being the sum of (a) debt service to be paid on the 2024 Lease Revenue Bonds to final maturity, plus (b) any financing costs not paid from proceeds of the 2024 Lease Revenue Bonds: \$\$148,850,000.

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*\*All amounts and percentages are estimates, and are made in good faith by the City based on information available before or as of the date of adoption of this Resolution.*