

Attachment 1

RESOLUTION NO. 13-R-__

**RESOLUTION OF THE CITY OF BEVERLY HILLS APPROVING,
AUTHORIZING AND DIRECTING EXECUTION OF CERTAIN FINANCING
DOCUMENTS AND DIRECTING CERTAIN RELATED ACTIONS IN
CONNECTION WITH THE REFINANCING OF CERTAIN LEASE
OBLIGATIONS**

WHEREAS, the City of Beverly Hills (the "City") and the Parking Authority of the City of Beverly Hills have entered into a Joint Exercise of Powers Agreement establishing the City of Beverly Hills Public Financing Authority (the "Authority") for the purpose, among others, of having the Authority provide financing and refinancing for certain projects by entering into, among other arrangements, lease/leasebacks with the City; and

WHEREAS, for the purpose of raising funds necessary to refinance certain existing lease obligations previously entered into between the Authority and the City, thereby refunding the Authority's related Lease Revenue Bonds, 2003 Refunding Series A (the "2003 Bonds"), the Authority proposes to authorize the issuance of a series of its revenue bonds under the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), to be designated as the "City of Beverly Hills Public Financing Authority 2013 Lease Revenue Refunding Bonds, Series A (2003 Refunding Project)" (the "2013 Bonds"); and

WHEREAS, pursuant to a Site and Facility Lease (the "Site Lease"), the City will lease to the Authority the City Hall of the City located at 455 Rexford Drive, Beverly Hills, California (the "Leased Property"); and

WHEREAS, pursuant to a Property Lease between the City and the Authority (the "Property Lease"), the City will lease the Leased Property from the Authority, and the Authority will assign the lease payments paid by the City to the Authority under the Property Lease to the U.S. Bank National Association, as trustee for the 2013 Bonds, to pay debt service on the 2013 Bonds; and

WHEREAS, in order to assist E. J. De La Rosa & Co., Inc., as the underwriter of the 2013 Bonds (the "Underwriter"), in complying with Rule 15c2-13 of the Securities and Exchange Commission, the City will undertake certain continuing disclosure obligations pursuant to a continuing disclosure certificate to be executed by the City (the "Continuing Disclosure Certificate"); and

WHEREAS, the City desires to prepare and make available to potential investors an official statement relating to the 2013 Bonds containing information to be used in connection with the offering and sale of 2013 Bonds, and there has been prepared a Preliminary Official Statement containing information to be used in connection with the offering and sale of the 2013 Bonds; and

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

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

Section 1. Pursuant to the Act, the City Council hereby finds and determines that the issuance of the 2013 Bonds and the transactions related thereto will result in significant public benefits within the contemplation of Section 6586 of the Act. The City Council hereby approves the issuance of the 2013 Bonds, as described above.

Section 2. The City Council hereby approves the preparation of, and hereby authorizes the City Manager and the Director of Administrative Services and Chief Financial Officer of the City, or the written designee of any of them (each, a "Designated Officer"), each acting alone, to deem final within the meaning of Rule 15c2-13 of the Securities Exchange Act of 1934, as amended (except for permitted omissions), the preliminary form of the Official Statement describing the 2013 Bonds (the "Preliminary Official Statement") on file with the City Clerk, together with such changes or additions as the Designated Officer may deem necessary, desirable or appropriate upon consultation with bond counsel and disclosure counsel. Distribution of the Preliminary Official Statement by the Underwriter is hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the final form of the Official Statement with such changes or additions as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel and 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 Property Lease and the Site Lease on file with the City Clerk, with such additions thereto and changes therein as the Designated Officers deem necessary, desirable or appropriate upon consultation with the bond counsel, the execution of which by the City shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers and all other appropriate officials of the City are hereby authorized and directed to execute, and the City Clerk is hereby authorized to attest, as appropriate, the Property Lease and the Site Lease and such other agreements, documents and certificates as may be necessary or desirable to effectuate the purposes of this resolution and the financing herein authorized, including, without limitation, such other agreements, documents and certificates as may be required by the Property Lease and the Site Lease. The City Council hereby authorizes the performance by the City of its obligations under the Property Lease and the Site Lease. The maximum stated term of the Property Lease and the Site Lease shall not exceed 5 years.

Section 4. The City Council hereby approves the Continuing Disclosure Certificate in the form on file with the City Clerk, together with such changes thereto as the Designated Officers deem necessary, desirable or appropriate, the execution of which by the City shall be conclusive proof of the approval thereof. The Designated Officers, each acting alone, are 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 among the Authority, the City and the Underwriter on file with the City Clerk (the "Bond Purchase Agreement"), with such additions thereto and changes therein as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel and disclosure counsel, the execution of which by the City shall be conclusive evidence of the approval of any such additions or changes; provided that no such addition or change may increase the principal amount of 2013 Bonds to be in excess of \$20,000,000, may provide for a

true interest cost in excess of 1.00% or an underwriters' discount (exclusive of any original issue discount) of greater than 0.35%, or may result in net debt service savings of less than 3.00% of the par amount of the 2003 Bonds being refunded.

Section 6. The City Council hereby approves the form of the Irrevocable Refunding Instructions from the Authority and the City to U.S. Bank National Association, as trustee for the 2003 Bonds (the "Refunding Instructions"), on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers deem necessary, desirable or appropriate upon consultation with bond counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Refunding Instructions for and in the name of and on behalf of the City.

Section 7. 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 2013 Bonds, the City Council approves the lease financing to be provided by the issuance and delivery of the 2013 Bonds, and the City Council further determines that there will be significant public benefits accruing from such financing, consisting of demonstrable savings in effective interest rates and financing costs resulting from the lease and leaseback of the Leased Property with the Authority as a tax-exempt public entity that has the statutory powers to lease and leaseback property and to cause the issuance and delivery of 2013 Bonds.

Section 8. 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, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the 2013 Bonds, and the consummation of the transactions as described herein, including, without limitation, a continuing disclosure certificate and such documents, assignments, certificates and agreements as may be required by any of the documents approved herein.

Adopted and approved this 23rd day of May, 2013.

John A. Mirisch, Mayor

ATTEST:

Byron Pope, City Clerk

Approved as to form:



Stephen Melikian
Jones Hall, APLC
Bond Counsel

Approved as to content:

Jeffrey C. Kolin, City Manager



Don Rhoads, Director of Administrative
Services and Chief Financial Officer