

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

IN THE MATTER OF AUTHORIZING THE) EXECUTION AND DELIVERY OF A) LEASE, A SUBLEASE, AN ASSIGNMENT) AGREEMENT, A TRUST AGREEMENT, AN) OFFICIAL NOTICE OF SALE AND A) CONTRACT OF PURCHASE; APPROVING) EXECUTION OF CERTIFICATES OF) PARTICIPATION TO FINANCE CERTAIN) CAPITAL IMPROVEMENTS; APPROVING) A PRELIMINARY OFFICIAL STATEMENT) FOR SAID CERTIFICATES OF) PARTICIPATION; AUTHORIZING THE) EXECUTION AND DELIVERY OF AN) OFFICIAL STATEMENT AND A) CONTINUING DISCLOSURE) AGREEMENT; AND AUTHORIZING) CERTAIN OTHER ACTIONS IN) CONNECTION WITH THE LEASE) FINANCING)	RESOLUTION NO. 24-____
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WHEREAS, the County of Santa Barbara, a political subdivision duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “County”), has heretofore considered the acquisition and construction of various capital projects;

WHEREAS, the Santa Barbara County Finance Corporation, Inc. (the “Corporation”), has agreed or will agree to assist the County in financing capital projects of the County by entering into a lease (the “Lease”) with the County pursuant to which the Corporation will pay advance rental to the County for the lease of certain real property described in Exhibit A attached hereto (the “Demised Premises”); and

WHEREAS, the County and the Corporation will enter into a sublease (the “Sublease”) pursuant to which the County will lease back the Demised Premises from the Corporation; and

WHEREAS, rights to base rental payments payable by the County pursuant to the Sublease will be evidenced by certificates of participation; and

WHEREAS, Orrick, Herrington & Sutcliffe LLP is serving as special counsel (“Special Counsel”), KNN Public Finance, LLC is serving as municipal advisor (“Municipal Advisor”), and Stradling Yocca Carlson & Rauth LLP is serving as disclosure counsel (“Disclosure Counsel”) in connection with the financing; and

WHEREAS, pursuant to Section 5852.1 of the Government Code of the State of California, the Corporation has received certain representations and good faith estimates from the Municipal Advisor and the County has disclosed such good faith estimates as set forth on Exhibit B attached hereto.

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the County is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, be it resolved by the Board of Supervisors of the County of Santa Barbara as follows:

SECTION 1. The County hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the County and that the statements, findings, and determinations of the County set forth above and in the preambles of the documents approved herein are true and correct.

SECTION 2. The County hereby authorizes the execution and delivery of the 2024 Certificates of Participation (the “Certificates”), in one or more series or subseries which may be tax-exempt or taxable, for the purpose of financing certain capital projects. The aggregate principal amount of the Certificates shall not exceed \$130,000,000.

SECTION 3. The form of the lease (the “Lease”), between the County, as lessor, and the Corporation, as lessee, presented to this meeting and on file with the Clerk of the Board of Supervisors of the County, is hereby approved. The Chair of the Board of Supervisors of the County, the County Executive Officer, the Treasurer of the County and the Auditor-Controller of the County (the “Authorized Officers”) are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the County to execute, acknowledge and deliver to the Corporation the Lease in substantially said form, with such changes therein (including, but not limited to, any changes in connection with the prepayment of the Certificates and as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such officer may require or approve with the consent of County Counsel of the County (“County Counsel”), such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 4. The form of the sublease (the “Sublease”), between the Corporation, as sublessor, and the County, as sublessee, presented to this meeting and on file with the Clerk of the Board of Supervisors of the County, is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the County to execute, acknowledge and deliver to the Corporation the Sublease in substantially said form, with such changes therein (including, but not limited to, any changes in connection with the tax-exempt or taxable status of the Certificates and as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such

officer may require or approve with the consent of County Counsel, such approval to be conclusively evidenced by the execution and delivery thereof. The schedule of the principal and interest components of the base rental contained in the Sublease and attached as Exhibit B to the Sublease shall be determined by the officials of the County specified in Section 6 upon the sale of the Certificates.

SECTION 5. The form of Assignment Agreement (the "Assignment Agreement"), between the Corporation and the Trustee (as hereinafter defined), presented to this meeting and on file with the Clerk of the Board of Supervisors of the County, is hereby approved.

SECTION 6. The form of the trust agreement (the "Trust Agreement"), among the Corporation, the County and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), presented to this meeting and on file with the Clerk of the Board of Supervisors of the County, is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the County to execute, acknowledge and deliver to the Corporation and the Trustee the Trust Agreement in substantially said form, with such changes therein (including, but not limited to, any changes in connection with the tax-exempt or taxable status of the Certificates, the prepayment of the Certificates and as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such officer may require or approve with the consent of County Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 7. The form of Official Notice of Sale (the "Official Notice of Sale") presented to this meeting and on file with the Clerk of the Board of Supervisors of the County is hereby approved, with such changes therein (including, but not limited to, any changes in connection with the tax-exempt or taxable status of the Certificates) as an Authorized Officer may approve with the consent of County Counsel. Bids for the purchase of each series of the Certificates will be received and awarded to the bidder whose bid represents the lowest true interest cost with respect to such series (each, a "Purchaser") by the Treasurer of the County, or a designee of such official, provided that the aggregate true interest cost of the Certificates shall not exceed 6.5%. If the Treasurer of the County determines it is in the best interest of the County that the Certificates be sold by negotiated sale, then such Certificates shall be sold pursuant to the proposed form of Contract of Purchase (the "Contract of Purchase") presented to the meeting and on file with the Clerk of the Board of Supervisors of the County, which is hereby approved. The Treasurer of the County is hereby authorized and directed for and in the name and on behalf of the County, to accept the offer of the underwriters to purchase the Certificates as reflected in the Contract of Purchase; and to execute and deliver one or more Contracts of Purchase in substantially said form, with such changes therein as such officer may require or approve with the consent of County Counsel, such approval to be conclusively evidenced by the execution and delivery of the Contract of Purchase provided that the interest on the Certificates shall not exceed an aggregate true interest cost of 6.5%.

SECTION 8. The form of preliminary official statement (the "Preliminary Official Statement"), presented to this meeting and on file with the Clerk of this Board of Supervisors, is hereby approved. The Preliminary Official Statement in substantially said form, with such changes, updates and completion of information as the County may approve, will be

distributed to persons who may be interested in the purchase of the Certificates. The Authorized Officers are, and each of them acting alone is, hereby authorized, for and in the name and on behalf of the County, (1) to execute and deliver a certificate or certificates, in a form acceptable to County Counsel, to the effect that the Preliminary Official Statement and the final Official Statement (as hereinafter defined) are deemed final as of their respective dates for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934 and (2) to execute a final Official Statement, in substantially the form of said Preliminary Official Statement, with such insertions and changes therein as such officer executing the same may require or approve with the advice of County Counsel, such approval to be conclusively evidenced by the execution and delivery thereof by such officer. Each Purchaser is hereby directed to deliver a copy of said final Official Statement (as finally executed, the "Official Statement") to all actual purchasers of the Certificates authorized hereby.

SECTION 9. The form of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement"), by and between the County and the Trustee, presented to this meeting and on file with the Clerk of the Board of Supervisors of the County, is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the County, to execute, acknowledge and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as such officer may require or approve with the consent of County Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 10. The Treasurer of the County is hereby authorized and directed to negotiate with municipal bond insurance companies, and, if the Treasurer determines that it is in the best financial interests of the County, to purchase bond insurance for the Certificates on such terms as the Treasurer determines are appropriate.

SECTION 11. The County shall obtain funds for the financing of certain capital projects from proceeds received from the Corporation pursuant to the Lease. Pursuant to the Trust Agreement and the Assignment Agreement, the Trustee shall arrange for the execution and delivery of the Certificates evidencing and representing undivided interests in the rental payments to be made by the County pursuant to the Sublease. Such rental payments may be made from any funds of the County lawfully available therefor, including the proceeds of the Certificates available for such purpose.

SECTION 12. The Demised Premises to be leased pursuant to the Lease and Sublease shall be the properties described in Exhibit A hereto; provided, however, that upon a determination by the Treasurer of the County, that less than all of the properties are required for the financing, the Treasurer is authorized to remove properties identified in Exhibit A from the Demised Premises.

SECTION 13. The Clerk of the Board of Supervisors of the County is hereby authorized and directed to attest the signature of the Authorized Officers or other officials of the County and to affix and attest the seal of the County as may be required or appropriate in connection with the execution and delivery of the Lease, the Sublease, the Assignment Agreement, the Trust Agreement, the Official Notice of Sale, the Contract of Purchase, the Continuing Disclosure Agreement and the Official Statement.

SECTION 14. The Board of Supervisors acknowledges and understands that the same attorney(s) within County Counsel may represent and advise both the County and the Corporation regarding financings and applicable documents and waives any potential or actual conflicts of interest arising therefrom.

SECTION 15. The officers of the County are hereby authorized and directed, jointly and severally, 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 sale, execution and delivery of the Certificates by the Trustee and otherwise to carry out, give effect to and comply with the terms and intent of this resolution, the Certificates, the Lease, the Sublease, the Assignment Agreement, the Trust Agreement, the Official Notice of Sale, the Contract of Purchase, the Continuing Disclosure Agreement and the Official Statement, including but not limited to entering into certificates of award, investment agreements, forward delivery agreements, and/or municipal insurance agreements. Such actions heretofore taken by such officers are hereby ratified, confirmed, and approved.

SECTION 16. The Board of Supervisors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

SECTION 17. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 19th day of March, 2024, by the following vote:

AYES:

NOES:

ABSENT:

Chair of the Board of Supervisors

[SEAL]

ATTEST:

Mona H. Miyasato,
Clerk of the Board of Supervisors


By _____

Deputy

**APPROVED AS TO ACCOUNTING
FORM:**

Betsy M. Schaffer, C.P.A., C.P.F.O.,
Auditor-Controller

By  _____




Deputy

APPROVED AS TO FORM:

Rachel Van Mullem,
County Counsel

By  _____



Deputy County Counsel

EXHIBIT A

The Demised Premises shall consist of the following (subject to modification as set forth in Section 12 of the Resolution):

Betteravia Building B

Betteravia Building C

County District Attorney Building

Emergency Operations Center

Joe Centeno Administration Building

New Cuyama Fire Station 27

Social Services Building

EXHIBIT B

GOOD FAITH ESTIMATES

The following information was obtained from the KNN Public Finance, LLC, the County's Municipal Advisor, with respect to the Certificates approved in the Resolution, and is provided in compliance with Government Code section 5852.1 with respect to the Certificates:

1. *True Interest Cost of the Certificates.* Assuming an aggregate principal amount of \$109,330,000 of the Certificates are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Certificates, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Certificates, is 3.90%.

2. *Finance Charge of the Certificates.* Assuming an aggregate principal amount of \$109,330,000 of the Certificates are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Certificates, which means the sum of all fees and charges paid to third parties (or costs associated with delivering the Certificates), is \$1,026,238.

3. *Amount of Proceeds to be Received.* Assuming an aggregate principal amount of \$109,330,000 of the Certificates are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the County for sale of the Certificates, less the finance charge of the Certificates described in 2 above, is \$119,705,000.

4. *Total Payment Amount.* Assuming an aggregate principal amount of \$109,330,000 of the Certificates are sold and based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment amount, which means the sum total of all payments the County will make to pay debt service on the Certificates plus the finance charge of the Certificates described in paragraph 2 above not paid with the proceeds of the Certificates, calculated to the final maturity of the Certificates, is \$173,930,266.

Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds, and total payment amount may vary from the estimates above due to variations from these estimates in the timing of the sale of the Certificates, the amount of Certificates sold, the amortization of the Certificates sold, market interest rates at the time of the sale, and the tax-exempt or taxable status of the Certificates. The date of sale and the amount of Certificates sold will be determined by the County based on the need for project proceeds and other factors. The actual interest rates at which the Certificates will be sold will depend on the municipal market at the time of the sale.