

**RESOLUTION OF THE BOARD OF SCHOOL TRUSTEES OF
THE SOUTH BEND COMMUNITY SCHOOL CORPORATION
CONFIRMING A LEASE AND TAKING OTHER ACTIONS**

WHEREAS, the Board of School Trustees (the “Board”) of South Bend Community School Corporation (the “School Corporation”) has previously adopted a resolution on December 2, 2019 (the “Preliminary Determination Resolution”) (a) making a preliminary determination that there exists a need for the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project (as defined and described in detail in the Preliminary Determination Resolution), and (b) authorizing the School Corporation, to take the steps necessary to finance all or any portion of the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project through the issuance of general obligation bonds of the School Corporation and/or first mortgage bonds of one or more Indiana nonprofit school building corporations in an original aggregate principal amount not to exceed \$54,000,000; and

WHEREAS, the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project was approved by a majority of the voters residing in the School Corporation who voted during the election held on May 5, 2020; and

WHEREAS, the School Corporation previously issued its Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2020B on December 17, 2020, in an aggregate principal amount of \$9,000,000 for the purpose of paying a portion of the costs of the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project and related costs, including the costs of selling and issuing such bonds; and

WHEREAS, the School Corporation previously issued its Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2021B on October 21, 2021, in an aggregate principal amount of \$6,000,000 for the purpose of paying a portion of the costs of the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project and related costs, including the costs of selling and issuing such bonds; and

WHEREAS, the School Corporation previously issued its Unlimited Ad Valorem Property Tax General Obligation Bonds, Series 2022B on December 1, 2022, in an aggregate principal amount of \$3,000,000 for the purpose of paying a portion of the costs of the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project and related costs, including the costs of selling and issuing such bonds; and

WHEREAS, the Board has given consideration to undertaking additional projects in the furtherance of the 2020 SBCSC School Building Basic Renewal/Restoration and Safety Project which projects consist of (i) the demolition of the existing Eggleston Elementary School, Old Marquette School, Greene Intermediate Center, if necessary, and portions of Brown Intermediate Center; (ii) immediate, necessary repairs including, without limitation, repairs to the roof, masonry, boilers, chillers, and/or air handling units, and other immediate needs at Clay High School; (iii) improvements and renovations at Riley High School for the purpose of locating the School Corporation’s fine arts program at Riley High School, including, without limitation, conversion of the first floor classroom wing to house the Cassady Costume Design Shop; (iv) high priority maintenance improvements at facilities throughout the School Corporation; (v)

improvements and renovations at LaSalle Academy to accommodate consolidation with Kennedy Academy, including, without limitation, a new secure middle school entrance and new elementary cafeteria; (vi) improvements and renovations at Washington High School to accommodate the medical magnet program, including a new medical magnet entrance; (vii) land acquisition, if necessary, construction and/or improving and equipping of a new Career and Technical Education facility to serve the School Corporation; (viii) improvements and renovations to accommodate the conversion of Edison Middle School and Dickinson Fine Arts Academy to K-8 schools, including conversion of first floor classroom wings to kindergarten and Pre-K classrooms; (ix) improvements and renovations to McKinley Elementary School to accommodate the specialty programs formerly located at Studebaker School, including the addition of shared restrooms and playground improvements; (x) improvements and renovations to Kennedy Academy to accommodate conversion to a K-12 alternative program and other educational/community programming, including adding and removing walls for program areas, adding shared restrooms for the kindergarten/Pre-K classroom wing, and adding a kindergarten/Pre-K playground; (xi) completing other miscellaneous facility improvements, equipping and land improvements and/or acquisition projects throughout the geographical boundaries of the School Corporation; and (xii) completing all projects related to any of the projects described in any of clauses (i) through and including (xi) (clauses (i) through and including (xii) collectively, the “2023 First Mortgage Bond Project”); and

WHEREAS, the Board has previously examined and adopted a resolution on May 15, 2023, approving a form of lease (the “Lease”) by and between SBCSC 2023 Building Corporation (the “Building Corporation”), as lessor, and the School Corporation, as lessee, for the lease of all or any portion of the real property upon which the existing Washington High School is located (collectively, the “Premises”); and

WHEREAS, pursuant to Indiana Code § 20-47-3-9, as amended, prior to the execution of a lease between a lessor corporation and a school corporation, a public hearing must be held giving all interested persons the right to be heard upon the necessity for the execution of such lease and whether the rental provided for therein be paid to the lessor corporation is a fair and reasonable rental for the proposed building; and

WHEREAS, notice of a public hearing upon the form of the proposed Lease was given by publication as required by law; and

WHEREAS, on the date hereof, a public hearing was conducted in accordance with Indiana Code § 20-47-3-9, as amended, regarding whether the execution of the Lease is necessary and whether the rentals in the Lease are fair and reasonable for the Premises; and

WHEREAS, interested people have been given the opportunity to present testimony and ask questions concerning the Lease; and

WHEREAS, the Board has considered the testimony and other evidence presented at the public hearing; and

WHEREAS, the Board, being duly advised, finds that it is in the best interests of the School Corporation and its citizens for the purpose of financing all or any portion of the 2023 First

Mortgage Bond Project to secure the acquisition of all or any portion of the Premises by the Building Corporation, and enter into the Lease with the Building Corporation, as lessor, for all or any portion of the Premises, in order to better serve the residents of the School Corporation, by allowing the Building Corporation to issue first mortgage bonds in one or more series, in an original aggregate principal amount not to exceed Thirty-Six Million Dollars (\$36,000,000), to be designated as the SBCSC 2023 Building Corporation First Mortgage Bonds (with such series designation made at the time of issuance based on the year of issuance) (the “Bonds”), for the purpose of paying all or a portion of (1) the cost of acquisition by the Building Corporation from the School Corporation of all or a portion of the Premises which are subject to the Lease, (2) all or a portion of the costs of the 2023 First Mortgage Bond Project, (3) the reimbursement to the School Corporation for the payment of any expenses incurred by the School Corporation with respect to improvements to any of the Premises owned by the Corporation, (4) the payment of capitalized interest, if any, on the Bonds, and (5) other expenses incidental thereto, with all of such Bonds to be sold pursuant to a negotiated or competitive sale, as determined by the Superintendent of the School Corporation (the “Superintendent”) based on the advice of Baker Tilly Municipal Advisors, LLC, as municipal advisor to the Building Corporation and the School Corporation (the “Municipal Advisor”);

NOW, THEREFORE, BE IT RESOLVED by the Board of School Trustees of the South Bend Community School Corporation as follows:

Section 1. There is a need for the 2023 First Mortgage Bond Project, providing for such project is in the public interest, and it is a proper public purpose for which this Board agrees to cooperate with the Building Corporation and to assist it in fulfilling the requirements of all the agencies of the federal, state and local governments.

Section 2. The drawings, plans and specifications and estimates for all of the costs of the 2023 First Mortgage Bond Project, including, but not limited to, all costs of acquisition and construction associated with the 2023 First Mortgage Bond Project, provide for necessary facilities for the School Corporation and the same are hereby approved.

Section 3. The proposed Lease, as described in the notice of public hearing, be, and hereby is, confirmed in accordance with Indiana Code 20-47-3-10(b), and provides for a fair and reasonable rental of all or a portion of the Premises with a term not to exceed twenty (20) years commencing on the date all or any portion of the Premises is acquired by the Building Corporation, with an annual lease rental not to exceed Four Million Three Hundred Fifty-eight Thousand Dollars (\$4,358,000), with all of such annual lease rentals payable in semiannual installments, and further, the execution of the Lease is necessary and wise.

Section 4. The President of the Board is authorized and directed to initial and date a copy of the proposed Lease and to place the same in the record book immediately following the minutes of this meeting, and further, the Lease is hereby made a part of this Resolution as fully as if the same were set forth herein.

Section 5. Any officer of the Board is authorized and directed to execute the Lease, in the name and on behalf of the School Corporation, and the Secretary of the Board, or any other officer of the Board, is hereby authorized and directed to attest such execution of the Lease.

Section 6. The Secretary of the Board, or any other officer of the School Corporation, be, and hereby is, authorized and directed, on behalf of the School Corporation to publish notice of the execution of the Lease in accordance with Indiana Code § 20-47-3-11(a).

Section 7. An annual tax levy shall be authorized in each year during the term of the Lease to provide the necessary funds with which to pay the annual lease rentals under the Lease. The maximum annual debt service fund tax rate necessary to pay the annual lease rentals under the Lease is estimated to be approximately \$0.0500 per \$100 of assessed valuation.

Section 8. The issuance, sale and delivery by the Building Corporation of the Bonds, pursuant to the applicable laws of the State of Indiana, in one or more series, each with a maximum term not to exceed twenty (20) years, and in an aggregate original principal amount not to exceed \$36,000,000 is hereby approved. The term and rate or rates for each series of the Bonds will be determined by a negotiated or competitive sale, as determined by the Superintendent based on the advice of the Municipal Advisor.

Section 9. Upon the repayment or prepayment by the School Corporation of all of the outstanding principal amount of the Bonds, the School Corporation, as lessee, will accept from the Building Corporation title to the Premises, including any addition as thereto, free and clear of any and all liens and encumbrances thereon except as otherwise permitted by the Lease.

Section 10. The Building Corporation may issue, sell and deliver such Bonds, pursuant to the applicable laws of the State of Indiana, may encumber any property acquired by it for the purpose of financing such facilities, and may enter into contracts for the sale of the Bonds and the 2023 First Mortgage Bond Project.

Section 11. A Continuing Disclosure Contract, dated as of the date each series of the Bonds are issued (the "Undertaking"), executed by the School Corporation, substantially in the form to be approved by the President of the Board, be, and hereby is, ratified and approved.

If necessary, the President or any other officer of the Board, be, and hereby is, authorized and directed to execute and deliver the Undertaking, with such changes to the form thereof as such officer deems necessary or advisable, in the name and on behalf of the School Corporation, and the Secretary or any other officer of the Board be, and hereby is, authorized and directed to attest such execution, and any such execution and delivery and any such attestation heretofore effected be, and hereby is, ratified and approved.

Section 12. Any member of the Board or officer of the School Corporation be, and hereby is, authorized and directed to take any action and execute any documents, agreements and certificates as such member or officer deems necessary and desirable to effectuate the foregoing resolutions, and any such actions, documents, agreements and certificates heretofore taken or executed, including, but not limited to, publication of the notices of the public hearing on the Lease, be, and hereby are, ratified and approved. In addition, the Superintendent as an Authorized Officer or Representative of the Building Corporation, may approve change orders prior to seeking formal approval of such change orders from the Board; provided, however, such change orders shall be subsequently presented to the Board for its approval.

Adopted and approved by the Board of School Trustees of the South Bend Community School Corporation, St. Joseph County, Indiana, this 21st day of June, 2023.

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ATTEST:

Secretary