

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO APPROVING THE ISSUANCE BY THE FRESNO JOINT POWERS FINANCING AUTHORITY OF LEASE REVENUE REFUNDING BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A THIRD AMENDMENT TO MASTER FACILITIES LEASE, A THIRD AMENDMENT TO MASTER FACILITIES SUBLEASE, A BOND PURCHASE CONTRACT, AN OFFICIAL STATEMENT, A CONTINUING DISCLOSURE CERTIFICATE, A FIRST AMENDMENT TO SITE LEASE AND A FIRST AMENDMENT TO FACILITY LEASE; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE FINANCING

WHEREAS, the City of Fresno (the "City") is a municipal corporation and charter city duly organized and existing under a freeholders' charter pursuant to which the City has the right and power to make and enforce all laws and regulations in respect to municipal affairs and certain other matters in accordance with and as more particularly provided in Sections 3, 5, and 7 of Article XI of the Constitution of the State of California and Section 200 of the Charter of the City; and


WHEREAS, the City and the Redevelopment Agency of the City of Fresno (the "Agency") have executed a Joint Exercise of Powers Agreement, dated October 25, 1988, as amended (the "Joint Powers Agreement"), between the City and the Agency that creates and establishes the Fresno Joint Powers Financing Authority (the "Authority"); and

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Marks-Roos Local Bond

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval: 

Resolution No.

Pooling Act of 1985”) and the Joint Powers Agreement, the Authority is authorized to issue bonds for financing and refinancing public capital improvements, working capital, liability and other insurance needs or projects whenever there are significant public benefits; and

WHEREAS, the City desires to approve the Authority’s issuance of not to exceed \$200,000,000 aggregate principal amount of its Fresno Joint Powers Financing Authority Lease Revenue Refunding Bonds (Master Lease Projects), Series 2017A and Series 2017B (Federally Taxable) (collectively, the “Bonds”) to refinance various capital improvements within the City (the “Projects”); and

WHEREAS, such refinancing will include the refunding of a portion of various bonds of the Authority (the “Prior Bonds”); and

WHEREAS, in order to refinance the Projects, the City desires to lease to the Authority certain real property described in Exhibit A hereto (the “Facilities”) pursuant to the terms of that certain Third Amendment to Master Facilities Lease (the “Third Amendment to Facilities Lease”), by and between the City and the Authority, and the City desires to lease back from the Authority the Facilities, pursuant to the terms of that certain Third Amendment to Master Facilities Sublease (the “Third Amendment to Facilities Sublease”), by and between the Authority and the City; and

WHEREAS, the City has determined that the issuance of the Bonds and refunding of the Prior Bonds by the Authority and the execution and delivery of the Third Amendment to Facilities Lease and Third Amendment to Facilities Sublease will result in significant public benefits to the citizens of the City, and

that the City will benefit from demonstrable savings in the cost of refinancing the Projects as a result of the assistance of the Authority; and

WHEREAS, the City has heretofore approved the Authority's issuance of the Fresno Joint Powers Financing Authority Lease Revenue Bonds (Multi-Purpose Stadium) Series 2001B (Federally Taxable) (the "2001B Bonds") and, in connection therewith, entered into a Site Lease, dated as of May 15, 2001, (the "2001 Site Lease") between the City and the Authority, pursuant to which the Authority agreed to lease from the City certain real property and improvements thereon situated in the City (the "Demised Premises"), and a Facility Lease, dated as of May 15, 2001, (the "2001 Facility Lease") between the Authority and the City, pursuant to which the City agreed to lease the Demised Premises back from the Authority for the purposes and manner described therein; and

WHEREAS, the City desires to withdraw and substitute certain real property and improvements thereon as the "Demised Premises" pursuant to a First Amendment to Site Lease ("First Amendment to Site Lease,"), between the City and the Authority, and a First Amendment to Facility Lease ("First Amendment to Facility Lease"), between the Authority and the City, as described in Exhibit B hereto, and to amend and supplement certain remedies permitted in an event of default pursuant to the First Amendment to Facility Lease; and

NOW, THEREFORE, BE IT RESOLVED the Council of the City of Fresno hereby finds, determines, declares and resolves as follows:

Section 1. The City hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to municipal affairs of

the City and the statements, findings and determinations of the City set forth in the recitals above and in the preambles of the documents approved herein are true and correct.

Section 2. The City Council hereby approves the issuance by the Authority of the Bonds in an aggregate principal amount not to exceed \$200,000,000. The interest rate on the Bonds shall not exceed a true interest cost of 5% per annum. The Bonds may be issued in one or more series, and may be taxable or a combination of taxable and tax-exempt series.

Section 3. The proposed form of Third Amendment to Facilities Lease, by and between the City and the Authority, on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Third Amendment to Facilities Lease in substantially said form, with such changes therein (including, but not limited to, any changes as may be necessary to obtain municipal bond insurance and/or reserve fund insurance) as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the Third Amendment to Facilities Lease shall end no later than April 1, 2039, plus an extension period of not to exceed ten years.

Section 4. The proposed form of Third Amendment to Facilities Sublease, by and between the Authority and City, on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or

Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Third Amendment to Facilities Sublease in substantially said form, with such changes therein (including, but not limited to, any changes as may be necessary to obtain municipal bond insurance and/or reserve fund insurance) as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the Third Amendment to Facilities Sublease shall end no later than April 1, 2039, plus an extension period of not to exceed ten years.

Section 5. The proposed form of Bond Purchase Contract, by and among, the Authority, Raymond James & Associates, Inc., Barclays Capital Inc., and Stifel Nicolaus & Company, Incorporated (the "Underwriters") and the City (the "Bond Purchase Contract"), on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager or Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes therein as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, the underwriting discount (not including original issue discount) shall not exceed 0.5% of the aggregate principal amount of the Bonds.

Section 6. The proposed form of Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate"), on file with the City

Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, to execute on behalf of the City and deliver for the benefit of Bondholders, the Continuing Disclosure Certificate in substantially said form, with such changes therein as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed form of Official Statement relating to the Bonds (the "Official Statement"), on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee are each hereby authorized and directed, on behalf of the City, to execute and deliver an Official Statement in substantially said form, with such changes therein as such officer may require or approve, subject to review of the City Attorney's Office and Disclosure Counsel, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriters are hereby directed to distribute copies of the Official Statement to all actual purchasers of the Bonds. Distribution of a preliminary Official Statement relating to the Bonds is hereby approved and the Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee are each hereby authorized and directed, to execute a certificate confirming that the preliminary Official Statement has been "deemed final" by the City for purposes of Securities and Exchange Commission Rule 15c2-12.

Section 8. The proposed form of First Amendment to Site Lease, between the City and the Authority, on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the First Amendment to Site Lease in substantially said form, with such changes therein as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. The proposed form of First Amendment to Facility Lease, between the City and the Authority, on file with the City Clerk, and delivered to Council, is hereby approved. The Mayor, City Manager, or Controller, jointly and severally, or any such officer's designee, are each hereby authorized and directed, on behalf of the City, to execute and deliver the First Amendment to Facility Lease in substantially said form, with such changes therein as such officer may require or approve, subject to review by the City Attorney's Office, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 10. The officers and City Council members of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and certificates which they deem necessary or advisable to consummate the execution and delivery of the documents mentioned herein and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Third Amendment to

Facilities Lease, the Third Amendment to Facilities Sublease, the Bond Purchase Contract, the Continuing Disclosure Certificate, the Official Statement, the First Amendment to Site Lease, the First Amendment to Facility Lease and the transactions contemplated by each such document, including but not limited to all necessary actions in connection with obtaining title insurance, bond insurance and/or reserve fund insurance (including entering into reserve fund reimbursement agreements) for the Bonds. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 11. The officers and members of the City Council are hereby authorized to take all necessary and convenient actions in connection with the refinancing and defeasance of the Prior Bonds and the leasing of the additional Facilities in connection with the issuance of the Bonds, including but not limited to, terminating and/or amending leases in connection with the Prior Bonds, substituting leased facilities in connection with Prior Bonds and taking all other necessary actions needed to refund the Prior Bonds.

Section 12. This Resolution shall take effect upon its adoption.

CLERK'S CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the ____ day of _____, 2017.

AYES:
NOES:
ABSENT:
ABSTAIN:

MAYOR APPROVAL: _____, 2017
MAYOR APPROVAL/NO RETURN: _____, 2017
MAYOR VETO: _____, 2017
COUNCIL OVERRIDE VETO: _____, 2017

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
Raj Singh Badhesha Date
Deputy

ATTEST:
YVONNE SPENCE
City Clerk

By: _____
Deputy

Attachments: Exhibit A & Exhibit B

EXHIBIT A

The Facilities to be added consist of the following public capital improvements and/or any other public capital improvement determined by the Mayor, City Manager or Controller of the City to be in the best interest of the City to be added to the Facilities in connection with the refinancing and defeasance of the Prior Bonds:

Multi-purpose Stadium

City Hall

Regional Training Center

Fire Station No. 16

Valdez Exhibit Hall

EXHIBIT B

The "Demised Premises" consist of the following public capital improvements and/or any other public capital improvement determined by the Mayor, City Manager or Controller of the City to be in the best interest of the City to constitute the "Demised Premises" in connection with the 2001B Bonds:

Saroyan Theatre

Fire Station No. 19