

FRESNO JOINT POWERS FINANCING AUTHORITY

RESOLUTION NO. JPFA _____

A RESOLUTION OF THE FRESNO JOINT POWERS FINANCE AUTHORITY CONSENTING TO THE REDEMPTION OF FBB INVESTMENT FUND, LLC'S INTEREST IN CLEARINGHOUSE NMTC (SUB 18), LLC. AND ACCEPTING THE ASSIGNMENT OF FBB INVESTMENT FUND'S ASSETS AS REPAYMENT OF JOINT POWERS FINANCE AUTHORITY LOAN TO FBB INVESTMENT FUND

WHEREAS, The FBB Investment Fund, LLC., (the Investment Fund) is a company created to raise funds through loans and equity contributions to enable the Investment Fund to participate in a New Market Tax Credit transaction; and

WHEREAS, the Investment Fund borrowed from the Fresno Joint Powers Financing Authority Fund a loan in the approximate amount of \$12,690,500 (the JPFA Loan); and

WHEREAS, the Investment Fund used the proceeds from the JPFA Loan and investor equity to make an equity contribution in the Clearinghouse NMTC (Sub 18), LLC., a community development entity created to facilitate the investment in low-income communities through the use of New Market Tax Credits (the CDE); and

WHEREAS, the CDE utilized the Investment Fund investment in the CDE to make a loan to the City of Fresno Cultural Arts Properties Corporation, a California nonprofit public benefit corporation (the COFCAP) in the approximate amount \$16,660,000 (the "CDE Loan"); and

WHEREAS, the CDE Loan is evidenced by two promissory notes executed by COFCAP in favor of the CDE, which are secured by a deed of trust recorded against

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



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COFCAP's Property, commonly referred to as the Fresno Bee Building; and WHEREAS, the New Market Tax Credit compliance period will expire on March 30, 2017, and the parties now wish to unwind the transaction; and

WHEREAS, as part of the unwind process, the CDE intends to redeem the Investment Fund's interest in the CDE by assigning to the Investment Fund the COFCAP promissory notes and the COFCAP deed of trust; and

WHEREAS, the Fresno Joint Powers Financing Authority intends to consent to the termination of any interest that the Investment Fund may have in the CDE; and

WHEREAS, the City, as sole member and manager of the Investment Fund, will repay the JPFA Loan by assigning the COFCAP promissory notes and COFCAP deed of trust to the JPFA and terminate the Investment Fund; and

NOW, THEREFORE, BE IT RESOLVED by the Fresno Joint Powers Financing Authority Fund consents to the redemption of the Investment Fund's interest in the CDE:

1. The Fresno Joint Powers Financing Authority authorizes the acceptance of the assignment of the COFCAP promissory notes and the COFCAP deed of trust as repayment of the JPFA Loan to the Investment Fund; and

2. The Fresno Joint Powers Financing Authority authorizes the Executive Director of the Financing Authority to execute the Consent to the Investment Fund's interest in the CDE and any and all documents and assignments necessary for the consummation any and all other activities contemplated in this Resolution.

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

I, YVONNE SPENCE, Secretary of the Fresno Joint Powers Financing Authority (the JPFA), certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of March_____, 2017.

AYES :
NOES :
ABSENT :
ABSTAIN :

YVONNE SPENCE, CMC
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
Laurie Avedisian-Favini, Assistant [Date]