

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF FRESNO AUTHORIZING THE SUBMISSION OF AN APPLICATION TO THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK ("IBANK") FOR FINANCING A CAPITAL IMPROVEMENT PROJECT

WHEREAS, the California Infrastructure and Economic Development Bank ("IBank") administers a financing program to assist local governments with the financing of eligible projects in accordance with Section 63000 *et seq.* of the California Government Code (the "Act"); and

WHEREAS, IBank created the Infrastructure State Revolving Fund Program ("ISRF Program") pursuant to the provision of the Act; and

WHEREAS, IBank has instituted an application process for financing under its ISRF Program; and

WHEREAS, IBank's Criteria, Priorities and Guidelines for the Selection of Projects for Financing under the ISRF Program, dated February 23, 2016, and as may thereafter be amended from time to time (the "Criteria"), establishes requirements for the financing of projects under the ISRF Program; and

WHEREAS, the City of Fresno ("Applicant") desires to submit an application ("Financing Application") to IBank under the ISRF Program for financing and refinancing the costs of an Airport Parking Garage ("Project") in an amount not to exceed \$35,000,000; and

WHEREAS, the Act and the Criteria require the Applicant to make, by resolution of its governing body, certain findings prior to a project being selected for financing by IBank; and

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Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval:



Resolution No.

WHEREAS, the Applicant expects to incur or pay certain expenditures in connection with the Project from its Airports Enterprise Fund that are reimbursable with the proceeds of tax exempt bonds or other tax exempt securities under Federal Tax Law (defined below) prior to incurring indebtedness for the purpose of financing costs associated with the Project on a long-term basis (the "Reimbursement Expenditures"); and

WHEREAS, the Applicant reasonably expects that a financing arrangement ("Obligation") in an amount not expected to exceed \$35,000,000 will be entered into under and memorialized by the issuance of bonds and/or the execution of one or more financing agreements and related documents (collectively, the "Financing Agreement") and that certain proceeds of such Obligation will be used to reimburse the Applicant for Reimbursement Expenditures incurred or paid prior to incurring the Obligation; and

WHEREAS, the Applicant acknowledges that IBank funds the ISRF Program, in part, with the proceeds of tax exempt bonds and, as such, has certain compliance obligations that may require it to have the Applicant enter into one or more new financing agreements to replace the Financing Agreement (collectively, the "Replacement Agreement") on terms and conditions substantially identical to the original Financing Agreement.

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

Section 1. The City Council hereby approves actions of the Applicant's representatives, employees and officers heretofore taken in connection with, or with respect to, submitting the Financing Application, and certifies:

- a. The Project facilitates the effective and efficient use of existing and future public resources so as to promote both economic development and conservation of natural resources;
- b. The Project develops and enhances public infrastructure in a manner that will attract, create, and sustain long-term employment opportunities;
- c. That the Project is consistent with the Fresno General Plan, and the General Plan of the County of Fresno;
- d. The proposed financing is appropriate for the Project;
- e. The Project is consistent with the Criteria; and
- f. It has considered (i) the impact of the Project on California's land resources and the need to preserve such resources; (ii) whether the Project is economically or socially desirable; and (iii) whether the project is consistent with, and in furtherance of the State Environmental Goals and Policy Report (as defined in the Criteria).

Section 2. The Applicant hereby declares its official intent to use proceeds of the Obligation to reimburse itself for the Reimbursement Expenditures with the proceeds of tax exempt bonds or other tax exempt securities issued under the provisions of the Internal Revenue Code of 1986, as amended, and those Treasury Regulations implementing such provisions (collectively, "Federal Tax Law"). This declaration is made solely for purposes of establishing compliance with applicable requirements of Federal Tax Law and its date is controlling for purposes of reimbursement under Federal Tax Law. This declaration does not bind the Applicant to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. All of the Reimbursement Expenditures were made no earlier than 60 days prior to the date of this Resolution. The Applicant will allocate proceeds of the Obligation to pay Reimbursement Expenditures within eighteen (18) months of the later of the date the original expenditure was paid or the date the Project was placed in service or abandoned, but in no event more than three (3) years after the original expenditure was paid.

Section 4. The Director of Aviation or designee is hereby authorized and directed to act on behalf of the Applicant in all matters pertaining to the Financing Application, upon approval as to form by the City Attorney. If IBank approves the Financing Application and the Obligation, the Director of Aviation will present a resolution to the City Council to approve related financial documents that will require:

- (i) a pledge of the Revenues of the Airports Enterprise Fund and all legally available amounts in the Airports Enterprise Fund, on a parity basis with the Applicant's obligations in connection with the existing debt, to the repayment of the Obligation, and
- (ii) covenants relating to, among other things, maintaining the debt service coverage ratio required by IBank.

Section 5. If the Financing Application and the Obligation are approved by IBank, a resolution will be presented to the City Council to approve the appropriate documents and to effectuate the financing contemplated therein.

Section 6. This Resolution shall become effective immediately upon adoption.

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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 14th day of February, 2019.

AYES :
NOES :
ABSENT :
ABSTAIN :

YVONNE SPENCE, MMC CRM
City Clerk

By: _____
Deputy Date

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: _____
Amanda Freeman Date
Senior Deputy City Attorney

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