

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, AUTHORIZING ADVANCES TO THE
JOINT POWERS FINANCING AUTHORITY FOR
INVESTMENT WITH THE LOCAL AGENCY INVESTMENT
FUND, AND APPROVING A PROMISSORY NOTE FROM
THE FRESNO JOINT POWERS FINANCING AUTHORITY

WHEREAS, on October 25, 1988, the Joint Exercise of Powers Agreement by and between the City of Fresno and the Redevelopment Agency of the City of Fresno created the Joint Powers Financing Authority (the "Authority"); and

WHEREAS, on November 5, 1991, the Joint Exercise of Powers Agreement was amended and supplemented by Amendment and Supplement Number One (the "Agreement"); and

WHEREAS, Section 9 of the Agreement authorizes the Authority to accept advances of public funds from the City of Fresno for purposes of the Agreement, and requires repayment in the manner agreed upon; and

WHEREAS, Section 2 of the Agreement states that the Authority's purpose is to accomplish the purposes of Articles 1, 2, 3, and 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, including the Marks-Roos Local Bond Pooling Act of 1985, as amended; and

WHEREAS, Section 5 includes the enumeration of the Authority's power to incur debt, to make and enter contracts, and to invest money in its treasury in the same manner and on the same conditions as local agencies pursuant to Government Code Section 53601; and

WHEREAS, the State Treasurer's office manages the Local Agency Investment Fund ("LAIF") in which local agencies may invest up to \$50,000,000; and

WHEREAS, the City wishes to advance City funds to the Authority under a demand promissory note in the form attached as Exhibit A, for the limited purpose of the Authority investing the funds, as advanced, with the LAIF; and


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

Section 1. That it is in the best interest of the City of Fresno to advance funds to the Authority from time to time up to \$50,000,000.

Date Adopted: _____

Date Approved: _____

Effective Date: _____

City Attorney Approved:  _____

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Section 2. That the attached demand promissory note from the Authority to the City, evidencing such advances is hereby approved.

Section 3. That the Controller/Finance Director/(ex-officio)Treasurer of the City of Fresno is authorized to advance City funds to the Authority from time to time and to accept a duly executed demand promissory note from the Authority in the form attached.

Section 4. This Resolution shall become effective and in full force and effect upon its adoption.

Attachment: Exhibit A - Interest Bearing Optional Advance Demand Note

CLERK'S CERTIFICATION

STATE OF CALIFORNIA
COUNTY OF FRESNO
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, California, at a regular meeting thereof, held on the _____ day of _____, 2014.

AYES: _____
NOES: _____
ABSTAIN: _____
ABSENT: _____

YVONNE SPENCE, CMC
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: _____
Deputy

BY: _____
Raj Singh Badhesha, Deputy

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EXHIBIT A

INTEREST BEARING OPTIONAL ADVANCE DEMAND PROMISSORY NOTE

\$50,000,000

Fresno, California

November 20, 2014
Date

For value received, the undersigned (the "Borrower") promises to pay to the City of Fresno, a municipal corporation (the "Holder"), or order, \$50,000,000, or so much thereof as the Holder advances to the Borrower, hereunder, with interest from the dates of the respective advances at the rate and times described herein. Interest shall be calculated, and principal and interest are payable as follows:

(A) **Interest payments.** Borrower shall pay interest to the Holder each calendar quarter. Interest shall be equal to the rate and amount, and paid at the same time as, investment earnings accrued and paid to Borrower for borrowed principal invested with the Local Agency Investment Fund of the State of California Treasurer's Office (the "LAIF"). Payments shall be to Holder at 2600 Fresno Street, Department of Finance, Room 2156, Fresno, CA 93721, Attention: Controller.

(B) **Principal payments.** This Note shall have no fixed maturity date, and shall exist in perpetuity, at the will of Holder. Borrower shall pay any outstanding principal upon demand of Holder. Borrower hereby waives the benefits of division and discussion, demand and presentment for payment, notice of non-payment, protest and notice of protest of this Demand Promissory Note. Payments shall be to Holder at 2600 Fresno Street, Department of Finance, Room 2156, Fresno, CA 93721, Attention: Finance Director.

(C) **Advances.** Holder will advance funds to Borrower in one or more payments. Holder may advance funds at the written request of the Borrower's Treasurer and Controller, who is authorized to request and approve advances. Borrower shall deposit or invest the advances as directed by Borrower's Board in the Resolution approving this Promissory Note and its execution.

If Borrower defaults on interest or principal payments, Holder, without notice, may declare the outstanding interest and principal immediately due and payable. Borrower shall pay all reasonable attorneys' fees, costs of collection, and expenses that Holder incurs to enforce collection of this Note. The Holder's failure to exercise any power, right, or privilege under this Note, or to insist on prompt compliance with the terms, shall not constitute a waiver thereof.

**BORROWER:
JOINT POWERS FINANCING AUTHORITY**

By: _____
Chairperson

