



RESOLUTION NO. 2009-76

RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO APPROVING THE ISSUANCE BY THE FRESNO JOINT POWERS FINANCING AUTHORITY OF LEASE REVENUE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO MASTER FACILITIES LEASE, A FIRST AMENDMENT TO MASTER FACILITIES SUBLEASE, A BOND PURCHASE CONTRACT, AN OFFICIAL STATEMENT AND A CONTINUING DISCLOSURE CERTIFICATE; 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 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 \$22,000,000 aggregate principal amount of its Fresno Joint Powers Financing Authority Lease Revenue Bonds (Police and Fire Master Lease Projects), Series 2009B (the "Bonds") to finance various capital projects within the City, including the Police Central and Southeast Substations (the "Projects"); and

WHEREAS, in order to finance 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 First Amendment to Master Facilities Lease (the "First 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 First Amendment to Master Facilities Sublease (the "First Amendment to Facilities Sublease"), by and between the Authority and the City; and

WHEREAS, the City has determined that the issuance of the Bonds by the Authority and the execution and delivery of the First Amendment to Facilities Lease and First Amendment to Facilities Sublease will result in significant public benefits to the citizens of the City of Fresno, and that the City will benefit from demonstrable savings in the cost of financing the Projects as a result of the assistance of the Authority.

Adopted _____
Approved 9/31/09
Effective _____
City of Fresno, California

2009-76



NOW THEREFORE, 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 \$22,000,000. The interest rate on the Bonds shall not exceed a true interest cost of eight percent (8%) per annum.

Section 3. The proposed form of First 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 First Amendment to Facilities 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; provided, however, that the term of the First Amendment to Facilities Lease shall end no later than 31 years after the date of execution and delivery thereof, plus an extension period of not to exceed ten (10) years.

Section 4. The proposed form of First 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 First Amendment to Facilities Sublease 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, that the term of the First Amendment to Facilities Sublease shall end no later than 31 years after the date of execution and delivery thereof, plus an extension period of not to exceed ten (10) years.

Section 5. The City Manager is hereby authorized to select an investment banking firm to serve as underwriter of the Bonds. The proposed form of Bond Purchase Contract, by and among the underwriter selected by the City Manager, the Authority 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 one and one-half percent (1.5%) 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 original purchaser of the Bonds is 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 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 First Amendment to Facilities Lease, the First Amendment to Facilities Sublease, the Bond Purchase Contract, the Continuing Disclosure Certificate, the Official Statement and the transactions contemplated by each such document. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 9. This Resolution shall take effect upon its adoption.



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

I, REBECCA E. KLISCH, 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 31st day of March, 2009.

AYES: Borgeas, Brand, Caprioglio, Dages, Perea, Xiong, Sterling
NOES: None
ABSENT: None
ABSTAIN: None

REBECCA E. KLISCH
City Clerk

By: *Rebecca E. Klisch*
Deputy

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

By: *R* *3-19-09*
Robert R. Coyle, Senior Deputy

RRC:sn [48529sn/RESO] 3/19/09