

CITY OF BRISBANE

RESOLUTION NO. 2017-37

RESOLUTION APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS IN CONNECTION WITH THE DEFEASANCE OF THE OUTSTANDING BRISBANE PUBLIC FINANCE AUTHORITY LEASE REVENUE BONDS, 2009 SERIES A (CITY HALL RENOVATION COMPLETION PROJECT) AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

RESOLVED, by City Council (the "Council") of the City of Brisbane (the "City") as follows:

WHEREAS, the Brisbane Public Financing Authority (the "Brisbane Authority"), has heretofore issued its Brisbane Public Financing Authority Lease Revenue Bonds, 2009 Series A (City Hall Renovation Completion Project) (the "2009 Bonds"), to finance renovations to City Hall;

WHEREAS, the 2009 Bonds are currently outstanding in the principal amount of \$1,600,000;

WHEREAS, the payment of debt service on the 2009 Bonds is derived from lease payment made by the City to the Brisbane Authority under a lease agreement, by and between the Brisbane Authority and the City (the "2009 Lease"), payable from the City's general fund;

WHEREAS, the City has determined that, due to prevailing interest rates in the municipal bond market and for other reasons, the 2009 Bonds can be refunded for savings which will reduce the City's payment obligations under the 2009 Lease and the City has determined to implement a lease financing for such purposes;

WHEREAS, it is in the public interest and for the public benefit that the City authorize and direct execution of the Lease Agreement (hereinafter defined) and certain other financing documents in connection therewith; and

WHEREAS, the documents below specified have been filed with the Council and the members of the Council, with the aid of its staff, have reviewed said documents;

NOW, THEREFORE, it is hereby DECLARED and ORDERED, as follows:

Section 1. The Council hereby approves the refinancing of the 2009 Lease Agreement and the defeasance of the 2009 Bonds.

Section 2. The below-enumerated documents, in the forms on file with the City Clerk, be and are hereby approved, and the Mayor, the City Manager or the Administrative Services

Director, or the designee thereof (each, a "Designated Officer"), are hereby individually authorized and directed to execute said documents, with such changes, insertions and omissions as may be approved by such officials, and the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) a letter agreement for purchase and rate lock, by and between JPMorgan Chase Bank, N.A., as purchaser (the "Purchaser") and the City, whereby the Purchaser agrees to acquire certain rights of the Authority, including but limited to the lease payments to be made by the City under the Lease Agreement and the rights of the Authority under the Site and Facility Lease (hereinafter defined);

(b) a site and facility lease, by and between the City, as lessor, and the Brisbane/Guadalupe Valley Municipal Improvement District Financing Authority (the "Authority", as lessee (the "Site and Facility Lease"), pursuant to which the City will lease its Fire Station (the "Property") to the Authority; and

(c) a lease agreement, by and between the Authority, as lessor, and the City, as lessee (the "Lease Agreement"), pursuant to which the Authority will lease the Property back to the City and pursuant to which the City will agree to make semi-annual lease payments (the "Lease Payments"), so long as the term of the Lease Agreement does not extend beyond April 1, 2029, the interest rate payable under the Lease Agreement does not exceed 2.50% and the Lease Payments, as compared to the lease payments under the 2009 Lease Agreement, provide present value savings to the City of 5% of refunded par;

(d) an escrow agreement, by and between the City and The Bank of New York Mellon Trust Company, N.A., providing for the payment and prepayment of the 2009 Agreement;

(e) a costs of issuance custodian agreement, by and between the City and The Bank of New York Mellon Trust Company, N.A., providing for the payment of the costs of the financing; and

(f) a termination agreement, by and among the City, the Brisbane Authority and The Bank of New York Mellon Trust Company, N.A., as assignee of the 2009 Lease Agreement, terminating the 2009 Lease Agreement and associated documents from the San Mateo County records.

Section 3. The designation of JNA Consulting Group, LLC, as financial advisor to the City, and of Quint & Thimmig LLP, as special legal counsel to the City, are hereby approved..

Section 4. The Mayor, the City Manager, the Administrative Services Director the Secretary and all other appropriate officials of the Council and the City are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

Section 5. This Resolution shall take effect upon its adoption by the Council.

I, the undersigned hereby certify that the foregoing Resolution was duly and regularly adopted and passed by City Council of the City of Brisbane at a regular meeting assembled on the 20th day of July, 2017, by the following vote to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

City Clerk