

FAIRFAX FINANCING AUTHORITY

RESOLUTION 2020- ____

**RESOLUTION OF THE FAIRFAX FINANCING AUTHORITY
AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS TO
FUND ALL OR A PORTION OF THE EXISTING UNFUNDED ACTUARIAL
LIABILITY OF THE TOWN TO THE CALIFORNIA PUBLIC EMPLOYEES'
RETIREMENT SYSTEM, REFINANCE THE TOWN'S OBLIGATIONS UNDER A
2017 LEASE AGREEMENT EXECUTED TO FUND A PORTION OF THE
TOWN'S THEN EXISTING UNFUNDED ACTUARIAL LIABILITY AND TO FUND
ALL OR A PORTION OF THE TOWN'S CURRENT UNFUNDED ACTUARIAL
LIABILITY TO CALPERS, APPROVING THE FORM AND AUTHORIZING
EXECUTION OF RELATED DOCUMENTS AND APPROVING OFFICIAL
ACTIONS**

RESOLVED, by the Board of Directors (the "Board") of the Fairfax Financing Authority (the "Authority") as follows:

WHEREAS, the Town of Fairfax (the "Town"), working together with the Authority, proposes to finance and refinance certain pension obligations of the Town to the California Public Employees' Retirement System ("CalPERS"), including to refinance the Town's Lease Agreement, dated as of January 1, 2017, by and between the Authority and the Town, assigned to Capital One Public Funding, LLC, executed to fund a portion of the Town's then existing unfunded actuarial liability to CalPERS (the "2017 Lease"), and to fund all or a portion of the Town's current unfunded actuarial liability to CalPERS;

WHEREAS, for such purposes, the Authority has determined to issue its Fairfax Financing Authority (Marin County, California) Taxable Lease Revenue Bonds, Series 2020 (the "Bonds");

WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the Town, the Authority proposes to authorize the issuance of its lease revenue bonds under the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law"), designated as the "Fairfax Financing Authority (Marin County, California) Taxable Lease Revenue Bonds, Series 2020" (the "Bonds"), all pursuant to and secured by an indenture of trust (the "Indenture"), by and between the Authority and U.S. Bank National Association, as trustee;

WHEREAS, in order to provide for the repayment of the Bonds, the Town will lease to the Authority and will lease back from the Authority the Town's Town Hall, Corporation Yard, Pavilion, Fire Station and certain Town streets and roads (the "Property") pursuant to a lease agreement (the "Lease Agreement"), under which the

Town will agree to make lease payments to the Authority payable from the Town's general fund which will be calculated to be sufficient, in time and amount, to enable the Authority to pay the principal of and interest on the Bonds when due and payable;

WHEREAS, Capital One Public Funding, LLC (the "Purchaser") has agreed to purchase the Bonds and a form of commitment agreement for the Bonds, to be entered into among the Authority, the Town and the Purchaser (the "Commitment Agreement") has been prepared; and

WHEREAS, the Board desires to make a finding of significant public benefit pursuant to section 6586.5(a)(2) of the California Government Code, and to approve the financing and the transactions contemplated by the Bonds;

WHEREAS, the Board has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the Authority;

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

Section 1. Findings and Consent. The Board hereby finds that significant public benefits will arise from the financing, in accordance with section 6586 of the Bond Law.

Section 2. Issuance of Bonds; Approval of Indenture. The Board hereby authorizes the issuance of the Bonds under and pursuant to the Bond Law and the Indenture for the purpose of providing funds to finance and refinance certain pension obligations of the Town to CalPERS, including to refinance the 2017 Lease, so long as the principal amount of the Bonds does not exceed \$10,600,000, the maximum annual debt service on the Bonds is not greater than \$1,025,000 and the final maturity date of the Bonds is not later than August 1, 2037. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as the Chair, the Vice Chair, the Executive Director or the Treasurer, or any designee thereof (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. Any of the Designated Officers is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

Section 3. Approval of Site and Facility Lease and Right of Entry Agreement. The Board hereby approves a lease and right of entry agreement, by and between the Town and the Authority (the "Site and Facility Lease and Right of Entry Agreement"), pursuant to which the Town will lease the Property to the Authority, to be leased back to the Town pursuant to the Lease Agreement, in the form on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. Any of the Designated Officers is hereby authorized and directed to execute, and the Secretary is

hereby authorized and directed to attest to, the final form of the Lease and Right of Entry Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Site and Facility Lease and Right of Entry Agreement.

Section 4. Approval of Lease Agreement. The Board hereby approves the Lease Agreement, in the form on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. Any of the Designated Officers is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Lease Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Lease Agreement.

Section 5. Approval of Termination Agreement. The Board hereby approves a termination agreement (the "Termination Agreement"), by and among the Authority, the Town and the Purchaser as assignee of the 2017 Lease, to terminate the documents recorded in connection with the 2017 Lease financing, in the form on file with the Secretary, together with such additions thereto and changes therein as the Designated Officers shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. Any of the Designated Officers is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Termination Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Termination Agreement.

Section 6. Sale of Bonds. The Board hereby approves the sale of the Bonds by the Authority by negotiation with the Purchaser pursuant to the Commitment Agreement in the form on file with the Secretary, together with such additions thereto and changes therein as any designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. Any of the Designated Officers, is hereby authorized and directed to execute the final form of the Commitment Agreement for and in the name and on behalf of the Authority upon pursuant to provisions of a term sheet presented to the Authority by the Purchaser which has been agreed to by the Town, consistent with the requirements of this Resolution.

Section 7. Official Actions. The Chair, the Vice Chair, the Executive Director, the Treasurer, the Secretary and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, including the application to providers of municipal bond insurance for the Bonds, which they, or any of them, may deem

necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein.

Section 8. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

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The Foregoing Resolution was adopted at a regular meeting of the Fairfax Financing Authority held on September 2, 2020, by the following vote, to wit:

AYES:
NOES:
ABSENT:

RENEE GODDARD, Chair

Attest: _____
Michele Gardner, Secretary