

RESOLUTION NO. 2019-01

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY
OF A LEASE AGREEMENT AND SITE LEASE AND AUTHORIZING
AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Kensington Police Protection and Community Services District (the "District") is a public agency duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, the District desires to provide for financing in an amount not to exceed \$250,000.00 for the remodeling of its Community Center building (the "Project"); and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective ten year lease financing arrangement at a 3.80% interest rate and attached hereto as Exhibit A;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kensington Community Services District as follows:

SECTION 1. Lease Agreement and Site Lease. The President of the Board, the General Manager or a designee (each, an "Authorized Officer") is hereby authorized to enter into a Lease Agreement and Site Lease with the Corporation or its nominee to finance the Project, subject to approval as to form by the District's legal counsel.

SECTION 2. Project Fund Agreement. An Authorized Officer is hereby authorized to enter into a Project Fund Agreement with the Corporation and Westamerica Bank, as project fund custodian, subject to approval as to form by the District's legal counsel.

SECTION 3. Attestations. The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of an Authorized Officer or of such other person or persons as may have been designated by an Authorized Officer, and to affix and attest the seal of the District, as may be required or appropriate in connection with the execution and delivery of the Lease Agreement, the Site Lease and the Project Fund Agreement.

SECTION 4. Other Actions. An Authorized Officer and other officers of the District are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all agreements, documents and certificates which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms of this Resolution, the Lease Agreement, the Site Lease and the Project Fund Agreement. Such actions are hereby ratified, confirmed and approved.

SECTION 5. Qualified Tax-Exempt Obligations. The Lease Agreement is hereby designated as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The District, together with all subordinate entities of the District, do not reasonably expect to issue during the calendar year in which the Lease Agreement is issued more than \$10,000,000 of obligations which it could designate as "qualified tax-exempt obligations" under Section 265(b) of the Code.

SECTION 6. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 28h day of March, 2019, by the following vote:

AYES: 4

NOES: 0

PRESENT/ABSTENTIONS: 1

ABSENT: 0

_____, President of the Board

I hereby certify that the foregoing resolution was duly introduced, passed and adopted by the vote as noted above.

_____, Secretary of the Board

Exhibit A

Payments: Annually in arrears 10 Years 3.80%

PMT #	Due Date	Rent Payment	To Principal	To Interest	Purchase Option
1		\$54,929.92	\$37,829.92	17,100.00	
2		54,929.92	39,267.46	15,662.46	
3		54,929.92	40,759.62	14,170.30	
4		54,929.92	42,308.49	12,621.43	
5		54,929.92	43,916.21	11,013.71	250,836.67
6		54,929.92	45,585.02	9,344.90	204,339.95
7		54,929.92	47,317.26	7,612.66	156,076.34
8		54,929.92	49,115.31	5,814.61	105,978.72
9		54,929.92	50,981.69	3,948.23	53,977.40
10		54,929.92	52,919.02	2,010.90	0.00
TOTALS:		<u>\$549,299.20</u>	<u>\$450,000.00</u>	<u>\$99,299.20</u>	