

DRAFT 10/8/2020



**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SUNNYVALE FINANCING AUTHORITY AUTHORIZING  
THE ISSUANCE AND SALE OF LEASE REVENUE BONDS  
AND APPROVING RELATED DOCUMENTS AND ACTIONS**

WHEREAS, the Sunnyvale Financing Authority (the “Authority”) is a joint powers authority duly organized and existing under a Joint Exercise of Powers Agreement dated September 29, 1992, by and between the City of Sunnyvale (the “City”) and the Redevelopment Agency of the City of Sunnyvale, under Articles 1 through 4 (commencing with section 6500) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”) and is authorized pursuant to Article 4 (commencing with section 6584) of the Act to borrow money to provide financing or refinancing for public capital improvements of public entities such as the City; and

WHEREAS, the City is undertaking certain public capital improvements for the City consisting generally of Phase 1 of the City’s Civic Center Modernization Project, and any other public improvements selected by the City (collectively, the “2020 Project”); and

WHEREAS, in order to finance the 2020 Project, under a Site Lease (the “Site Lease”), the City has proposed to lease certain real property and the improvements located and to be located thereon to the Authority, consisting of the City Hall complex, the Public Safety Building, and the Corporation Yard, or any other real property subsequently identified by the City (collectively, the “Leased Property”), in consideration of the payment by the Authority of an upfront rental payment (as described in the Site Lease, the “Site Lease Payment”) that is sufficient to provide funds to finance the 2020 Project; and

WHEREAS, the Authority wishes to authorize the issuance of its bonds captioned “Sunnyvale Financing Authority 2020 Lease Revenue Bonds (Civic Center Project)” (the “Bonds”) under this Indenture of Trust (the “Indenture”) between the Authority and U.S. Bank National Association (the “Trustee”) for the purpose of providing the funds to enable the Authority to pay the Site Lease Payment to the City in accordance with the Site Lease; and

WHEREAS, in order to provide revenues that are sufficient to enable the Authority to pay debt service on the Bonds, the Authority desires to lease the Leased Property back to the City under a Lease Agreement (the “Lease”) under which the City will agree to pay semiannual lease payments as the rental for the Leased Property; and

WHEREAS, the lease payments made by the City under the Lease will be assigned by the Authority to the Trustee for the security of the Bonds under an Assignment Agreement (the “Assignment Agreement”) between the Authority as assignor and the Trustee as assignee; and

WHEREAS, as required pursuant to section 6586.5(a) of the Government Code, a public hearing has been held by the City Council in connection with the financing; and

WHEREAS, the City has solicited proposals from qualified investment banking firms to purchase and underwrite the Bonds and has selected Stifel, Nicolaus & Company, Incorporated as managing underwriter, and BOFA Securities, Inc., J.P. Morgan Securities LLC and Raymond James and Associates, Inc., as co-managing underwriters (collectively, the "Underwriters") for the Bonds; and

WHEREAS, there has been presented to the Board a form of bond purchase agreement (the "Bond Purchase Agreement") for the Bonds, to be entered into among the Authority, the City and the Underwriters; and

WHEREAS, a proposed form of preliminary official statement (the "Preliminary Official Statement") describing the Bonds, to be used in connection with the marketing of the Bonds by the Underwriters, has been prepared and has been presented to the Board; and

WHEREAS, in accordance with Government Code Section 5852.1, the Board has obtained and disclosed the information required thereby, as more fully set forth in the staff report accompanying this Resolution; and

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, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. **Findings.** The Board hereby finds and determines that the foregoing recitals are true and correct.

2. **Issuance of Bonds.** The Board hereby approves the issuance, sale and delivery of the Bonds, in the maximum original principal amount of \$\_\_\_\_\_, for the purpose of providing funds to the City to finance the 2020 Project, and to pay related costs.

3. **Approval of Indenture.** The Board hereby approves the Indenture in substantially the form on file with the Secretary, together with such additions thereto and changes therein as the Executive Director or the Treasurer (each an "Authorized Officer") may deem necessary, desirable or appropriate upon the advice of Bond Counsel (as defined below); provided that the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such additions and changes. The Authorized Officers are each hereby separately authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, 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 by the Authority.

4. **Approval of Site Lease and Lease.** The Board hereby approves the Site Lease and the Lease in substantially the forms on file with the Secretary, together with such additions thereto

and changes therein as an Authorized Officer may deem necessary, desirable or appropriate upon the advice of Bond Counsel; provided that the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such additions and changes. The Authorized Officers are each hereby separately authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Site Lease and Lease for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Site Lease and the Lease by the Authority.

**5. Approval of Assignment Agreement.** The Board hereby approves the Assignment Agreement in substantially the forms on file with the Secretary, together with such additions thereto and changes therein as an Authorized Officer may deem necessary, desirable or appropriate upon the advice of Bond Counsel; provided that the execution thereof by an Authorized Officer shall be conclusive evidence of the approval of any such additions and changes. The Authorized Officers are each hereby separately authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Assignment Agreement for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Assignment Agreement by the Authority.

**6. Sale of the Bonds; Approval of Bond Purchase Contract.** The Board hereby approves the sale of the Bonds by the Authority to the Underwriters pursuant to the Bond Purchase Agreement in substantially the form on file with the Secretary, together with such additions thereto and changes therein as an Authorized Officer may deem necessary, desirable or appropriate upon the advice of Bond Counsel; provided, however, that (i) the original principal amount of the Bonds shall not exceed \$\_\_\_\_\_, (ii) the true interest cost with respect to the Bonds shall not exceed 5.0%, and (iii) the Underwriters' discount with respect to the Bonds shall not exceed 0.5% of the original principal amount thereof. The Authorized Officers, each acting alone, are hereby authorized and directed to execute the Bond Purchase Agreement, for and in the name of the Authority, together with any changes therein or additions thereto deemed advisable by the Authorized Officer executing the Bond Purchase Agreement upon consultation with the Bond Counsel, and the execution and delivery of the Bond Purchase Agreement by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions. The Board hereby authorizes the delivery and performance by the Authority of the Bond Purchase Agreement.

**7. Official Statement.** The Board hereby approves, and hereby deems substantially final within the meaning of the Rule, the Preliminary Official Statement in the form on file with the Secretary and presented at this meeting, together with any changes therein or additions thereto deemed advisable by the Authorized Officers upon consultation with Disclosure Counsel (as defined below). The Authorized Officers, each acting alone, are hereby authorized and directed to execute an appropriate certificate stating the Authority's determination that the Preliminary Official Statement is substantially final under the Rule. Distribution of the Preliminary Official Statement in connection with the sale of the Bonds is hereby approved. The Authorized Officers, each acting alone, are hereby authorized and directed, upon consultation with Disclosure Counsel, to approve any changes in or additions to the Preliminary Official Statement deemed necessary or desirable to bring it into the form of a final official statement (the "Final Official Statement"), and the Final Official Statement shall be executed in the name and on behalf of the Authority by any Authorized Officer whose execution thereof shall be conclusive evidence of approval of any such changes and

additions. The Board hereby authorizes the distribution of the Final Official Statement by the Underwriters.

8. **Engagement of Professionals.** The engagement of the following professionals in connection with the issuance of the Bonds is hereby ratified and confirmed: Jones Hall, A Professional Law Corporation, as bond counsel (“Bond Counsel”) and disclosure counsel (“Disclosure Counsel”); and Ross Financial as municipal advisor (the “Municipal Advisor”).

9. **Official Actions.** The 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 certificates, requisitions, agreements, notices, consents and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein. Any such actions previously taken by any such officers of the Authority are hereby ratified and approved. Whenever in this resolution any officer of the Authority is authorized to execute or attest any document or take any action, such execution, attestation or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf if such officer is absent or unavailable.

10. **Effective Date.** This Resolution shall take effect upon its passage and adoption.

Adopted by the Board of Directors of the Sunnyvale Financing Authority at a regular meeting held on October 13, 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSAL:

ATTEST:

APPROVED:

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Clerk for Financing Authority  
(SEAL)

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Chair of Financing Authority

APPROVED AS TO FORM:

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General Counsel for the Authority