

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

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SUNNYVALE APPROVING THE ISSUANCE AND SALE OF  
LEASE REVENUE BONDS BY THE SUNNYVALE  
FINANCING AUTHORITY 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 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 between the Authority as assignor and the Trustee as assignee; and

WHEREAS, the City is authorized to enter into the Lease and the Site Lease under section 37380 of the Government Code of the State of California (the "Government Code"); 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 Council desires to make the findings required by section 6586.5(a) of the Government Code, and to approve the financing and the transactions contemplated by the Lease, the Site Lease and the Bonds; 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 City Council 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 City Council; and

WHEREAS, to fulfill the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the "Rule"), the City will execute a Continuing Disclosure Certificate in the form attached as an appendix to the Preliminary Official Statement (the "Continuing Disclosure Certificate"), whereby the City will agree to provide certain continuing disclosure reports and notices of the occurrence of certain events; and

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

WHEREAS, the City Council has duly considered such transactions and wishes at this time to approve said transactions in the public interests of the City.

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

1. **Findings.** The City Council hereby finds and determines that the foregoing recitals are true and correct. The City Council has held a duly noticed public hearing regarding the issuance of the Bonds and the approval of the Site Lease and the Lease, and hereby finds that significant public benefits will arise from the transactions represented by the Bonds, the Site Lease and the

Lease in accordance with section 6586 of the California Government Code, including demonstrable savings in effective interest rate, bond preparation and bond issuance costs.

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

3. **Approval of Site Lease and Lease.** The City Council hereby approves the Site Lease and the Lease in substantially the forms on file with the City Clerk, together with such additions thereto and changes therein as the City Manager or the Director of Finance (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 City Clerk 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 City. The City Council hereby authorizes the delivery and performance of the Site Lease and the Lease by the City.

4. **Sale of the Bonds; Approval of Bond Purchase Contract.** The City Council 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 City Clerk, 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 City, 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 City Council hereby authorizes the delivery and performance by the City of the Bond Purchase Agreement.

5. **Official Statement; Continuing Disclosure Certificate.** The City Council hereby approves, and hereby deems substantially final within the meaning of the Rule, the Preliminary Official Statement in the form on file with the City Clerk 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 City'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 City by any Authorized Officer whose execution thereof shall be

conclusive evidence of approval of any such changes and additions. The Authorized Officers, each acting alone, are also hereby authorized and directed to execute and deliver to the Underwriters the Continuing Disclosure Certificate substantially in the form appended to the Final Official Statement. The City Council hereby authorizes the distribution of the Final Official Statement by the Underwriters.

6. **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”).

7. **Official Actions.** The Mayor, the City Manager, the Director of Finance, the City Clerk and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, 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 City are hereby ratified and approved. Whenever in this resolution any officer of the City 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.

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

Adopted by the City Council at a regular meeting held on October 13, 2020, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:  
RECUSAL:

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk  
(SEAL)

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney