

RESOLUTION NO. 2019-08

AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT SALE AGREEMENT, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF A COMMUNITY CENTER REMODELING PROJECT

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

WHEREAS, the District desires to provide for financing in the approximate amount of \$300,000.00 for the remodeling of the community center building (the "Project"); and

WHEREAS, Municipal Finance Corporation (the "Corporation") has proposed a cost-effective ten year installment sale financing arrangement at a 3.80% interest rate; and

WHEREAS, in accordance with California Government Code Section 5852.1, the Board of Directors has obtained and disclosed the information set forth in Exhibit A hereto:

NOW, THEREFORE, it is resolved by the Board of Directors of the Kensington Police Protection and Community Services District as follows:

SECTION 1. Installment Sale Agreement. The President of the Board of Directors, the General Manager or a designee in writing is hereby authorized to enter into an Installment Sale Agreement (the "Installment Sale") with the Corporation to finance the Project, subject to approval as to form by the District's legal counsel.

SECTION 2. Attestations. The Secretary of the Board or other appropriate District officer is hereby authorized and directed to attest the signature of the President of the Board of Directors, the General Manager or of such other person or persons as may have been designated by the President of the Board of Directors or the General Manager, 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 Installment Sale.

SECTION 3. Authorization to Establish Project Fund. The Board of Directors hereby authorizes and directs the President of the Board, the General Manager or a designee in writing to make appropriate arrangements to establish a special fund into which the proceeds of the financing are deposited for the purpose of paying the costs of the Project.

SECTION 4. Other Actions. The President of the Board of Directors, the General Manager and other officers of the District are each hereby authorized and directed, jointly and severally, to take any and all actions and to execute and deliver any and all documents, agreements 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 and the Installment Sale. Such actions are hereby ratified, confirmed and approved.

SECTION 5. Qualified Tax-Exempt Obligations. The Installment Sale is hereby designated as a "qualified tax-exempt obligation" 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 Installment Sale 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, APPROVED AND ADOPTED this _____ day of May, 2019, by the following vote:

PASSED AND ADOPTED by the Board of Directors of the Kensington Police Protection and Community Services District on _____, the ____ day of _____, 2019, by the following vote to wit:

AYES:

Eileen Notolli, President

NOES:

Sylvia Hacaj, Vice President

ABSENT:

Rachelle Sherris-Watt, Director

Christopher Deppe, Director

Cyrus Mondavi, Director

I HEREBY CERTIFY the foregoing resolution was duly and regularly adopted by the Board of Directors of the Kensington Police Protection and Community Services District at the regular meeting of said Board held on _____, the ____ day of _____, 2019.

District General Manager

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the Corporation, which have been provided to the District in good faith:

- (A) True interest cost of the Installment Sale: 3.80%
- (B) Finance charge of the Installment Sale (sum of all costs of issuance and fees/charges paid to third parties): \$0
- (C) Net proceeds to be received (net of finance charges, reserves and capitalized interest, if any): \$300,000
- (D) Total payment amount through maturity: \$366,199.50