

HAYWARD CITY COUNCIL

RESOLUTION NO. 16_-_____

Introduced by Council Member _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD APPROVING THE ISSUANCE BY CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF TAX-EXEMPT OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,750,000, FOR THE FACILITY (AS DEFINED BELOW), AND AUTHORIZING RELATED ACTIONS

WHEREAS, Hayward FBO LLC, a California limited liability company (the “Borrower”), the sole member of which is App Properties, Inc., a Maryland corporation desires to construct and improve the full service fixed base of operations (“FBO”) private and corporate jet aviation facility (the “Facility”), including the construction of a new 20,000 square foot aircraft storage hangar and attached 3,000 square foot passenger terminal area at the Hayward Executive Airport (the “Project”). In addition, the Project will include the renovation and upgrade of an existing 10,000 square foot aircraft storage hangar and associated 2,000 square feet of related office space, along with the conversion of the existing passenger terminal into approximately 2,000 square feet of related office space at the APP Jet Center, located at the west side of Skywest Drive between Sueirro Street and Hesperian Boulevard in Hayward, California; and

WHEREAS, the Facility is located on land owned by the City of Hayward (the “City”) and leased to the Borrower pursuant to a ground lease and related agreements (collectively, the “Ground Lease”); and

WHEREAS, the Borrower wishes to rehabilitate and improve the Facility in accordance with the provisions of the Ground Lease; and

WHEREAS, the Borrower desires to finance the Project through the issuance by the California Statewide Communities Development Authority (the “Authority”) of tax-exempt obligations in an aggregate principal amount not to exceed \$5,750,000 (the “2016 Obligations”); and

WHEREAS, the parties intend that the City will be the federal tax owner of the Facility for purposes of Section 142(b) of the Internal Revenue Code of 1986, as amended, following the issuance of the 2016 Obligations; and

WHEREAS, the City has determined that there are significant public benefits in financing the rehabilitation and improvement of the Facility; and

ATTACHMENT I

WHEREAS, the Authority intends to assist the City in financing the rehabilitation and improvement of the Facility by issuing the 2016 Obligations; and

WHEREAS, all acts, things, and conditions required by the laws of the State of California and the City Charter to exist, to have happened and to have been performed precedent to and in connection with the issuance of the 2016 Obligations and the undertakings of the Authority and the City hereunder and thereunder exist, have happened and have been performed in regular and due time, form and manner as required by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that:

Section 1. The foregoing recitals are true and correct and this City Council does hereby so find and determine.

Section 2. The issuance by the Authority of the 2016 Obligations in an aggregate principal amount not to exceed \$5,750,000 (the "Financing") is hereby approved, and this City Council hereby acknowledges and consents to the financing of the rehabilitation and improvement of the Facility through the issuance of the 2016 Obligations, at one or more interest rates which are federally tax-exempt. This approval constitutes approval of the Financing by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Facility is located for the purposes of Section 147(f) of the Internal Revenue Code of 1986 and is given in satisfaction of Section 9 of the Amended and Restated Joint Exercise of Powers Agreement Relating to the California Statewide Communities Development Authority dated as of June 1, 1988, as amended, among certain local agencies, including the City.

Section 3. The City Manager, Director of Finance, City Treasurer, City Attorney, City Clerk and all other officers, agents and employees of the City are, and each of them is, hereby authorized and directed to take any and all actions and execute and deliver any and all documents necessary or convenient to assist the Authority in the issuance of the 2016 Obligations. This City Council hereby ratifies, confirms and approves all other documents and all actions heretofore taken by the officers and agents of the City Council or the City with respect to the Financing.

Section 4. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify to the vote adopting this resolution.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

ATTACHMENT I

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward