

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
HAYWARD APPROVING CERTAIN LEASE FINANCING  
DOCUMENTS RELATING TO THE REFINANCING OF  
OUTSTANDING 2007 CERTIFICATES OF PARTICIPATION, AND  
AUTHORIZING AND DIRECTING ACTIONS WITH RESPECT  
THERE TO**

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES HEREBY RESOLVE:

**WHEREAS**, the Hayward Public Financing Authority (the "Authority") and the City of Hayward (the "City") have previously entered into a Lease Agreement, dated as of August 1, 2007 (the "Prior Lease"), under which the City has agreed to pay semiannual lease payments which are evidenced by 2007 Refunding Certificates of Participation (Civic Center and Capital Projects) in the aggregate principal amount of \$31,820,000 (the "2007 Certificates"); and;

**WHEREAS**, in order to take advantage of favorable interest rates prevailing in the municipal bond market, the City wishes at this time to provide for the refinancing of its obligations under the Prior Lease and the 2007 Certificates from the proceeds of a Site Lease and Lease Agreement (each defined below) to be delivered in the maximum principal amount of \$23,500,000; and

**WHEREAS**, the City Council previously authorized and directed staff to determine whether refunding certificates should be sold to an underwriter or privately placed with a financial institution to be identified by staff, and staff has determined that a privately placed lease financing will be the most beneficial to the City; and;

**WHEREAS**, the real property consisting of the City's Civic Center located at 777 B Street in the City, will be used as the property subject to the Site Lease and Lease Agreement (or such other property substituted therefor) (the "Leased Property"); and

**WHEREAS**, the City's financial advisor, NHA Advisors, LLC (the "Financial Advisor") and Hilltop Securities, Inc. (the "Private Placement Agent") have solicited proposals from financial institutions willing to finance and purchase the lease financing of the Project on a private placement basis, and have recommended that the City accept the proposal of CoBiz Public Finance, Inc.; and

**WHEREAS**, the documents below specified have been filed with the City Clerk, and the members of the City Council, with the aid of City staff, have reviewed said documents.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HAYWARD DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City Council hereby authorizes the City's acceptance of a proposal by CoBiz Public Finance, Inc. (the "Bank"), as a financial institution active in the financing of public projects on a tax-exempt and taxable private placement basis to refinance the 2007 Certificates with a tax-exempt and taxable private placement lease financing structure, so long as all of the

limitations set forth below in Section 2(b) regarding restrictions on the financial obligations of the City under the Lease Agreement are observed.

Section 2. The below-enumerated documents, in the respective forms on file with the City Clerk, be and are hereby approved, and the City Manager and Assistant City Manager are hereby separately authorized and directed to execute said documents in such forms, together with such changes, insertions and omissions as may be approved by the official executing such document, upon consultation with Jones Hall, A Professional Law Corporation, bond counsel to the City, and the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) a Site Lease (the "Site Lease"), by and between the City, as lessor, and the Hayward Public Financing Authority (the "Corporation"), as lessee, relating to the lease of the Leased Property by the City to the Corporation;

(b) a Lease Agreement, by and between the Corporation, as lessor, and the City, as lessee, relating to the lease of the Leased Property by the Corporation back to the City (the "Lease Agreement"), so long as the principal amount of the Lease Agreement does not exceed \$23,500,000, so long as the scheduled term of the Lease Agreement does not extend beyond August 1, 2026; and

(c) A Costs of Issuance Custodian Agreement, by and between the City and CoBiz Public Finance, Inc. (the "Custodian"), under which the Bank will deposit with the Custodian a sum of money estimated to be sufficient to pay issuance costs incurred by the City in connection with the execution and delivery of the Lease; and

(d) A Placement Agent Agreement, by and between the City and the Private Placement Agent, dated as of the date such agreement is executed by the parties thereto (the "Private Placement Agreement"), under which the Private Placement Agent will agree to privately place the Lease with the Bank, so long as the terms of the Private Placement Agreement are not inconsistent with the financial limitations set forth above in paragraph (b); and

(e) An Escrow Deposit and Trust Agreement between the City and The Bank of New York Mellon Trust Company, N.A., as trustee for the 2007 Certificates and escrow agent, relating to refinancing of the 2007 Certificates.

(f) Termination Agreement, among the City, the Authority and The Bank of New York Mellon Trust Company, N.A, as trustee for the 2007 Certificates, whereby the City and the Authority terminate the documentation relating to the 2007 Certificates.

Section 3. The Mayor, the City Manager, the Assistant City Manager, the City Clerk and all other appropriate officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized, including agreements for financial advisory and legal services with the Financial Advisor and Jones Hall, A Professional Law Corporation, bond counsel.

Section 4. This Resolution shall take effect upon its adoption by this Council.

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IN COUNCIL DULY PASSED this 14<sup>th</sup> day of June, 2016.

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

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Mayor

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City Clerk