

RESOLUTION NO. 2021-199

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT APPROVING EXECUTION OF AN ASSOCIATE MEMBERSHIP AGREEMENT TO JOIN THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY AS AN ASSOCIATE MEMBER, AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN AGREEMENTS RELATING TO THE LEASING OF A NEW HEADQUARTERS FACILITY AND THE ISSUANCE AND SALE OF LEASE REVENUE BONDS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY TO FINANCE THE COST OF DESIGN, DEVELOPMENT, ACQUISITION, CONSTRUCTION, IMPROVEMENT, EQUIPPING AND FURNISHING OF SUCH NEW HEADQUARTERS FACILITY, AND APPROVING AND AUTHORIZING OFFICIAL ACTIONS RELATED THERETO

On Tuesday, December 7, 2021, on motion of Director Baca, duly seconded by Director Rutherford and carried, the following resolution is adopted by the Board of Directors of San Bernardino County Fire Protection District.

WHEREAS, the San Bernardino County Fire Protection District, a fire protection district created pursuant to the Fire Protection District Law of 1987 (Part 2.7 of Division 12 of the California Health and Safety Code) (the "District") has determined that it is in the public interest to facilitate the leasing of a building and accompanying parking facilities to house various functions of the District;

WHEREAS, Inland Valley Development Agency (the "Agency"), a joint exercise of powers agency established pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "JPA Act") and that certain Amended Joint Exercise of Powers Agreement (Inland Valley Development Agency), dated as of February 12, 1990, by and among the City of San Bernardino, the City of Colton, the City of Loma Linda and the County of San Bernardino, as amended (with its successors and assigns, hereinafter referred to as the "Lessor"), owns the real property located at 1111 East Mill Street, Building 2, San Bernardino, California 92408, which consists of an approximately 4.86 acre parcel of land and an approximately 79,834 square foot building, located at the southwest corner of Mill Street and Tippecanoe Avenue (the "Property");

WHEREAS, the District desires to have the Property designed, developed, constructed, improved, equipped and furnished to serve as the District's headquarters (the "Premises");

WHEREAS, the Agency has agreed to undertake, or cause to be undertaken, the design, development, construction, improvement, equipping and furnishing of the Premises for the benefit of the District and will lease the Premises to the District pursuant to the terms of a lease agreement (the "Lease Agreement");

WHEREAS, the Agency and the District will execute a work letter (the "Work Letter"), which sets forth the terms and conditions relating to the design, development, construction, improvement, furnishing and equipping of the Premises;

WHEREAS, the Agency has entered into a Development and Disposition Agreement with SBD Corporate Center II, LLC, a California limited liability company (the "Lessor") pursuant to which the Agency will sell the Property to the Lessor and enter into an assignment and assumption agreement with the Lessor (the "Assignment and Assumption Agreement"), whereby the Lessor will assume responsibility for the design, development, construction, improvement, equipping, furnishing, and leasing of the Premises to the District;

WHEREAS, the District will enter into a Management Agreement for Real Property (the "Management Agreement") with FJ Management, LLC (the "Manager"), whereby the Manager will act as property manager of the Premises responsible for managing, operating, maintaining and servicing

the Premises for and on behalf of the District, as more particularly described in the Management Agreement;

WHEREAS, pursuant to the provisions of the JPA Act, the cities of Eureka, Lancaster, and Selma entered into a joint exercise of powers agreement (the "JPA Agreement") pursuant to which the California Enterprise Development Authority (the "Authority") was organized, for the purpose of promoting economic and community development, including the issuance of bonds, notes or other evidences of indebtedness as provided in the JPA Act;

WHEREAS, the District, upon authorization of the Board of Directors of the District, may, pursuant to the JPA Act, enter into a joint exercise of powers agreement with one or more other public agencies pursuant to which such contracting parties may jointly exercise any power common to them;

WHEREAS, under the JPA Act and the JPA Agreement, the Authority is a public entity separate and apart from the parties to the JPA Agreement and the debts, liabilities and obligations of the Authority will not be the debts, liabilities or obligations of the members of the Authority; and

WHEREAS, in furtherance of the District's governmental purposes, the District desires to become an associate member of the Authority;

WHEREAS, pursuant to Section 2.10 of the JPA Agreement, a local agency may be admitted as an associate member of the Authority upon approval of the Board of Directors of the Authority and the adoption by the legislative body of the local agency of a resolution approving an associate membership agreement;

WHEREAS, the form of associate membership agreement (the "Associate Membership Agreement") between the Authority and the District has been filed with the District, and the members of the Board of Directors of the District, with the aid of the District's staff, have reviewed and approved the Associate Membership Agreement;

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction of public capital projects;

WHEREAS, the Lessor has requested that the Authority participate in the issuance, from time to time, pursuant to a plan of finance, of its lease revenue bonds for the purpose of (a) financing the cost of designing, developing, constructing, improving, equipping and furnishing the Premises; (b) funding a debt service reserve fund for such lease revenue bonds, if necessary; and (c) paying capitalized interest, costs of issuance, and other related transaction costs in connection with the issuance of such lease revenue bonds (collectively, the "Project");

WHEREAS, to provide such financing for the Project, the Authority proposes to issue its California Enterprise Development Authority Lease Revenue Bonds (San Bernardino County Fire Protection District) Series 2021 in an aggregate original principal amount of not to exceed \$26,000,000 (the "Bonds") under the provisions of the JPA Act, including Article 4 (commencing with Section 6584) of the JPA Act, which are proposed to be payable from lease payments to be paid by the District pursuant to the Lease Agreement;

WHEREAS, the Bonds will be privately placed with a financial institution;

WHEREAS, on the date hereof, the Board of Directors conducted a noticed public hearing pursuant to Section 6586.5 of the JPA Act and published notice of such public hearing was given in accordance with the JPA Act;

WHEREAS, the District desires to approve such proceedings and other official actions with respect to the Project and the Bonds and to approve certain matters, agreements and legal documents relating to the Lease Agreement and the Bonds;

WHEREAS, Section 5852.1 of the Government Code of the State of California ("Section 5852.1") provides that the Board of Directors of the Authority may obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the Bonds, good faith estimates of: (a) the true interest cost of the Bonds, (b) the finance charges of the Bonds, meaning the sum of all fees and charges paid to third parties, (c) the amount of proceeds of the Bonds received less the finance charges described above and any reserves or capitalized interest paid or funded with proceeds of the Bonds, and (d) the sum total of all payments the Authority will make to pay debt service on the Bonds plus the finance charges of the Bonds described in subparagraph (b) not paid with the proceeds of the Bonds (the "Good Faith Estimates"); and

WHEREAS, in accordance with Section 5852.1, the Good Faith Estimates have been provided to the Board of Directors, and such Good Faith Estimates are disclosed in the staff report to the Board of Directors;

NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the San Bernardino County Fire Protection District, as follows:

Section 1. Findings and Determinations. The Board of Directors finds, determines and reaffirms that it is in the prudent management of the fiscal affairs of the District that the District proceed with the leasing of the Premises.

Pursuant to the JPA Act, the Board of Directors hereby finds and affirms that the issuance of the Bonds by the Authority for the Project will result in more efficient delivery of local agency services to residential and commercial development and thereby result in significant public benefits within the meaning of Section 6586 of the JPA Act.

Section 2. Approval of Associate Membership in the Authority. The Board of Directors hereby approves associate membership by the District in the Authority.

Section 3. Approval of Bonds. The Board of Directors hereby approves of the issuance of the Bonds by the Authority for the Project under and pursuant to the JPA Act provided that the maximum aggregate principal amount of the Bonds shall not exceed \$26,000,000 and provided that the Base Rent and Supplemental Rent (each as defined in the Lease Agreement) shall not exceed \$2.00/psf.

Section 4. Approval of Documents. The Board of Directors hereby approves the forms of each of the following documents in substantially the respective forms currently on file with the Secretary of the Board of Directors, together with such additions thereto and changes therein as approved by District Counsel and consistent with the maximum aggregate principal amount and not to exceed rent amounts described in Section 3 of this Resolution:

- (a) the Associate Membership Agreement by and between the Authority and the District;
- (b) the Lease Agreement relating to the lease of the Premises between the Agency and the District;
- (c) the Work Letter between the Agency and the District;
- (d) the Assignment and Assumption Agreement between the Agency and the Lessor and consented to by the District;
- (e) the Management Agreement between the Manager and the District;
- (f) the Letter of Representations by the District in connection with the issuance of the Bonds by the Authority; and

(g) such other documents, agreements and certificates as may be necessary for the execution and delivery of the Lease Agreement and the issuance of the Bonds.

The Chairman of the Board of Directors and the Chief Executive Officer of San Bernardino County are each hereby authorized to finalize and execute, and the Secretary of the Board of Directors is hereby authorized and directed to attest and affix the seal of the District to, the final forms of each of the above-listed documents for and in the name and on behalf of the District on the closing date of the Bonds following the pricing thereof, the execution of which by the Chairman of the Board of Directors or the Chief Executive Officer of San Bernardino County shall be conclusive evidence of the approval of the final terms and provisions of such documents.

Section 5. Official Actions. The Chairman of the Board of Directors of the District, the Chief Executive Officer of San Bernardino County, and any and all other officers of the District are hereby authorized, for and in the name and on behalf of the District, to do any and all things and take any and all actions, including negotiation, execution, and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants, and other documents, subject to approval as to form by District Counsel, which they, or any of them, may deem necessary or advisable in order to consummate the transactions described herein in connection with the Project and the issuance and sale of the Bonds.

Section 6. Effective Date. This Resolution shall take effect upon its adoption by the Board of Directors.

PASSED AND ADOPTED by the Board of Directors of the San Bernardino County Fire Protection District, by the following vote:

AYES: DIRECTORS: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe
Curt Hagman, Joe Baca, Jr.

NOES: DIRECTORS: None

ABSENT: DIRECTORS: None


* * * * *

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, **LYNNA MONELL**, Secretary of Board of Directors of the San Bernardino County Fire Protection District, hereby certify the foregoing to be a full, true and correct copy of the record of the action taken by the Board of Directors, by vote of the members present, as the same appears in the Official Minutes of said Board at its meeting of Tuesday, December 7, 2021. Item #80 JLL

LYNNA MONELL
Secretary

By


Deputy

