

RESOLUTION NO. 2016 - 029

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING REFINANCING OF AN EXISTING LEASE AGREEMENT, THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO LEASE AGREEMENT AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City of Calistoga (the "City") is a municipal corporation duly organized and existing under and pursuant to the Constitution and laws of the State of California; and

WHEREAS, the City desires to provide for the refinancing of that certain Lease Agreement dated as of November 19, 2007 (the "Lease Agreement"), by and between the City and the Calistoga Public Facilities Corporation (the "Corporation"), which Lease Agreement was assigned to Westamerica Bank (the "Bank") pursuant to an Assignment Agreement dated as of November 19, 2007 between the Corporation and the Bank; and

WHEREAS, the Bank has proposed a cost-effective arrangement to refinance the outstanding principal balance of the Lease Agreement as of May 1, 2016 in the amount of \$3,822,799.45 at a 2.44% interest rate, together with a prepayment premium and costs of issuance in an amount not to exceed \$50,000.00;

NOW, THEREFORE, it is resolved by the City Council of the City of Calistoga as follows:

SECTION 1. First Amendment to Lease Agreement. The Mayor, the City Manager or a designee (each an "Authorized Officer") is hereby authorized and directed to enter into a First Amendment to Lease Agreement (the "Amendment") with the Corporation and the Bank to refinance the Lease Agreement, subject to approval as to form by the City Attorney.

SECTION 2. Attestations. The City Clerk or other appropriate City officer is hereby authorized and directed to attest the signature of the Authorized Officer and to affix and attest the seal of the City, as may be required or appropriate in connection with the execution and delivery of the Amendment.

SECTION 3. Other Actions. The Authorized Officer is hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all agreements, documents 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 Amendment. Such actions are hereby ratified, confirmed and approved.

SECTION 4. Qualified Tax-Exempt Obligations. The Amendment is hereby designated as "qualified tax exempt obligations" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The City, together

with all subordinate entities of the City, do not reasonably expect to issue during the calendar year in which the Amendment 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 5. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the City Council of the City of Calistoga at a regular meeting held this **5th day of April, 2016**, by the following vote:

AYES: Councilmember Barnes, Mayor Canning, Councilmembers
Kraus and Lopez-Ortega and Vice Mayor Dunsford
NOES: None
ABSTAIN: None
ABSENT: None



CHRIS CANNING, Mayor

ATTEST:



KATHY FLAMSON, City Clerk