

RESOLUTION NO. 2019-075

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA, COUNTY OF NAPA, STATE OF CALIFORNIA, DECLARING INTENTION TO REIMBURSE EXPENDITURES RELATING TO ACQUISITION OF A PORTION OF THE NAPA COUNTY FAIRGROUNDS FROM THE ANTICIPATED ISSUANCE OF LONG-TERM TAX EXEMPT OBLIGATIONS, RATIFYING APPROVAL OF A PROFESSIONAL SERVICES LETTER AGREEMENT WITH URBAN FUTURES INC., AND AUTHORIZING AGREEMENTS WITH BRANDIS TALLMAN LLC, AND JONES HALL FOR SERVICES IN CONNECTION WITH BOND ISSUANCE

WHEREAS, the City Council of the City of Calistoga (the "City") is proceeding to acquire a portion of the Napa County Fairgrounds from the County of Napa, and construct certain improvements thereon (collectively, the "Project"); and

WHEREAS, in order to provide funds to finance the Project, the City Council intends to issue and sell tax and tax-exempt bonds, notes or certificates of participation in the aggregate principal amount of approximately \$8,500,000, which are payable from lease payments made by the City (the "Bonds"); and

WHEREAS, in order to use the proceeds of the Bonds to reimburse advances made by the City for the Project before the date of issuance of the Bonds, but not more than 60 days before the date of adoption of this Resolution, Section 1.150-2 of the United States Income Tax Regulations requires that City Council declare its intention to reimburse such advances from the proceeds of the Bonds; and

WHEREAS, it is in the public interest and for the public benefit that the City declare its official intent to reimburse the expenditures referenced herein; and

WHEREAS, the City desires to hire a financing team to assist with the issuance of the Bonds and the financing of the Project; and

WHEREAS, the City Council of the City wishes at this time to authorize the engaging of the professionals necessary to undertake the financing; and

WHEREAS, staff has reviewed the qualifications of the recommended professionals and requests that the City Council ratify a Professional Service Agreements with Urban Futures, Inc., and authorize agreements with Jones Hall and Brandis Tallman LLC.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Calistoga as follows:

1. The City Council hereby declares that it reasonably expects to issue the Bonds and to use a portion of the proceeds thereof to reimburse expenditures made by

the City for the Project before the date of issuance of the Bonds, and not more than 60 days before the date of adoption of this Resolution. The Bonds are anticipated to be issued in an aggregate principal amount which is sufficient to raise funds for the Project in the approximate amount of \$8,500,000.

2. The City Council finds that proposed purchase of the Property has been reviewed in accordance with the California Environmental Quality Act and staff has determined that the proposed purchase itself will not have an impact on the environment and is therefore exempt from CEQA review pursuant to CEQA Guidelines Section 15061(b)(3), the "general rule" exemption, which states that, where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is exempt from CEQA. Any future development or new uses of the Property, following its purchase by the City, will be subject to the appropriate level of CEQA analysis at the time it is proposed.
3. The City Council hereby confirms and ratifies the appointment of Urban Futures, Inc., as municipal advisor and ratifies a Professional Services Letter Agreement in a total amount not to exceed \$51,500.
4. Authorizes staff to execute agreements with Brandis Tallman LLC, as underwriter in an amount not to exceed \$60,000 and Jones Hall, as bond counsel and disclosure counsel in an amount not to exceed \$90,000 to act on behalf of the City in the preparation of the financing documents needed to issue and deliver the Bonds.
5. The City Council hereby authorizes the City Manager to execute Professional Service Agreements on behalf of the City of Calistoga, in a form approved by the City Attorney, with minor revisions that may be approved by the City Manager and City Attorney and to take such further actions and execute such further documents necessary to effectuate the purpose of this Resolution.
6. This Resolution shall take effect immediately upon approval and adoption thereof.

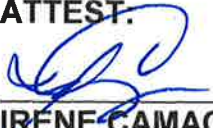
PASSED, APPROVED AND ADOPTED by the City Council of the City of Calistoga at a regular meeting thereof held this **20th day of August 2019**, by the following vote:

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



CHRIS CANNING, Mayor

ATTEST.



**IRENE CAMACHO-WERBY,
City Clerk**