

September 22, 2014; Agenda Item No. 9

Resolution No. 14-49

RESOLUTION OF THE SANTA MONICA MOUNTAINS CONSERVANCY MAKING A FINDING OF
SIGNIFICANT PUBLIC BENEFIT AND OTHER FINDINGS IN CONNECTION WITH THE
MODIFICATION OF PROMISSORY NOTES OF THE MOUNTAINS RECREATION
AND CONSERVATION AUTHORITY

WHEREAS, pursuant to the Mountains Recreation and Conservation Authority Joint Exercise of Powers Agreement (the “JPA Agreement”), entered into pursuant to the provisions of Title 1, Division 7, Chapter 5, Article 1, commencing with Section 6500 of the California Government Code, among the Santa Monica Mountains Conservancy, a public agency of the State of California (the “Conservancy”), the Conejo Recreation and Park District, a public agency duly constituted body corporate and politic of the State of California established pursuant to Chapter 4, Division 5, of the California Public Resources Code and the Rancho Simi Recreation and Park District, a public agency duly constituted body corporate and politic of the State of California established pursuant to Chapter 4, Division 5, of the California Public Resources Code, the Mountains Recreation and Conservation Authority (the “MRCA”) is authorized to jointly exercise any power common to such contracting parties; and

WHEREAS, the JPA Agreement provides that the MRCA shall have such additional powers as apply generally to separate public entities established pursuant to 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 California Government Code (the “JPA Law”); and

WHEREAS, the MRCA previously has entered into a financing arrangement with Zions First National Bank which provides a \$3 Million revolving line of credit to finance the MRCA’s acquisition of land and construction projects (secured by, among other things, third party grants of funds to the MRCA for such land acquisitions and construction projects) (the “\$3 M MRCA Loan”) and a \$1 Million revolving line of credit to finance short-term, temporary operating cost shortfalls of the MRCA (the “\$1M MRCA Loan”; and together with the \$3 M MRCA Loan, the “MRCA Loans”); and

WHEREAS, the MRCA proposes to extend the duration of the MRCA Loans, and the promissory notes evidencing the MRCA Loans, for an additional term of approximately five years, and the lender, Zions First National Bank, is willing to modify the MRCA Loans and such promissory notes as proposed; and

WHEREAS, the projects to be financed by the \$3M MRCA Loan include land and construction projects to be located within the service area of the Conservancy; and

WHEREAS, the \$3M MRCA Loan will facilitate the more efficient delivery of open space and park and recreation facilities to residential and commercial developments within the service area of the Conservancy and achieve a lower cost of borrowing than a borrowing incurred directly by the Conservancy; and

WHEREAS, the Revolving Credit Agreement for the MRCA Loans requires that draws on the \$1M MRCA Loan will be repaid by the MRCA no later than June 30 of the fiscal year during which such draw has been made; and

WHEREAS, the \$1M MRCA Loan will facilitate the more efficient delivery of open space and park and recreation services to residential and commercial developments within the service area of the Conservancy and achieve a lower cost of borrowing than a borrowing incurred directly by the Conservancy, and the Conservancy delegates to the MRCA the authority to make draws and corresponding repayments thereunder; and

WHEREAS, pursuant to Section 6586.5 of the California Government Code, after notice duly published in accordance with law, the Conservancy held a public hearing on this date with respect to the proposed modification to the MRCA Loans;

Therefore, the Santa Monica Mountains Conservancy does hereby resolve, determine, and order as follows:

1. Recitals. The above recitals, and each of them, are true and correct.
2. Approval of Financing. The Conservancy hereby finds that the proposed extension and modification of the MRCA Loans to provide financing for public capital improvements within the service area of the Conservancy will result in significant public benefits to the citizens therein, including demonstrable savings in effective interest rate and other financing costs and more efficient delivery of Conservancy local open space and park and recreation services to residential and commercial developments within the service area of the Conservancy. The Conservancy hereby approves the proposed extension and modification of the MRCA Loans.
3. Other Acts. The officers of the Conservancy are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.
4. Effective Date. This Resolution shall take effect immediately upon adoption.

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~ End of Resolution ~

I HEREBY CERTIFY that the foregoing resolution was adopted at a meeting of the Santa Monica Mountains Conservancy, duly noticed and held according to law, on the 22nd day of September, 2014 at Calabasas, California.

Dated:

Executive Director