

MRCA FINANCING CORPORATION

Agenda Item IV - Resolution No. 14-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MRCA FINANCING CORPORATION AUTHORIZING MODIFICATIONS TO A \$1 MILLION PROMISSORY NOTE AND A \$3 MILLION PROMISSORY NOTE SECURED BY TRUST DEED, AND CERTAIN RELATED ACTIONS

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 I, Division 7, Chapter 5, Article 1, commencing with Section 6500, of the California Government Code, among the Santa Monica Mountain Conservancy, a public agency of the State of California, 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 "Authority") is authorized to jointly exercise any power common to such contracting parties;

WHEREAS, the JPA Agreement provides that the Authority 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");

WHEREAS, the Authority previously has entered into a financing arrangement, assisted by the MRCA Financing Corporation (the "Corporation"), with Zions First National Bank (the "Lender") which provides a \$3 Million revolving line of credit to finance the Authority's acquisition of land and construction projects (secured by, among other things, third party grants of funds to the Authority for such land acquisitions and construction projects) and a \$1 Million revolving line of credit to finance Authority operating cost shortfalls (the "Authority Loans");

WHEREAS, the Authority proposes to extend the duration of the Authority Loans and reduce the interest rates thereon, and the Lender is willing to so modify the Authority Loans;

WHEREAS, the Board of Directors of the Corporation (the "Board of Directors") desires to facilitate such modification of the Authority Loans; and

WHEREAS, there have been prepared and presented at this meeting the following documents required to facilitate such modification of the Authority Loans, and such documents are now in substantially final form, appropriate to be executed and delivered for the purposes intended (collectively, the "Transaction Documents"): (1) Form of Second Modification to Revolving Credit Agreement, to be executed by the Authority; (2) Form of Modification of Secured Promissory Notes (Authority), to be executed by the Authority, (3) Form of Second Modification of Secured Promissory Notes (Financing Corporation), to be executed by the Corporation and the Authority (the "Second Modification of Secured Promissory Notes"), and (4) Form of Certificate Regarding Compliance With Certain Tax Matters, to be executed by the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the MRCA Financing Corporation, as follows:

Section 1. All of the recitals herein contained are true and correct and the Board of Directors so finds.

Section 2. The loan modifications described in the Transaction Documents are hereby approved.

Section 3. The form of the Second Modification of Secured Promissory Notes, on file with the Secretary the Corporation, is hereby approved, and Jeff Jones, the Secretary and Treasurer/Chief Financial Officer of the Corporation (the "Authorized Officer"), is authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver the Second Modification of Secured Promissory Notes in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. All actions heretofore taken by the officers and agents of the Corporation with respect to the modification of the financing described herein and the execution and delivery of the Transaction Documents are hereby approved, ratified and confirmed, and any member of the Board of Directors or officer of the Corporation, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Corporation, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Transaction Documents and to effectuate the purposes thereof in accordance with this Resolution and resolutions heretofore adopted by the Corporation and otherwise in order to carry out the modifications of the financing.

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Section 5. This action is exempt from the provisions of the California Environmental Quality Act.

Section 6. Any officer of the Corporation is hereby authorized to make clarifications to and correct any errors in the text of any documents, instruments, or certificates authorized hereunder, and to make modifications thereto provided that such modifications do not materially alter the fundamental economic terms of such documents.

PASSED AND ADOPTED this October 1, 2014.

Chair

AYES:

NOS:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing resolution was adopted at a special meeting of the Governing Board of the MRCA Financing Corporation, duly noticed and held according to law, on the 1st day of October, 2014.

Date: 10-1-14

President