

September 28, 2005

Honorable Mayor and Members of
the Hermosa Beach City Council

City Council Meeting
October 13, 2005

**ADOPTION OF A RESOLUTION APPROVING AMENDMENT NO. 5 TO
THE INDEPENDENT CITIES LEASE FINANCE AUTHORITY (ICLFA)
JOINT POWERS AGREEMENT TO ALLOW CITIES OUTSIDE THE
STATE OF CALIFORNIA TO BECOME MEMBERS OF ICLFA**

RECOMMENDATION:

It is recommended that the City Council adopt the attached resolution approving Amendment No 5. to the ICLFA Joint Powers Agreement to allow cities in other states to become members or associate members of ICLFA.

BACKGROUND:

Hermosa Beach is one of the nine member cities of ICLFA, which was created seventeen year ago. ICLFA offers the following programs: 1) equipment and funding of capital projects; 2) down payment and closing cost assistance to qualified families to aid them in purchasing homes in member cities); and 3) bond financing of multi-family residential projects, including manufactured home communities (*most recently, our own Marineland Mobile Home Park.*)

ANALYSIS:

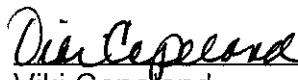
Four documents are attached:

1. A memo from the ICLFA President requesting the amendment.
2. Outline of Changes to the ICLFA Joint Powers Agreement
3. Joint Powers Agreement with changes shown
4. Resolution Approving Amendment 5 to the Joint Powers Agreement


As the letter from ICLFA points out, in 2002 the Board adopted an overall Authority goal of facilitating excellent, affordable housing units. The Board also agreed at that time that housing issues transcend city, county and state boundaries. Expanding membership to out of state members furthers accomplishment of that goal. The letter also points out that this type of program is not readily available in many states.

These changes must be approved by a majority of the member cities in order to take effect.

Respectfully submitted,



Viki Copeland
Finance Director



Stephen R. Burrell
City Manager



INDEPENDENT CITIES LEASE FINANCE AUTHORITY

Post Office Box 1750, Palmdale, CA 93590-1750 • (877) 906-0941 • FAX (661) 285-0481

E-mail: independentcities@earthlink.net

September 15, 2005

RECEIVED

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Per.....

Honorable Mayor J.R. Reviczky and
Members of the City Council
City of Hermosa Beach
1315 Valley Drive
Hermosa Beach, California 90254

Dear Mayor Reviczky and Members of the City Council:

The Board of Directors of the Independent Cities Lease Finance Authority (ICLFA) respectfully request a timely action by your City Council to facilitate changes in the ICLFA Joint Powers Agreement as set forth in the attachments hereto. The amendments allow ICLFA to accept members and thus provide services to public entities outside of the State of California. Two-thirds of the Member Cities must adopt the attached resolution to effectuate the proposal.

ICLFA currently offers the following programs: 1) capital project and equipment leasing; 2) down payment and closing cost assistance; and 3) bond financing of multi-family residential, including manufactured home communities (see attached brochures).

ICLFA has nine member cities and fifty-three associate member cities and has functioned for seventeen years without levying dues or assessments on any member or associate member public entity. Program participants pay all ICLFA fees, including operational costs.

While all ICLFA programs that are authorized under the Member's applicable State law will be made available to public entities outside of the State that join ICLFA, the primary need at this time is financing for the purchase of multi-family residential projects, including manufactured home communities, by qualified nonprofits. Notwithstanding the existence of joint powers statues in many states, it appears that alternative financing for said projects is not readily available in many states.

MEMBER CITIES:

- Alhambra, Azusa, Baldwin Park, Barstow, Bell, Bellflower, Brea, Carson, Chino, Claremont, Colton, Commerce, Compton, Covina, Downey, Duarte, El Monte, Fontana, Fresno, Gardena, Garden Grove, Glendale, Glendora, Hawaiian Gardens, Hawthorne, Hermosa Beach, Huntington Park, Indio, Inglewood, La Habra, La Puente, Lakewood, Lancaster, Lawndale, Long Beach, Los Angeles, Lynwood, Monrovia, Montebello, Monterey Park, Morgan Hill, Norwalk, Palmdale, Paramount, Pico Rivera, Pomona, Rancho Cucamonga, Rialto, Riverside, Rohnert Park, San Bernardino, San Diego County, San Mateo County, San Fernando, Santa Clarita, Signal Hill, South Gate, Vernon, Vista, West Covina, Whittier, Yucaipa

Honorable Mayor J.R. Reviczky and
Members of the City Council
City of Hermosa Beach
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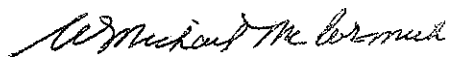
In 2002 the ICLFA Board developed policy and determined that the overall goal of the Authority in issuing bonds to facilitate the purchase, maintenance and operation of multi-family residential, mobile home parks and apartment communities, is to facilitate excellent affordable housing units in member public entities. The Board unanimously agreed at that time that housing issues transcend city, county and even state boundaries and that the ICLFA financing program will benefit all public entities. It was further unanimously agreed by the Board that the use of bonds to purchase mobile home parks and/or apartment communities in member and associate member cities is in the public interest and that ICLFA will use its authority to facilitate projects of this type.

The nonprofits that ICLFA has partnered with to date are considering the purchase of manufactured home communities in other states, and ICLFA is desirous of serving as issuer of the bonds thus being responsible for the provision of additional affordable housing units. ICLFA is available to work with any and all qualified nonprofits in alleviating the housing crisis in the United States.

Please send a certified copy of the attached resolution after your City Council approves/adopts it to Debbie Smith, ICLFA Program Administrator, Post Office Box 1750, Palmdale, CA 93950-1750.

If you have any questions, please feel free to contact Debbie Smith at (877) 906-0941 or Robert Messinger, the ICLFA General Legal Counsel, at (949) 651-0030.

Respectfully,



W. Michael McCormick
President

ds

Attachments: 1) Resolution
2) Outline of changes to the Joint Powers Agreement
3) Strike out/underline version of Joint Powers Agreement
4) ICLFA brochures

c: Peter Tucker, Mayor Pro Tem (w/attachments)
Viki Copeland, Finance Director (w/attachments)
Stephen Burrell, City Manager (w/attachments)

OUTLINE OF CHANGES TO THE
ICLFA JOINT POWERS AGREEMENT

The exact changes proposed are reflected in the attached strike out/underline version of the Joint Powers Agreement. The reasons for the changes are outlined below:

FIRST PARAGRAPH

The proposed modification notes that the Joint Powers Agreement is entered into among public agencies organized and existing under the Constitution and laws of the respective states in which such agencies are domiciled instead of cities.

Article 1

The proposed modification deletes the definition of Cities and City Council, changes the definition of Member, and instead adds definitions for Legislative Body and Public Agency. In addition, the definition of Local Agency is further defined.

Article 2

The proposed modification adds the words "without limitation" when making loans to tax-exempt organizations from the proceeds of mortgage revenue bonds to finance the acquisition of multi-family rental housing, etc.

Article 3

The proposed modification changes cities to Public Agencies.

Article 6

The proposed modification notes that powers set forth in the Joint Powers Agreement are included "but not limited to" certain powers.

Article 7(a) and (b)

The proposed modifications change reference from City Council to Legislative Body.

Article 16

The proposed modification changes reference from City to Public Agency and City Council to Legislative Body.

JOINT POWERS AGREEMENT

CREATING THE INDEPENDENT CITIES LEASE FINANCE AUTHORITY

~~This Joint Powers Agreement is executed in (the State of California "Agreement") is entered into by and among those cities organized and existing under the Constitution of the State of California which are parties signatory the public agencies (hereinafter referred to this Agreement. All such cities hereinafter called as "Members, shall be listed" and set forth in Appendix A, which shall be attached hereto and made a part hereof incorporated herein by this reference), organized and existing under the Constitution and laws of the respective states in which such agencies are domiciled.~~

RECITALS

WHEREAS, Articles 1 and 2, Chapter 5, Division 7, Title 1 of the California Government Code (Section 6500 et seq.) permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

WHEREAS, ~~cities~~ the public agencies executing this Agreement desire to join together for the purpose of assisting public agencies to finance the acquisition, construction, installation and/or equipping of public capital improvements and to encourage and promote other joint and cooperative endeavors among such public agencies for their mutual benefit;

NOW, THEREFORE, the parties agree as follows:

ARTICLE 1

DEFINITIONS

"Associate Member" shall mean any Local Agency that shall have duly executed and delivered to the Authority an Associate Membership Agreement in the form and as further provided in the Bylaws of the Authority.

"Authority" shall mean the Independent Cities Lease Finance Authority created by this Agreement.

"Board of Directors" or "Board" shall mean the governing body of the Authority.

~~"Cities" shall include all public agencies that are allowed by law to participate in a Joint Powers Authority.~~

~~"City Council" shall include the legislative board of the public agencies that are members of the Authority.~~

"Executive Committee" shall mean the Executive Committee of the Board of Directors of the Authority.

"Fiscal Year" shall mean that period of twelve months which is established by the Board of Directors or the Bylaws as the fiscal year of the Authority.

"Government Code" shall mean the California Government Code, as amended.

"Home Mortgage Financing Program" shall mean a program for financing home mortgages undertaken by the Authority pursuant to the provisions of Part 5 of Division 31 (commencing with Section 52000) of the California Health and Safety Code with respect to those Members or Associate Members that are either a city or a county of the State of California.

"Joint Powers Law" shall mean Articles 1 and 2, Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code.

~~"Member" shall mean any California city which has executed this Agreement and has become a member of the Authority.~~

"Legislative Body" shall mean the legislative board of each Public Agency and Local Agency that are either Members or Associate Members, respectively, of the Authority.

"Local Agency" shall have the meaning set forth in Section 6585(f) of the Government Code, as may hereafter be amended from time to time.

"Member" shall mean any Public Agency which has executed this Agreement and has become a member of the Authority.

"Public Agency" shall mean public agency as defined in Government Code Section 6500, as may hereafter be amended from time to time.

Unless the context clearly requires otherwise, as used in this Agreement, words of the masculine, feminine or neuter gender shall be construed to include each other gender when appropriate and words of the singular number shall be construed to include the plural number, and vice versa, when appropriate. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity hereof.

ARTICLE 2

PURPOSES

This Agreement is entered into by the Members in order that they may jointly develop programs to assist in the raising of capital to finance the capital improvement needs of Local Agencies, provide for home mortgage financing with respect to those Members or Associate Members that are either a city or a county of the State of California, provide financing in connection with the improvement, construction, acquisition, creation, rehabilitation and preservation of affordable housing within the boundaries of the Members and Associate Members, and provide financing in accordance with the provisions of applicable law in connection with other projects and programs that are in the public interest and which benefit Members and Associate Members including, without limitation, making

loans to tax-exempt organizations from the proceeds of mortgage revenue bonds to finance the acquisition of multi-family rental housing, including mobilehome parks, under the provisions of Chapter 8 of Part 5 of Division 31 (commencing with Section 52100) of the Health and Safety Code (the "Nonprofit Financing Law"). This Agreement is also entered into by the Members in order to provide a forum for discussion and study of problems common to the Members and to assist in the development and implementation of solutions to such problems.

ARTICLE 3

PARTIES TO AGREEMENT

Each Member, as a party to this Agreement, certifies that it intends to and does contract with all other Members as parties to this Agreement and, with such other cities Public Agencies as may later be added as parties to this Agreement. Each Member also certifies that the withdrawal of any party from this Agreement pursuant to Article 17 shall not affect this Agreement or the Members' obligations hereunder.

ARTICLE 4

TERM

This Agreement shall become effective when executed and returned to the Authority by at least four Members. The Authority shall promptly notify all Members in writing of such effective date. This Agreement shall continue in effect until terminated as provided herein; provided that the termination of this Agreement with respect to an individual Member upon its withdrawal from membership in the Authority shall not operate to terminate this Agreement with respect to the remaining Members.

ARTICLE 5

CREATION OF THE AUTHORITY

Pursuant to the Joint Powers Law, there is hereby created a public entity separate and apart from the parties hereto, to be known as the "Independent Cities Lease Finance Authority," with such powers as are hereinafter set forth.

ARTICLE 6

POWERS OF THE AUTHORITY

(a) Powers. The Authority shall have all of the powers common to its Members and all additional powers set forth in the Joint Powers Law and other statutes applicable to the joint powers authority created hereby, and is hereby authorized to do all acts necessary for the exercise of said powers. Such powers include, but are not limited to, the following:

- (1) To make and enter into contracts.
- (2) To incur debts, liabilities, and obligations and to encumber real or personal property.
- (3) To acquire, hold, or dispose of real or personal property, contributions and donations of real or personal property, funds, services, and other forms of assistance from persons, firms, corporations, and government entities.
- (4) To sue and be sued in its own name, and to settle any claim against it.
- (5) To receive and use contributions and advances from Members as provided in Government Code Section 6504, including contributions or advances of personnel, equipment or property.
- (6) To invest any money in its treasury that is not required for its immediate necessities, pursuant to Government Code Section 6509.5
- (7) To acquire, construct, manage, maintain or operate title to real or personal

property or rights or any interest therein.

(8) To employ agents and employees.

(9) To receive, collect and disburse moneys.

(10) To finance the acquisition, construction or installation of real or personal property for the benefit of one or more Local Agencies through the sale of its revenue bonds, certificates of participation or other obligations and to enter into any agreement or instrument in connection with the execution, issuance, sale or delivery of such bonds, certificates of participation or other obligations.

(11) To lease, sell, convey or otherwise transfer title or rights to or an interest in real or personal property, including, but not limited to, property financed by the Authority for the benefit of its Members or other Local Agencies, and to enter into any agreement or instrument in connection with any such lease, sale, conveyance or transfer.

(12) To exercise all powers of entities, such as the Authority, created under the Joint Powers Law including, but not limited to, those powers enumerated under the Marks-Roos Local Bond Pooling Act of 1985, as amended.

(13) To exercise other reasonable and necessary powers in furtherance or support of any purpose of the Authority or power granted by the Joint Powers Law, this Agreement or the Bylaws of the Authority.

(b) Restrictions on Powers. Pursuant to and to the extent required by Government Code Section 6509, the Authority shall be restricted in the exercise of its powers in the same manner as the City of Hawthorne is restricted in its exercise of similar powers; provided that, if the City of Hawthorne shall cease to be a Member, then the Authority shall be restricted in the exercise of its power in the same manner as the City of Baldwin Park. If the City of Baldwin Park shall cease to be a Member, then the Authority shall be restricted in the exercise of its powers in the same manner as the City of South Gate.

(c) In addition to the other powers provided herein, this Agreement is entered into for the express purpose of the joint exercise of powers under Part 5 of Division 31 (commencing with Section 52000) of the California Health and Safety Code.

ARTICLE 7

BOARD OF DIRECTORS

(a) Composition of Board. The Authority shall be governed by the Board of Directors, which shall be composed of one director representing each Member. The ~~City Council~~Legislative Body of each Member shall appoint a member of such ~~City~~Legislative Body Council as a director to represent such Member on the Board of Directors. Such director shall serve at the pleasure of such ~~City Council~~Legislative Body. The ~~City~~

CouncilLegislative Body of each Member shall also appoint one or two alternate directors who shall have the authority to attend, participate in and vote at any meeting of the Board when the director is absent. Each alternate director shall be an official or staff person of the Member which such alternate director represents. Any vacancy in a director or alternate director position shall be filled by the appointing Member's City CouncilLegislative Body, subject to the provisions of this Article. Immediately upon admission of a new Member pursuant to Article 16, such Member shall be entitled and required to appoint a director and one or two alternate directors.

(b) Termination of Status as Director. A director and/or alternate director shall be removed from the Board of Directors upon the occurrence of any one of the following events: (1) the Authority receives written notice from the appointing Member of the removal of the director or alternate director, together with a certified copy of the resolution of the City CouncilLegislative Body of the Member effecting such removal; (2) the withdrawal of the Member from this Agreement; (3) the death or resignation of the director or alternate director; (4) the Authority receives written notice from the Member that the director or alternate director is no longer qualified as provided in the first paragraph of this Article.

(c) Compensation. Directors and their alternates are entitled to compensation as specified in the Bylaws. The Board of Directors may authorize reimbursement of expenses incurred by directors or their alternates.

(d) Powers of Board. The Board of Directors shall have the following powers and functions.

(1) Except as otherwise provided in this Agreement, the Board shall exercise all powers and conduct all business of the Authority, either directly or by delegation to other bodies or persons.

(2) The Board may form an Executive Committee, as provided in Article 10. If an Executive Committee is established by the Board, the Executive Committee may exercise all powers or duties of the Board relating to the execution, issuance, sale or delivery of bonds, certificates of participation or other obligations of the Authority and the entering into by the Authority of all agreements, leases, indentures, conveyances, security documents and other instruments relating thereto or relating to the financing of capital improvements for the Members or other Local Agencies. If an Executive Committee is established by the Board, the Board may delegate to the Executive Committee and the Executive Committee may discharge any additional powers or duties of the Board except adoption of the Authority's annual budget. Any additional powers and duties so delegated shall be specified in a resolution adopted by the Board.

(3) The Board may form, as provided in Article 11, such other committees as it deems appropriate to conduct the business of the Authority or it may delegate such power to the Executive Committee in the Bylaws or by resolution of the Board. The membership of any such other committee may consist in whole or in part of persons who are not members of the Board; provided that the Board and the Executive Committee may

delegate decision-making powers and duties only to a committee a majority of the members of which are Board members. Any committee a majority of the members of which are not Board members may function only in an advisory capacity.

(4) The Board shall elect the officers of the Authority and shall appoint or employ necessary staff in accordance with Articles 9 and 12.

(5) The Board shall cause to be prepared, and shall review, modify as necessary, and adopt the annual operating budget of the Authority. Adoption of the budget may not be delegated.

(6) The Board shall receive, review and act upon periodic reports and audits of the funds of the Authority, as required under Articles 13 and 14 of this Agreement.

(7) The Board shall have such other powers and duties as are reasonably necessary to carry out the purposes of the Authority.

ARTICLE 8

MEETINGS OF THE BOARD OF DIRECTORS

(a) Regular Meetings. The Board of Directors shall hold at least one regular meeting each year. The Board of Directors shall fix by resolution or in the Bylaws the date upon which, and the hour and place at which, each regular meeting is to be held. The Board or President may call special meetings.

(b) Ralph M. Brown Act. Each meeting of the Board of Directors, including without limitation regular, adjourned regular, and special meetings shall be called, noticed, held, and conducted in accordance with the Ralph M. Brown Act, Section 54950 et seq. of the Government Code.

(c) Minutes. The Authority shall have minutes of regular, adjourned regular, and special meetings kept by the Secretary. As soon as practicable after each meeting, the Secretary shall forward to each Board member a copy of the minutes of such meeting.

(d) Quorum. A majority of the members of the Board is a quorum for the transaction of business. However, less than a quorum may adjourn from time to time. A vote of the majority of a quorum at a meeting is sufficient to take action.

(e) Voting. Each member of the Board shall have one vote.

ARTICLE 9

OFFICERS

The Board shall elect a President and Vice President from among the directors

at its first meeting. Thereafter, except as may be otherwise provided in the Bylaws of the Authority, the Board shall elect a new President and Vice President, in each succeeding alternating fiscal year. Each officer shall assume the duties of his office upon election. If either the President or Vice President ceases to be a member of the Board, the resulting vacancy shall be filled at the next meeting of the Board held after the vacancy occurs or at a special meeting of the Board called to fill such vacancy. In the absence or inability of the President to act, the Vice President shall act as President. The President shall preside at and conduct all meetings of the Board. The Board may appoint such other officers as it considers necessary.

ARTICLE 10

EXECUTIVE COMMITTEE

The Board may establish an Executive Committee of the Board which shall consist solely of members selected from the membership of the Board. If an Executive Committee is established by the Board, the terms of office of the members of the Executive Committee shall be as provided in the Bylaws of the Authority. If an Executive Committee is established by the Board the Executive Committee shall conduct the business of the Authority between meetings of the Board, exercising all those powers as provided for in Section (d)(2) of Article 7, or as otherwise delegated to it by the Board.

ARTICLE 11

COMMITTEES

The Board may establish committees, as it deems appropriate to conduct the business of the Authority or it may, in the Bylaws or by resolution, delegate such power to the Executive Committee. Members of Committees shall be appointed by the Board or the Executive Committee, as the case may be. Each Committee shall have those duties as determined by the Board or the Executive Committee, as the case may be, or as otherwise set forth in the Bylaws. Each Committee shall meet on the call of its chairperson, and shall report to the Executive Committee and the Board as directed by the Board or the Executive Committee, as the case may be.

ARTICLE 12

STAFF

(a) Principal Staff. The following staff members shall be appointed by and serve at the pleasure of the Board of Directors:

(1) Program Administrator. The Program Administrator shall administer the affairs of the Authority, subject to the general supervision and policy direction of the Board and the Executive Committee; shall coordinate the activities of all consultants and staff of the Authority; shall be responsible for required filings by the Authority with the State of California; shall prepare all

meeting notices, minutes and required correspondence of the Authority and shall maintain the records of the Authority; shall assist Local Agencies in the preparing and filing of applications for participation in the financing programs of the Authority and shall expedite the processing of such applications; and shall perform such other duties as are assigned by the Board and Executive Committee.

(2) Treasurer. The duties of the Treasurer are set forth in Articles 13 and 14 of this Agreement. The Treasurer shall be appointed by the Board of Directors and shall be eligible to serve as Treasurer as provided in the Joint Powers Law.

(3) Auditor. The Auditor shall be a Certified Public Accountant licensed to practice in the State of California. The Auditor will conduct annual audits of the Authority.

(b) Other Staff. The Board, Executive Committee or Program Administrator shall provide for the appointment of such other staff as may be necessary for the administration of the Authority.

(c) Compensation. The Program Administrator, the Treasurer, the Auditor and any other members of the staff or employees of the Authority shall be compensated in such manner as shall be approved by the Board as permitted by applicable law.

ARTICLE 13

ACCOUNTS AND RECORDS

(a) Annual Budget. The Authority shall adopt an operating budget pursuant to Article 7 of this Agreement. The Treasurer, in cooperation with the Program Administrator, shall prepare the annual or multi-year operating budget for review and approval by the Board of Directors as provided in Article 7 of this Agreement.

(b) Funds and Accounts. The Treasurer of the Authority or the Program Administrator shall establish and maintain such funds and accounts as may be required by good accounting practices and by the Board. Books and records of the Authority in the hands of the Treasurer or Program Administrator shall be open to inspection at all reasonable times by authorized representatives of the Members.

The Authority shall adhere to the standard of strict accountability for funds set forth in the Joint Powers Law.

(c) Auditor's Report. The Auditor, within one hundred and twenty (120) days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Board and to each Member.

(d) Annual Audit. If then required by the Joint Powers Law, the Authority shall

either make or contract with a certified public accountant to make an annual Fiscal Year audit of all accounts and records of the Authority, conforming in all respects with the requirements of the Joint Powers Law. A report of the audit shall be filed, if then required by law, as a public record with each of the Members and with the county auditor of the county or counties in which each of the Members is located. Costs of the audit shall be considered a general expense of the Authority.

ARTICLE 14

RESPONSIBILITIES FOR FUNDS AND PROPERTY

(a) Custody of Authority Funds. The Treasurer shall have the custody of and disburse the Authority's funds. Proceeds of bonds, certificates of participation or other similar obligations of the Authority may be deposited with an indenture trustee, agent or other depository and shall not be considered the Authority's funds for purposes of this Article. The Treasurer may delegate disbursing authority to such persons as may be authorized by the Board or the Executive Committee to perform that function, subject to the requirements of (b) below.

(b) Duties of Treasurer. The Treasurer shall perform all functions then required to be performed by the Treasurer under the Joint Powers Law. The Treasurer shall review the financial statements and the annual audit of the Authority.

(c) Authority Property. Pursuant to Government Code Section 6505.1, the Program Administrator, the Treasurer, and such other persons as the Board may designate shall have charge of, handle, and have access to the property of the Authority. The Authority shall secure and pay for a fidelity bond or bonds, in an amount or amounts and in form specified by the Board of Directors, covering all officers and staff of the Authority who are authorized to hold or disburse funds of the Authority and all officers and staff who are authorized to have charge of, handle and have access to property of the Authority.

ARTICLE 15

MEMBER RESPONSIBILITIES

Each Member shall have the following responsibilities:

(a) To appoint its director and alternate director to or remove its director and alternate director from the Board as set forth in Article 7.

(b) To consider proposed amendments to this Agreement as set forth in Article 23.

(c) To make contributions in the form of annual membership assessments and fees, if any, determined by the Board for the purpose of defraying the costs of providing the annual benefits accruing directly to each party from this Agreement.

RESOLUTION NO. ____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
____ APPROVING AMENDMENT NO. 5 TO JOINT
POWERS AGREEMENT WITH THE INDEPENDENT CITIES
LEASE FINANCE AUTHORITY AND PROVIDING OTHER
MATTERS PROPERLY RELATING THERETO**

WHEREAS, certain cities of the State of California (collectively, the "Members") have entered into a Joint Powers Agreement Creating the Independent Cities Lease Finance Authority (the "Joint Powers Agreement"), establishing the Independent Cities Lease Finance Authority (the "Authority") and prescribing its purposes and powers; and

WHEREAS, the Board of Directors of the Authority has approved Amendment No. 5 to the Joint Powers Agreement, amending the Joint Powers Agreement to provide that any "public agency," as defined in Joint Exercise of Powers Act, being Articles 1 and 2 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the California Government Code, including a city of another state, may become a Member or an Associate Member of the Authority; and making revisions to certain terms in the Joint Powers Agreements to conform to the expanded membership provisions;

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

Section 1. Approval of Amendment No. 5 to Joint Powers Agreement. This City Council hereby approves Amendment No. 5 to Joint Powers Agreement and authorizes the Mayor or the Mayor Pro Tem to execute and the City Clerk to attest the Associate Membership Agreement, in substantially the form on file with the City Clerk.

Section 2. Official Actions. The Mayor, Mayor Pro Tem, City Manager, City Clerk and any other officers of the City, are hereby authorized and directed to take all actions and do all things necessary or desirable hereunder with respect to the Amendment No. 5 to Joint Powers Agreement, including but not limited to, the execution and delivery of any an all agreements, certificates, instruments and other documents which they, or any of them, may deem necessary or desirable and not inconsistent with the purposes of this Resolution.

Section 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2005.

_____, Mayor

ATTEST:

_____, City Clerk

STATE OF CALIFORNIA)
COUNTY OF _____)ss.
CITY OF _____)

I, _____, City Clerk of the City of _____, certify that the foregoing resolution was adopted by the City Council of the City of _____ at a regular meeting held on the _____ day of _____, 2005.

AYES:

NOES:

ABSENT:

ABSTAIN:

_____, City Clerk