

GSFA RESOLUTION NO. 19-06

RESOLUTION OF THE BOARD OF DIRECTORS OF THE GOLDEN STATE FINANCE AUTHORITY (GSFA) RECOGNIZING GOLDEN STATE NATURAL RESOURCES, INC. AS A CHARITABLE ORGANIZATION THAT SERVES THE PUBLIC PURPOSES OF GSFA AND LESSENS THE BURDENS OF GOVERNMENT

WHEREAS, the Golden State Finance Authority (the "Authority") is a joint powers agency, created under California law, and is authorized to finance the construction, acquisition, improvement and rehabilitation of real property in furtherance of the public functions of its member counties; and

WHEREAS, promoting public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, and rural economic development, and related activities are essential governmental functions of the Authority's member counties, and constitute burdens of the Authority and its member counties; and

WHEREAS, to assist member counties in exercising the foregoing essential governmental functions, and to lessen the foregoing burdens of government, the Authority finds it necessary and desirable to create Golden State Natural Resources, Inc, and provide initial and ongoing financing for the construction, acquisition, improvement and rehabilitation of those properties, facilities, and equipment necessary to operate public programs to promote public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, and rural economic development; and

WHEREAS, such financing may be provided most economically, and at lowest risk to the Authority and its member counties, through the creation of a nonprofit corporation exempt from California and federal income tax; and

WHEREAS, there is being created Golden State Natural Resources, Inc., a California nonprofit corporation ("GSNR"), which will apply for an exemption from income taxation under California law and the Internal Revenue Code; and

WHEREAS, the net income and resources of GSNR will ultimately accrue to the Rural County Representatives of California (RCRC), and should the RCRC cease to exist, to RCRC's member counties; and

WHEREAS, Internal Revenue Service regulations provide that "lessening of the burdens of Government" is a charitable purpose that may qualify an organization for exemption from federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

NOW, THEREFORE BE IT RESOLVED that the Authority, as a governmental agency, approves and endorses the creation of GSNR and its defined public purposes of promoting public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, and rural economic development, and declares those purposes to constitute essential governmental functions.

BE IT FURTHER RESOLVED that the Authority recognizes GSNR's purposes of promoting public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, and rural economic development as burdens of government, and declares that the formation and operation of GSNR will lessen those burdens.

BE IT FURTHER RESOLVED that the Executive Director of the Authority is hereby authorized and directed to support and assist GSNR's request for an Internal Revenue Service ruling that GSNR qualifies for exemption from federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

BE IT FURTHER RESOLVED that the Executive Director is further empowered to perform all things necessary and proper to accomplish this goal.

PASSED APPROVED AND ADOPTED by the Board of Golden State Finance Authority, the 2nd day of May 2019.

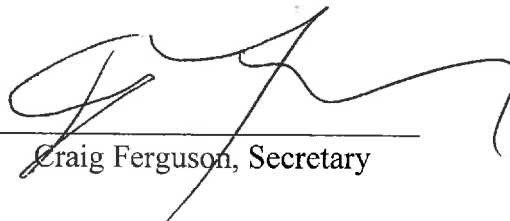
Golden State Finance Authority



2019 Chair of the Board

I certify that the foregoing resolution is a true and accurate copy of GSFA Resolution No. 19-06, approved by the governing board of the Golden State Finance Authority on May 2, 2019 in Death Valley, California.

Date: May 2, 2019



Craig Ferguson, Secretary