



RESOLUTION NO. 2018-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK AS SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS IN AN AMOUNT OF NOT TO EXCEED \$26,000,000, AND APPROVING THE FORM OF AN INDENTURE OF TRUST, A FORM OF ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Community Development Commission of the City of Rohnert Park (the “Prior Agency”) was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Prior Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Plan for the Rohnert Park Redevelopment Project was adopted and approved, and subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, the Prior Agency has previously incurred the obligations listed on Exhibit A hereto (collectively, the “Prior Obligations”); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the “Dissolution Act”) and ABx1 27 (the “Opt-in Bill”); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill, resulting in the dissolution of the redevelopment component of the Prior Agency as of February 1, 2012; and

WHEREAS, the redevelopment powers, assets and obligations of the Prior Agency were transferred on February 1, 2012 to the Successor Agency to the Community Development Commission of the City of Rohnert Park (the “Successor Agency”); and

WHEREAS, on or about June 27, 2012, AB 1484 was adopted as a trailer bill in connection with the 2012-13 State of California Budget; and

WHEREAS, California Health and Safety Code Section 34177.5(a)(1) authorizes successor agencies to refund outstanding bonds or other indebtedness provided that: (i) the total interest cost to maturity on the refunding bonds or other indebtedness, plus the principal amount of the refunding bonds or other indebtedness, does not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded, plus the remaining principal of the bonds or other

indebtedness to be refunded; and (ii) the principal amount of the refunding bonds or other indebtedness does not exceed the amount required to defease the bonds or other indebtedness to be refunded, to establish customary debt service reserves and to pay related costs of issuance; and

WHEREAS, California Health and Safety Code Section 34177.5(a)(2) authorizes successor agencies to issue bonds or other indebtedness to finance debt service spikes, including balloon maturities, provided that: (i) the existing indebtedness is not accelerated, except to the extent necessary to achieve substantially level debt service; and (ii) the principal amount of the bonds or other indebtedness shall not exceed the amount required to finance the debt service spikes, including establishing customary debt service reserves and paying related costs of issuance; and

WHEREAS, the Successor Agency now desires to authorize and approve the issuance of tax allocation refunding bonds (the "2018 Bonds") in an aggregate principal amount sufficient to refund all or a portion of the Prior Obligations pursuant to AB 1484, and to irrevocably set aside a portion of the proceeds of such 2018 Bonds in a separate segregated trust fund which will be used to refund the outstanding Prior Obligations being refunded, to pay costs in connection with the issuance of the 2018 Bonds and to make certain other deposits as required by the Indenture (as defined below); and

WHEREAS, the 2018 Bonds shall be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(a) and (g), pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Bond Law"); and

WHEREAS, the Successor Agency wishes at this time to approve matters relating to the issuance and sale of the 2018 Bonds;

BE IT RESOLVED by the Board of Directors of the Successor Agency to the Community Development Commission of the City of Rohnert Park that it does hereby resolve as follows:

Section 1. Subject to the provisions of the Indenture referred to in Section 2 hereof, the issuance of the 2018 Bonds, in one or more series, each of which may be issued on a taxable or tax-exempt basis, and from time to time, in an aggregate principal amount of not to exceed \$26,000,000, or such lesser amount as is sufficient to refund all or a portion of the Prior Obligations for the purposes of achieving debt service savings and/or financing debt service spikes and paying any associated costs or fees in connection with such refunding, and the pledge of property tax revenues to the 2018 Bonds pursuant to the Indenture (as authorized by California Health and Safety Code Section 34177.5(a) and (g)) is hereby approved on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture. The 2018 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Indenture, as the same will be completed as provided in this Resolution. The proceeds of the sale of the 2018 Bonds shall be applied as provided in the Indenture. The 2018 Bonds may be issued as a single issue, or from time to time, in separate series, each of which may be issued on a taxable or tax-exempt basis, as the Successor Agency shall determine. The approval of the issuance of the 2018 Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of 2018 Bonds and the sale of the 2018 Bonds at a public or private sale, without the need for any further approval from the Oversight Board.

Section 2. The form of the Indenture of Trust (the "Indenture") presented herewith, providing for the issuance of the 2018 Bonds, is hereby approved. The Chair, the Executive

Director, the Finance Director/City Treasurer, any other member of the governing board of the Successor Agency or their respective written designee (each, an "Authorized Officer" and collectively, the "Authorized Officers") are, and each of them is, hereby authorized and directed, for and in the name of the Successor Agency, to execute and deliver the Indenture, in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. If the Bonds are to be sold in separate series at different times, each of the Authorized Officers is hereby authorized and directed in the name of the Successor Agency to execute any supplement to the Indenture to provide for the issuance of such series of Bonds consistent with the terms of the Resolution.

Each of the Authorized Officers is hereby authorized and directed to execute and countersign each of the 2018 Bond forms on behalf of the Successor Agency, either manually or in facsimile, and such signing as herein provided shall be a sufficient and binding execution of the 2018 Bonds on behalf of the Successor Agency. In case either of such officers whose signature appears on the 2018 Bond forms shall cease to be such officer before the delivery of the 2018 Bonds, such signature shall nevertheless be valid and sufficient for all purposes as though such officer had remained in office until the delivery of the 2018 Bonds.

Section 3. The form of Escrow Agreement presented herewith is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the Successor Agency, to execute and deliver one or more Escrow Agreements for each of the Prior Obligations in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The 2018 Bonds shall be sold by negotiated sale pursuant to the Bond Purchase Agreement in substantially the form presented herewith, between the Successor Agency and Stifel, Nicolaus & Company, Incorporated. The Bond Purchase Agreement is hereby approved, provided that the underwriter's discount for the sale of the 2018 Bonds shall not exceed 0.75% of the aggregate principal amount of the 2018 Bonds. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the Successor Agency, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes and additions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the Bond Purchase Agreement shall be signed only if the terms of the agreement comply with the requirements and parameters set forth in this Resolution, in particular Section 1 hereof. In the event that the Successor Agency elects to sell the 2017 Bonds in more than one series and at more than one time, the Bond Purchase Agreement is hereby approved for such subsequent sale(s) with such changes as may be deemed necessary or appropriate by the Authorized Officers executing the same so long as the terms of the Bond Purchase Agreement comply with this Resolution, in particular Sections 1 and 6 hereof.

Section 5. The form of the Continuing Disclosure Agreement presented herewith is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the Successor Agency, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Successor Agency hereby determines that the payments due to the City under Amended and Restated Loan Agreement No. 2, dated February 27, 1990, by and between the City and the Successor Agency, as successor to the Community Development Agency of the City of Rohnert Park, shall be paid from tax increment revenues on a subordinate basis to the 2018 Bonds.

Section 7. Each of the Authorized Officers and other appropriate officers of the Successor Agency, acting alone, is authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and contracts that they may deem necessary or advisable in order to consummate the sale, execution and delivery of the 2018 Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the 2018 Bonds, the Indenture, the Continuing Disclosure Agreement and the Escrow Agreements, each in order to facilitate the issuance of the 2018 Bonds and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including, without limitation, to amend any of the legal documents entered in connection with the Prior Obligations in order to effectuate the defeasance and refunding of such Prior Obligations, to execute irrevocable refunding instructions with respect to the Prior Obligations, to secure municipal bond insurance on the 2018 Bonds and/or a reserve surety to fund any reserve account or fund established for the 2018 Bonds, if available (which may include entering into a mutual insurance agreement(s) therefor), to request subordination of any amounts required to be paid to an affected taxing entity to any or all of the 2018 Bonds, as the Authorized Officer may require or approve, in consultation with Bond Counsel and the Successor Agency's financial advisors, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 8. Stradling Yocca Carlson & Rauth, a Professional Corporation, is hereby approved and appointed as Bond Counsel and Disclosure Counsel, HdL Coren & Cone is hereby approved and appointed as Fiscal Consultant, Fieldman Rolapp & Associates, Inc., is hereby approved and appointed as Municipal Advisor to the Successor Agency, MUFG Union Bank, N.A., a national banking association organized and existing under the laws of the United States of America is hereby appointed as Trustee, Stifel, Nicolaus & Company, Incorporated, is hereby appointed as Underwriter, and Burke, Williams & Sorenson, LLP is hereby approved and appointed as counsel to the Successor Agency, each to provide such services and any other related services as may be required to issue the 2018 Bonds and to defease and/or refund the Prior Obligations.

Section 9. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 10. This Resolution shall take effect immediately upon its adoption.

DULY AND REGULARLY ADOPTED this 23rd day of January, 2018.

CITY OF ROHNERT PARK

Pam Stafford
Pam Stafford, Mayor

ATTEST:

JoAnne M. Buerger
JoAnne M. Buerger, City Clerk

Attachment: Exhibit A

AHANOTU: Aye BELFORTE: Aye MACKENZIE: Aye CALLINAN: Aye STAFFORD: Aye
AYES: (5) NOES: (0) ABSENT: (0) ABSTAIN: (0)

EXHIBIT A
PRIOR OBLIGATIONS

1. Payments due with respect to the Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project, Tax Allocation Bonds, Series 2001 pursuant to the Rohnert Park Senior Center Loan Agreement by and between the Prior Agency and the Rohnert Park Financing Authority, dated as of June 1, 2001

2. Ninety percent (90%) of the payments due with respect to the Rohnert Park Financing Authority Lease Revenue Refunding Bonds, Series 2003 pursuant to the Second Amendment to Reimbursement Agreement, dated as of July 1, 2003, by and between the City of Rohnert Park and the Community Development Commission of the City of Rohnert Park

3. Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project, Housing Tax Allocation Bonds, Series 2007H

4. Community Development Commission of the City of Rohnert Park, Rohnert Park Redevelopment Project, Tax Allocation Bonds, Series 2007R