

RESOLUTION NO. 2018-024

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROHNERT PARK CONFIRMING THE SUBORDINATION OF REPAYMENT OF CITY LOANS PREVIOUSLY MADE TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF ROHNERT PARK IN CONNECTION WITH THE ISSUANCE BY THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF TAX ALLOCATION REFUNDING BONDS, AND RATIFYING ACTIONS PREVIOUSLY TAKEN BY THE CITY COUNCIL

WHEREAS, California Health and Safety Code (Code) section 34177.5(a), enacted by AB 1484, authorizes each successor agency to refund outstanding bonds or other indebtedness of the former redevelopment agency 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 shall 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 shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves, and to pay related costs of issuance;

WHEREAS, the City Council of the City of Rohnert Park as Successor Agency ("Successor Agency") has previously approved the issuance of its Successor Agency to the Community Development Commission of the City of Rohnert Park Tax Allocation Refunding Bonds, Series 2018A (the "2018A Bonds") and Successor Agency to the Community Development Commission of the City of Rohnert Park Tax Allocation Refunding Bonds, Series 2018B (Federally Taxable) (the "2018B Bonds", and, together with the 2018A Bonds, the "2018 Bonds") by Resolution No. 2018-012, adopted January 23, 2018 (the "Initial Successor Agency Resolution");

WHEREAS, the refunding of those bonds to be refunded in connection with the issuance of the 2018 Bonds, as approved under the Initial Successor Agency Resolution, will benefit taxing agencies, including the City of Rohnert Park ("City") by reducing scheduled debt service payments on those obligations that are refunded, leaving more revenues available to apply to the retirement of other enforceable obligations and for payment to taxing agencies;

WHEREAS, the City, from time to time, made various loans to the former Community Development Commission of the City of Rohnert Park ("Former Agency"). The repayment of those loans by the Successor Agency to the City, as included in recognized obligation payment schedules (ROPS) periodically submitted by the Successor Agency to the Oversight Board, and upon approval by the Oversight Board, to the California Department of Finance ("City Loans") has been approved by the Oversight Board for the Successor Agency as well as the California Department of Finance, including terms and schedules for repayment, such as set forth in Resolution No. OSB 2017-02 of the Oversight Board, and such loans are recognized as enforceable obligations for purposes of repayment under Health and Safety Code Section 34171 and the recognized obligation payment schedules (ROPS) periodically submitted by the Successor Agency to the Oversight Board, and upon approval by the Oversight Board, to the California Department of Finance;

WHEREAS, in connection with the issuance of the 2018 Bonds by the Successor Agency, the City desires to confirm that the repayment of the City Loans is subordinate to scheduled debt service payments for the 2018 Bonds;

WHEREAS, the City further desires to ratify and affirm all actions taken by the City in connection with the issuance by the Successor Agency of the 2018 Bonds, including but not limited to the approval by the City Council of Resolution No. 2018-013 on January 23, 2018; and

BE IT RESOLVED by the City Council of the City of Rohnert Park that it does hereby resolve as follows:

Section 1. **Recitals.** The recitals set forth above are true and correct and are incorporated into this Resolution by this reference.


Section 2. **Confirmation of Subordination of Payments to City to Scheduled Debt Service for the 2018 Bonds.** The City Council confirms that the repayment of the City Loans is subordinate to scheduled debt service payments for the 2018 Bonds.

Section 3. **Ratification of Prior Actions.** The City ratifies and affirms all actions taken by the City in connection with the issuance of the 2018 Bonds by the City Council, including but not limited to the approval by the City Council of Resolution No. 2018-013 on January 23, 2018.


Section 4. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

DULY AND REGULARLY ADOPTED this 27th day of February, 2018.

CITY OF ROHNERT PARK


Pam Stafford, Mayor

ATTEST:


Caitlin Saldanha, Deputy City Clerk

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