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## OAKLAND REDEVELOPMENT SUCCESSOR AGENCY

RESOLUTION No. 2018- 002

**A SUCCESSOR AGENCY RESOLUTION AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS, CONDITIONS AND FORM OF NOT TO EXCEED \$65,000,000 COMBINED AGGREGATE PRINCIPAL AMOUNT OF THE OAKLAND REDEVELOPMENT SUCCESSOR AGENCY SUBORDINATED TAX ALLOCATION REFUNDING BONDS, SERIES 2018-TE AND OAKLAND REDEVELOPMENT SUCCESSOR AGENCY SUBORDINATED TAX ALLOCATION REFUNDING BONDS, SERIES 2018-T (FEDERALLY TAXABLE), APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENT TO INDENTURE OF TRUST AND A PURCHASE AGREEMENT; APPROVING THE SELECTION AND RETENTION OF A MUNICIPAL ADVISOR AND UNDERWRITERS; AUTHORIZING PAYMENT OF COSTS OF ISSUANCE; AND AUTHORIZING AND APPROVING NECESSARY ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Oakland (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Oakland Redevelopment Successor Agency (the "Successor Agency") has become the successor entity to the Former Agency;

**WHEREAS**, prior to the dissolution of the Former Agency, the Former Agency issued the following series of bonds:

(i) \$28,770,000 initial aggregate principal amount of Redevelopment Agency of the City of Oakland Coliseum Area Redevelopment Project Tax Allocation Bonds, Series 2006B-TE (the "Series 2006B-TE Bonds"); and

(ii) \$46,980,000 initial aggregate principal amount of Redevelopment Agency of the City of Oakland Subordinated Housing Set Aside Revenue Bonds, Series 2011A-T (Federally Taxable) (the "Series 2011A-T Bonds"); and

**WHEREAS**, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of

achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"); and

**WHEREAS**, to refund all or a portion of certain bonds of the Former Agency then outstanding, including a portion of the then outstanding Series 2006B-TE Bonds, the Successor Agency previously issued its \$22,510,000 initial aggregate principal amount of Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2015-TE and its \$66,675,000 initial aggregate principal amount of Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2015-T (Federally Taxable) (collectively, the "2015 Bonds"), pursuant to an Indenture of Trust dated as of September 1, 2015 (the "Original Indenture"), originally entered into by and between the Successor Agency and Zions First National Bank, as trustee (the "Original Trustee"); and

**WHEREAS**, the Successor Agency has determined to sell its Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2018-TE (the "Series 2018-TE Refunding Bonds") and its Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2018-T (Federally Taxable) (the "Taxable Series 2018-T Refunding Bonds" and, together with the Series 2018-TE Refunding Bonds, the "Refunding Bonds") to refund all or a portion of the outstanding Series 2006B-TE Bonds and all or a portion of the outstanding Series 2011A-T Bonds (collectively, the "Prior Bonds"), but only in accordance with the Savings Parameters and Section 34177.5(a)(1); and

**WHEREAS**, the Successor Agency is informed that the Original Trustee intends to resign as trustee under the Original Indenture prior to the issuance of the Refunding Bonds, and the Successor Agency intends to appoint Wilmington Trust, National Association as successor trustee to serve as trustee for the 2015 Bonds and the Refunding Bonds; and

**WHEREAS**, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of the Refunding Bonds, the Successor Agency has caused its municipal advisor, Urban Futures, Inc. (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to refund the Prior Bonds (the "Debt Service Savings Analysis"); and

**WHEREAS**, the Successor Agency has determined to sell the Refunding Bonds to Stifel, Nicolaus & Company, Incorporated and FTN Financial (collectively, the "Original Purchasers"), pursuant to the terms of a bond purchase agreement (the "Purchase Agreement") to be entered into by the Successor Agency and Stifel, Nicolaus & Company, Incorporated, on behalf of itself and as representative of FTN Financial; and

**WHEREAS**, the Successor Agency desires at this time to approve the issuance of the Refunding Bonds and to approve the form of and authorize the execution and delivery of (i) a First Supplement to Indenture of Trust, supplementing and amending the

Original Indenture and providing for the issuance of the Refunding Bonds (the "First Supplement"), (ii) the Irrevocable Refunding Instructions, one for each series of the Prior Bonds, to be delivered by the Successor Agency to the trustees for the Prior Bonds (collectively, the "Refunding Instructions"), and (iii) the Purchase Agreement; and

**WHEREAS**, pursuant to Section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency, and, pursuant to Section 34177.5(f) and Section 34180(b), the issuance of the Refunding Bonds by the Successor Agency is subject to the approval of the Oversight Board; and

**WHEREAS**, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of this Resolution and the resolution of the Oversight Board approving the Refunding Bonds (the "Oversight Board Resolution") to the California Department of Finance, the Successor Agency will, with the assistance of its disclosure counsel, Curls Bartling P.C. ("Disclosure Counsel"), the Municipal Advisor, its fiscal consultant, HdL Coren & Cone (the "Fiscal Consultant"), and the Original Purchasers, cause to be prepared a form of Official Statement for the Refunding Bonds describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Original Purchasers, as underwriters of the Refunding Bonds, to persons and institutions interested in purchasing the Refunding Bonds; and

**WHEREAS**, Senate Bill 450 (Chapter 625 of the 2017-2018 Session of the California Legislature) ("SB 450") requires that the Successor Agency obtain from an underwriter, municipal advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the issuance of the Refunding Bonds, good faith estimates of (a) the true interest cost of the Refunding Bonds, (b) the sum of all fees and charges paid to third parties with respect to the Refunding Bonds, (c) the amount of proceeds of the Refunding Bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, and (d) the sum total of all debt service payments on the Refunding Bonds calculated to the final maturity of the Refunding Bonds plus the fees and charges paid to third parties not paid with the proceeds of the Refunding Bonds; and

**WHEREAS**, in compliance with SB 450, the Oakland Redevelopment Successor Agency has prepared, with the assistance of the Municipal Advisor, based on information provided by the Original Purchasers, the required good faith estimates and such estimates are included in the agenda report submitted by staff to the Successor Agency in connection with the proposed adoption of this Resolution; now therefore be it

**RESOLVED**, the Oakland Redevelopment Successor Agency finds, determines, declares and resolves as follows:

**Section 1. Conditions Precedent; Determination of Savings.** Except for the Successor Agency's receipt of the approval of its Oversight Board and the California Department of Finance of the issuance of the Refunding Bonds and except as provided in Section 8 below, all conditions, things and acts required by law to exist, to happen and to be performed precedent to and in connection with the issuance by the Successor Agency of the Refunding Bonds exist, have happened and been performed in due time, form and manner, in accordance with applicable law, and the Successor Agency is now authorized pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of title 5 of the California Government Code, in accordance with Section 34177.5(a)(1) of the California Health and Safety Code, to issue the Refunding Bonds in the manner and form provided in this Resolution.

The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to refund and defease all or a portion of the Prior Bonds, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency, which Debt Service Savings Analysis is hereby approved.

The Successor Agency is hereby directed to provide the Debt Service Savings Analysis and a final copy of this Resolution to the Oversight Board. The Successor Agency is hereby further authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, as provided in Section 34180(j), with the Alameda County Administrative Officer, the Alameda County Auditor-Controller and the California Department of Finance.

**Section 2. Approval of First Supplement and Refunding Instructions.** The First Supplement, in substantially the form on file with the Secretary of the Successor Agency (the "Secretary"), is hereby approved and adopted. The Administrator of the Successor Agency (the "Administrator") or the Treasurer of the Successor Agency (the "Treasurer"), each acting alone, or the designee of either, is hereby authorized and directed to execute and the Secretary is hereby authorized to attest to, the First Supplement in substantially the form presented to this Successor Agency Board and on file with the Secretary, with such changes, additions, amendments or modifications (including but not limited to changes, additions, amendments or modifications necessary to obtain ratings on the Refunding Bonds, or a municipal bond insurance commitment or reserve fund insurance policy for the Refunding Bonds) that are approved by the Administrator or the Treasurer, in consultation with Counsel to the Successor Agency ("Counsel"), as being in the interest of the Successor Agency, such approval to be conclusively evidenced by said execution. The Successor Agency hereby agrees to comply with, or cause to be complied with, all covenants of the Successor Agency set forth in the Original Indenture as supplemented and amended by the First Supplement.

The forms of the Refunding Instructions, in substantially the forms on file with the Secretary, are hereby approved. The Administrator or the Treasurer, each acting alone, or the designee of either, is hereby authorized and directed to execute and deliver the Refunding Instructions in substantially the forms presented to this Successor Agency Board and on file with the Secretary, with such changes, additions, amendments or modifications that are approved by the Administrator or the Treasurer, in consultation with Counsel to the Successor Agency. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Refunding Instructions.

**Section 3. Issuance of Refunding Bonds.** The Successor Agency Board hereby authorizes the issuance of the Refunding Bonds which shall be designated the "Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2018-TE" and "Oakland Redevelopment Successor Agency Subordinated Tax Allocation Refunding Bonds, Series 2018-T (Federally Taxable)" in a combined aggregate amount of not to exceed \$65,000,000, subject to the terms set forth in the Purchase Agreement and provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the Prior Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the further approval of the Successor Agency or the Oversight Board, provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

Pursuant to Section 5903 of the Government Code, it is the intention of the Successor Agency that the Taxable Series 2018-T Refunding Bonds will be subject to all applicable federal income taxation.

**Section 4. Form of Refunding Bonds.** The forms of the Refunding Bonds, in substantially the forms attached to the First Supplement, are hereby approved and adopted. The Administrator or the Treasurer, each acting alone, is hereby authorized and directed to approve and to execute the Refunding Bonds by manual or facsimile signature, and the Secretary is hereby authorized and directed to attest, by manual or facsimile signature, such signature on the Refunding Bonds, with such changes, additions, amendments or modifications made in accordance with Section 11 hereof.

**Section 5. Purchase Agreement.** The Purchase Agreement, in substantially the form on file with the Secretary, is hereby approved, and the Administrator or the Treasurer, or the designee of either, is hereby authorized and directed to execute and

deliver said Purchase Agreement with such changes therein as the Administrator or the Treasurer may approve, such approval to be conclusively evidenced by the execution and delivery of such Purchase Agreement, provided that: (i) the aggregate principal amount of the Refunding Bonds to be issued shall not exceed \$65,000,000;(ii) the final maturity of the Refunding Bonds to be issued shall not be later than September 1, 2041; (iii) the true interest cost of the Refunding Bonds to be issued shall not exceed six and twenty-five hundredths percent (6.25%); and (iv) the Original Purchasers' discount (excluding original issue discount, if any) shall not exceed thirty-five hundredths percent (0.350 %) of the aggregate principal amount of the Refunding Bonds to be issued.

**Section 6. Appointment of Successor Trustee, Depositories and Other**

**Agents.** The Administrator or the Treasurer, each acting alone, or the designee of either, is hereby authorized and directed to appoint from time to time one or more depositories for the Refunding Bonds, as they may deem desirable. The Administrator or the Treasurer, each acting alone, or the designee of either, is hereby also authorized and directed to appoint from time to time one or more agents, as either of them may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Treasurer, such agents may serve as paying agent, trustee or registrar for the Refunding Bonds, or financial printer or may assist the Treasurer in performing any or all of such functions and other duties as the Treasurer shall determine. Such agents shall serve under such terms and conditions, as the Treasurer shall determine. The Treasurer may remove or replace agents appointed pursuant to this section at any time. The Treasurer is hereby further authorized, upon receipt of the resignation of the Original Trustee, to appoint Wilmington Trust, National Association as successor to the Original Trustee to serve as trustee for the 2015 Bonds and the Refunding Bonds.

**Section 7. Municipal Bond Insurance Policy; Reserve Fund Insurance**

**Policy.** The Administrator or the Treasurer, each acting alone, or the designee of either, is hereby authorized to negotiate and procure a municipal bond insurance policy and/or a reserve fund insurance policy for the Refunding Bonds so long as each such policy, in the opinion of such parties, will result in present value debt service savings to the Successor Agency, taking into account the cost of the premium for such policy to the Successor Agency. If a municipal bond insurance policy or reserve fund insurance policy is to be obtained, the Administrator or the Treasurer, each acting alone, or the designee of either, is hereby authorized to negotiate such additional conditions, covenants and agreements to be observed by the Successor Agency as may be required by such municipal bond insurer or provider of such reserve fund insurance policy, and such covenants and agreements shall be reflected in the First Supplement as executed by the Successor Agency.

**Section 8. Official Statement.** Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Administrator and the Treasurer will, with the assistance of its Disclosure Counsel, Fiscal Consultant, Municipal Advisor and the Original Purchasers, cause to be prepared a form of Official Statement for the Refunding Bonds describing the Refunding Bonds and containing

material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted for approval at a later date to the Successor Agency prior to distribution by the Original Purchasers to persons and institutions interested in purchasing the Refunding Bonds.

**Section 9. Professional Services.** The Administrator or the Treasurer, each acting alone, or the designee of either, are hereby authorized to retain, in connection with the issuance of the Refunding Bonds, Urban Futures, Inc., as municipal advisor, HdL Coren & Cone, as fiscal consultant, the firm of Jones Hall, A Professional Law Corporation, as bond counsel, and the firm of Curis Bartling P.C., as disclosure counsel, and to execute professional services agreements with each such firm. Stifel, Nicolaus & Company, Incorporated and FTN Financial are hereby appointed as underwriters of the Refunding Bonds.

**Section 10. Payment of Costs of Issuance.** The Treasurer is hereby authorized and directed to pay, or cause to be paid on behalf of the Successor Agency, the costs of issuance associated with the Refunding Bonds, including the cost of staff time and related overhead and any transferred proceeds penalty incurred in connection with the refunding of the Prior Bonds.

**Section 11. Modification to Documents.** All officials of the Successor Agency authorized by this Resolution to execute any documents are hereby further authorized, in consultation with the Administrator, the Treasurer and Counsel, to approve and make such changes, additions, amendments or modifications to the document or documents the official is authorized to execute as may be necessary or advisable. The approval of any change, addition, amendment or modification to any of the aforementioned documents shall be evidenced conclusively by the execution and delivery of the document in question.

**Section 12. Ratification.** All actions heretofore taken by the officials, employees and agents of the Successor Agency with respect to the sale and issuance of the Refunding Bonds are hereby approved, confirmed and ratified.

**Section 13. General Authority.** The Administrator, the Treasurer, the Secretary or each such person's duly authorized designee and agent, and any other officials of the Successor Agency and their duly authorized designee and agents are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, 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 issuance and delivery of the Refunding Bonds, and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution. The Administrator and the Treasurer may designate in writing one or more persons to perform any act, which such persons are hereby authorized by this Resolution to perform.

**Section 14. Effect.** This Resolution shall take effect immediately upon its passage; provided, however, that the Successor Agency will not execute and deliver the documents approved hereby or issue the Refunding Bonds until such execution, delivery and issuance has been approved by the Oversight Board and the California Department of Finance.

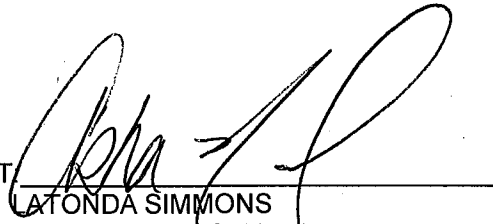
IN SUCCESSOR AGENCY, OAKLAND, CALIFORNIA, MAR 20, 2018

**PASSED BY THE FOLLOWING VOTE:**

AYES - BROOKS, GALLO, GIBSON MACELHANEY, GUILLEN, KALB, KAPLAN, WASHINGTON, and  
PRESIDENT REID 8

NOES - 0  
ABSENT - 0  
ABSTENTION - 0

ATTEST

  
LATONDA SIMMONS  
Secretary of the Oakland  
Redevelopment Successor Agency