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APPROVED AS TO FORM AND LEGALITY:



Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

2011-0007
RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS, CONDITIONS AND FORM OF NOT TO EXCEED \$100,000,000 REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND SUBORDINATED HOUSING SET ASIDE REVENUE BONDS, SERIES 2011A-T (FEDERALLY TAXABLE), APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL INDENTURE AND A BOND PURCHASE AGREEMENT; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT; APPROVING THE RETENTION OF A FINANCIAL ADVISOR, UNDERWRITERS AND OTHER AGENTS; AUTHORIZING PAYMENT OF COSTS OF ISSUANCE; ALLOCATING BOND PROCEEDS TO FINANCE VERY LOW, LOW AND MODERATE INCOME HOUSING WITHIN OR OF BENEFIT TO REDEVELOPMENT AGENCY'S VARIOUS REDEVELOPMENT PROJECT AREAS; AND AUTHORIZING AND APPROVING NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Oakland (the "Agency") is a public body, corporate and politic, duly organized and existing and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law, being Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Law");

WHEREAS, under the Law, twenty percent (20%) of the tax increment revenues payable to the Agency (the "Housing Set Aside Revenues") are required to be set aside in the Agency's Low and Moderate Income Housing Fund for use in increasing the supply of low- and moderate-income housing in the City of Oakland (the "City"); and

WHEREAS, in order to provide necessary funds to finance loans or programs implemented to increase, improve and/or preserve the supply of very low, low and moderate income housing in the City, the Agency has heretofore issued (i) its \$39,395,000 aggregate principal amount of its Subordinated Housing Set Aside Revenue Bonds, Series 2000T (Federally Taxable) (the "Series 2000T Bonds"), pursuant to an Indenture, dated as of May 1, 2000 (the "Original Indenture"), by and between the Agency and BNY Western Trust Company, as initially succeeded by The Bank of New York Trust Company, N.A., and subsequently succeeded by The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee")

and (ii) its \$2,195,000 aggregate principal amount of its Subordinated Housing Set Aside Revenue Bonds, Series 2006A (the "Series 2006A Bonds") and its \$82,645,000 aggregate principal amount of its Subordinated Housing Set Aside Revenue Bonds, Series 2006A-T (Federally Taxable) (the "Series 2006A-T Bonds") pursuant to the Original Indenture and a First Supplemental Indenture dated as of April 1, 2006 (the "First Supplement") between the Agency and the Trustee;

WHEREAS, the Original Indenture permits the issuance of Additional Bonds (as defined in the Original Indenture) payable from Subordinated Housing Set Aside Revenues (as defined in the Original Indenture) on a parity with the Series 2000T Bonds, the Series 2006A Bonds and the Series 2006A-T Bonds, subject to the terms and conditions set forth in the Original Indenture;

WHEREAS, in order to provide additional necessary funds to finance loans or programs implemented to increase, improve and/or preserve the supply of very low, low and moderate income housing in the City, the Agency proposes to issue, on a parity with the Series 2000T Bonds, the Series 2006A Bonds and the Series 2006A-T Bonds, its not to exceed \$100,000,000 aggregate principal amount of its Redevelopment Agency of the City of Oakland Subordinated Housing Set Aside Revenue Bonds, Series 2011A-T (Federally Taxable) (the "Series 2011A-T Bonds"); now, therefore be it

RESOLVED, as follows:

Section 1. Conditions Precedent. 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 Agency of the Series 2011A-T Bonds exist, have happened and been performed in due time, form and manner, in accordance with applicable law, and the Agency is now authorized pursuant to the Law to incur indebtedness in the manner and form provided in this Resolution, as may be supplemented from time to time.

Section 2. Indenture. The Second Supplemental Indenture (the "Second Supplement" and, together with the Original Indenture and the First Supplement, the "Indenture"), between the Agency and the Trustee supplementing and amending the Original Indenture and the First Supplement, substantially in the form presented to this meeting, is hereby approved and adopted. The Agency Administrator or the Agency Treasurer, each acting alone, or the designee of either, is hereby authorized and directed to execute, and the Secretary of the Agency is hereby authorized to attest to, the Second Supplement, with such changes, additions, amendments or modifications (including but not limited to changes, additions, amendments or modifications necessary to obtain ratings on the Series 2011A-T Bonds or a municipal bond insurance commitment) that are approved by the Agency Administrator or the Agency Treasurer, in consultation with Agency Counsel, as being in the interest of the Agency, such approval to be conclusively evidenced by said execution. The Agency hereby agrees to comply with, or cause to be complied with, all covenants of the Agency set forth in the Indenture.

Section 3. Issuance of Bonds. The Board of the Agency hereby authorizes the issuance of the Bonds which shall be designated the "Redevelopment Agency of the City of Oakland Subordinated Housing Set Aside Revenue Bonds, Series 2011A-T (Federally Taxable)" in an

aggregate amount of not to exceed \$100,000,000, subject to the terms set forth in the Purchase Agreement (defined below). Pursuant to Section 5903 of the Government Code, the Agency finds and determines that the interest on the Bonds shall be subject to all applicable federal income taxation.

Section 4. Form of Bonds. The form of the Series 2011A-T Bonds, in substantially the form attached to the Second Supplement, are hereby approved. The Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to approve and to execute the Series 2011A-T Bonds by manual or facsimile signature; and the Secretary of the Agency is hereby authorized and directed to attest, by manual or facsimile signature and to cause the seal of the Agency to be reproduced or impressed on the Series 2011A-T Bonds, with such changes made in accordance with Section 12 hereof.

Section 5. Bond Purchase Agreement. The Bond Purchase Agreement (the "Purchase Agreement"), by and between the Agency and the Underwriter (as hereinafter defined), substantially in the form submitted to this meeting, is hereby approved and the Agency Administrator or the Agency Treasurer, each acting alone, or the designee of either, is hereby authorized and directed to execute and deliver said Bond Purchase Agreement with such changes therein as the Agency Administrator and the Agency Treasurer may approve, such approval to be conclusively evidenced by the execution and delivery of such Bond Purchase Agreement, provided that the aggregate principal amount of Series 2011A-T Bonds to be issued shall not exceed \$100,000,000, the true interest cost of the Series 2011A-T Bonds shall not exceed twelve percent (12.00%) per annum, the Underwriter's discount or fee (excluding original issue discount, if any) for the Series 2011A-T Bonds shall not exceed one and ten one-hundredths percent (1.10%), and the final maturity for the Series 2011A-T Bonds shall not exceed 35 years. E. J. De La Rosa & Co., Inc. and Stone & Youngberg LLC are hereby approved as the underwriters of the Series 2011A-T Bonds (the "Underwriter").

Section 6. Appointment of Depositories and Other Agents. The Agency Administrator and the Agency Treasurer, each acting alone, are hereby authorized and directed to appoint from time to time one or more depositories for the Series 2011A-T Bonds, as they may deem desirable. The Agency Administrator and the Agency Treasurer, each acting alone, or the designee of either, are hereby also authorized and directed to appoint from time to time one or more agents, as he may deem necessary or desirable. To the extent permitted by applicable law, and under the supervision of the Agency Administrator and the Agency Treasurer, such agents may serve as paying agent, Trustee or registrar for the Series 2011A-T Bonds, or financial printer, or may assist the Agency Administrator and the Agency Treasurer in performing any or all of such functions and other duties as the Agency Administrator and the Agency Treasurer shall determine. Such agents shall serve under such terms and conditions as the Agency Administrator and the Agency Treasurer shall determine. The Agency Administrator and the Agency Treasurer may remove or replace agents appointed pursuant to this section at any time.

Section 7. Municipal Bond Insurance Policy. The Agency Administrator and the Agency Treasurer are hereby authorized to negotiate and procure a municipal bond insurance policy for the Bonds so long as such policy, in the opinion of such parties, will result in present value debt service savings to the Agency, taking into account the cost of the premium for such policy to the Agency. If a municipal bond insurance policy is to be obtained, the Agency Administrator and

the Agency Treasurer are hereby authorized to negotiate such additional covenants and agreements to be observed by the Agency as may be required by such municipal bond insurer, and such covenants and agreements shall be reflected in the First Supplement as executed by the Agency.

Section 8. Official Statement. The Agency Administrator and the Agency Treasurer are hereby authorized and directed, in consultation with Agency Counsel, to prepare a preliminary official statement for the Series 2011A-T Bonds authorized by this Resolution. The preliminary official statement (the "Preliminary Official Statement"), in substantially the form presented to this meeting, is hereby approved and adopted with such changes, additions, amendments or modifications as may be made in accordance with Section 12 hereof. The Agency Administrator and the Agency Treasurer are hereby authorized to cause the distribution of a Preliminary Official Statement for the Series 2011A-T Bonds, which is hereby deemed final for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934, as amended, and the Agency Administrator and the Agency Treasurer are each separately authorized to execute a certificate to that effect. The Agency Administrator and the Agency Treasurer are each separately authorized and directed to sign a final Official Statement for the Series 2011A-T Bonds. The Agency Administrator and the Agency Treasurer are hereby authorized and directed to cause to be printed and mailed to prospective purchasers of the Series 2011A-T Bonds copies of the Preliminary Official Statement and the final Official Statement.

Section 9. Appointment of Financial Advisor. The retention of the firm of Urban Futures Inc., as financial advisor to the Agency for the Series 2011A-T Bonds, is hereby approved. The Agency Treasurer is hereby authorized to negotiate and execute contractual agreements with Urban Futures Inc., in connection with the issuance of the Bonds.

Section 10. Payment of Costs of Issuance and Administration. The Agency Administrator is hereby authorized and directed to appropriate from the proceeds of the Series 2011A-T Bonds funds for the payment of expenditures, fees and other costs related to issuance and administration of the Series 2011A-T Bonds. The Agency Treasurer is hereby authorized and directed to pay, or cause to be paid on behalf of the Agency, the costs of issuance and administration associated with the Series 2011A-T Bonds.

Section 11. Allocation of Bond Proceeds. The Agency hereby allocates the proceeds of the Series 2011A-T Bonds to finance very low, low, and moderate income housing within or of benefit to the various redevelopment project areas of the Agency, including the payment of the costs of issuance associated with the Bonds.

Section 12. Modification to Documents. Any Agency official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the Agency Administrator, the Agency Treasurer and Agency 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 (provided that such changes, additions, amendments or modification shall not authorize an aggregate principal amount of Series 2011A-T Bonds in excess of \$100,000,000. 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 13. Ratification. All actions heretofore taken by the officials, employees and agents of the Agency with respect to the sale and issuance of the Series 2011A-T Bonds are hereby approved, confirmed and ratified.

Section 13. General Authority. The Agency Administrator, the Agency Treasurer, the Secretary of the Agency or each such person's duly authorized designee and agent, and any other officials of the Agency and their duly authorized designee and agents are hereby authorized and directed, for and in the name and on behalf of the 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 including a Continuing Disclosure Certificate, an agreement relating to the delivery of a debt service reserve fund surety bond, and a letter of representation to any depository for the Series 2011A-T Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series 2011A-T Bonds, and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

The Agency Administrator and the Agency 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.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 1 2011, 20

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, KAPLAN, KERNIGHAN, NADEL, SCHAAF, DE LA FUENTE and ~~QUIGLEY~~

~~REID~~ - 6

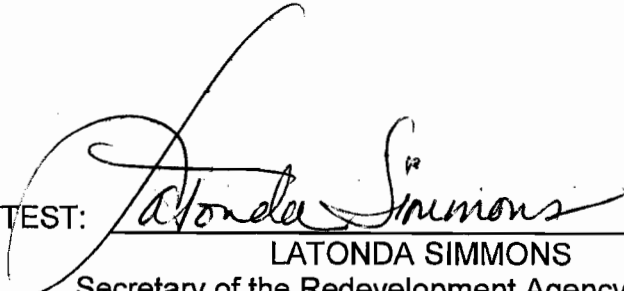
NOES - 0

ABSENT - Reid - 1

ABSTENTION - 0

Excused - Brooks - 1

ATTEST:



LATONDA SIMMONS
Secretary of the Redevelopment Agency of
the City of Oakland, California