

Kathleen Anne Flynn PM 4:09
Agency Counsel

**REDEVELOPMENT AGENCY
OF THE CITY OF OAKLAND**

2006-0016

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE ISSUANCE AND PRESCRIBING THE TERMS, CONDITIONS AND FORMS OF NOT TO EXCEED \$4,500,000 PRINCIPAL AMOUNT OF THE REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND SUBORDINATED HOUSING SET ASIDE REVENUE REFUNDING BONDS, SERIES 2006, AND NOT TO EXCEED \$94,000,000 REDEVELOPMENT AGENCY OF THE CITY OF OAKLAND SUBORDINATED HOUSING SET ASIDE REVENUE BONDS, SERIES 2006A-T (FEDERALLY TAXABLE), APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST 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 AND OTHER AGENTS; AUTHORIZING PAYMENT OF COSTS OF ISSUANCE; 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 low and moderate income housing in the City, the Agency has heretofore issued 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, by and between the Agency and BNY Western Trust Company, as succeeded by The Bank of New York Trust Company, N.A., as trustee (the "Trustee") (the "Original Indenture"); and

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, subject to the terms and conditions set forth in the Original Indenture; and

WHEREAS, in order to provide additional necessary funds to finance and refinance loans or programs implemented to increase, improve and/or preserve the supply of low and moderate income housing in the City (including by refunding all or a portion of the Series 2000T Bonds), the Agency proposes to issue, on a parity with the Series 2000T Bonds, its not to exceed \$4,500,000 aggregate principal amount of its Redevelopment Agency of the City of Oakland Subordinated Housing Set Aside Revenue Refunding Bonds, Series 2006A (the "Series 2006A Bonds") and its not to exceed \$94,000,000 aggregate principal amount of its Redevelopment Agency of the City of Oakland Subordinated Housing Set Aside Revenue Bonds, Series 2006A-T (Federally Taxable) (the "Series 2006A-T Bonds" and, together with the Series 2006A Bonds, the "Series 2006 Bonds"); and

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 2006A 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 First Supplemental Indenture (the "First Supplement" and, together with the Original Indenture, the "Indenture"), between the Agency and the Trustee supplementing and amending the Original Indenture, substantially in the form presented to this meeting, is hereby approved, and the Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to execute, and the Secretary of the Agency is hereby authorized to attest to, the First Supplement, with such changes therein (including but not limited to changes necessary to obtain ratings on the Series 2006 Bonds or a municipal bond insurance commitment), as the Agency Administrator and the Agency Treasurer may approve, such approval to be conclusively evidenced by said execution. The Agency hereby approves the amendments set forth in the First Supplement and 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 Series 2006A Bonds in an aggregate amount of not to exceed \$4,500,000, and the Series 2006A-T Bonds in an aggregate amount of not to exceed \$94,000,000, in both cases subject to the terms set forth in the Purchase Agreement (defined below).

Section 4. Form of Bonds. The form of the Series 2006A Bonds and the form of the Series 2006A-T Bonds, in substantially the forms attached to the First 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 2006 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 2006 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 among the Agency, the Oakland Joint Powers Financing Authority 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, or the designee of either, each acting alone, 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 2006A Bonds to be issued shall not exceed \$4,500,000, the aggregate principal amount of Series 2006A-T Bonds to be issued shall not exceed \$94,000,000, the true interest cost of the Series 2006A Bonds shall not exceed seven percent (7%), the true interest cost of the Series 2006A-T Bonds shall not exceed eight and one-half percent (8-1/2%), the Underwriter's discount or fee (excluding original issue discount, if any) for the Series 2006 Bonds shall not exceed nine-tenths of one percent (0.90%), and the final maturity for the Series 2006 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 2006 Bonds (the "Underwriter"). All or a portion of the Series 2000T Bonds shall be refunded only to the extent that the present value savings resulting from such refunding is at least three percent (3%).

Section 6. Escrow Agreements. The Tax Exempt Refunding Escrow Agreement and the Taxable Refunding Escrow Agreement (collectively, the "Escrow Agreements"), both by and between the Agency and The Bank of New York Trust Company, N.A., substantially in the forms submitted to this meeting, are hereby approved, and the Agency Administrator or the Agency Treasurer, or the designee of either, each acting alone, is hereby authorized and directed to execute and deliver the Escrow Agreements 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 Escrow Agreements.

Section 7. Appointment of Depositories and Other Agents. The Agency Administrator and the Agency Treasurer are hereby authorized and directed to appoint from time to time one or more depositories for the Series 2006 Bonds, as he may deem desirable. The Agency Administrator and the Agency Treasurer 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 2006 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 8. 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 9. 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 2006 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 11 hereof. The Agency Administrator and the Agency Treasurer are hereby authorized to cause the distribution of a Preliminary Official Statement for the Series 2006 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 2006 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 2006 Bonds copies of the Preliminary Official Statement and the final Official Statement.

Section 10. Appointment of Financial Advisor. The retention of the firm of Kelling Northcross & Nobriga, a Division of Zions First National Bank ("Kelling"), as financial advisor to the Agency for the Series 2006 Bonds, is hereby approved. The Agency Treasurer is hereby authorized to negotiate and execute contractual agreements with Kelling, in connection with the issuance of the Bonds.

Section 11. Payment of Costs of Issuance and Administration. The Agency Administrator is hereby authorized and directed to appropriate from the Bond proceeds funds for the payment of expenditures, fees and other costs related to issuance and administration of the Bonds, including the Underwriter's fee. 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 2006 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 2006A Bonds in excess of \$4,500,000 or authorize an aggregate principal amount of Series 2006A-T

Bonds in excess of \$94,000,000. 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. Refunding of Loans. The loans originally made from the proceeds of the Series 2000T Bonds shall now be the proceeds of the Series 2006A-T Bonds, provided that the loans for the following projects (the "Tax Exempt Loans") shall be allocated to the Series 2006A Bonds in the amounts as finally determined by the Agency Treasurer, provided that such collective amount shall not exceed \$4,500,000: (i) Lincoln Court Senior Apartments, (ii) Madison Street Lofts, (iii) Oak Park Apartments, and (iv) Oakland Point Apartments.

Section 14. First Supplement to Regulatory Agreement. The First Supplement to Regulatory Agreement, substantially in the form presented to this meeting, is hereby approved, and the Agency Administrator and the Agency Treasurer, or the designee of either, each acting alone, are hereby authorized to enter into a First Supplement to Regulatory Agreement with each of the applicable borrowers, 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 each of the First Supplement to Regulatory Agreement.

Section 15. Ratification. All actions heretofore taken by the officials, employees and agents of the Agency with respect to the sale and issuance of the Series 2006 Bonds are hereby approved, confirmed and ratified.

Section 16. 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 Agreement, a Tax Certificate or Certificates, an agreement relating to the delivery of a debt service reserve fund surety bond, letters of representation to any depository for the Series 2006 Bonds, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Series 2006 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 17. Effect. This Resolution shall take effect immediately upon its passage.

IN AGENCY, OAKLAND, CALIFORNIA, MAR - 7 2006, 2006

PASSED BY THE FOLLOWING VOTE:

AYES- **BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL,
~~REID, QUAN, AND PRESIDENT DELAFUERTE~~ — 6**

NOES- 0

ABSENT- 0

ABSTENTION- 0

*Excused - Reid,
De laFuente*

ATTEST: *Latonda Simmons*
LATONDA SIMMONS
Secretary of the Redevelopment Agency of the
City of Oakland, California