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OAKLAND

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OAKLAND CITY COUNCIL

Approved as to Form and Legality


Oakland City Attorney's Office

RESOLUTION NO. 81129 C. M. S.

INTRODUCED BY COUNCILMEMBER _____

RESOLUTION APPROVING THE ISSUANCE BY THE OAKLAND JOINT POWERS FINANCING AUTHORITY OF LEASE REVENUE BONDS, IN ONE OR MORE SERIES, OF NOT TO EXCEED ONE HUNDRED TWENTY FIVE MILLION DOLLARS (\$125,000,000) AGGREGATE PRINCIPAL AMOUNT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF LEASE, SUBLEASE AND BOND PURCHASE AGREEMENT; AUTHORIZING VARIABLE RATE BONDS, PURCHASE OF LETTERS OF CREDIT AND EXECUTION OF REIMBURSEMENT AGREEMENTS; AUTHORIZING THE CITY ADMINISTRATOR TO TERMINATE ONE OR MORE INTEREST RATE SWAP AGREEMENTS; AND AUTHORIZING EXECUTION OF DOCUMENTS AND THE TAKING OF ALL NECESSARY ACTIONS RELATING TO THE BONDS AND AUTHORIZING NECESSARY ACTIONS RELATING TO THE LEASE FINANCING WITH THE OAKLAND JOINT POWERS FINANCING AUTHORITY

WHEREAS, the City of Oakland (the "City") is a municipal corporation and charter city duly organized and existing under the Charter of the City (the "Charter") and the laws of the State of California (the "State"); and

WHEREAS, the City and the Redevelopment Agency of the City of Oakland (the "Agency") have heretofore executed a Joint Exercise of Powers Agreement, dated as of February 1, 1993 (the "Agreement"), creating the Oakland Joint Powers Financing Authority (the "Authority"); and

WHEREAS, pursuant to the Agreement and the laws of the State, the Authority is authorized to lease both real and personal property to and from the City and to issue bonds for financing and refinancing public capital improvements and certain other costs whenever there are significant public benefits; and

WHEREAS, on June 10, 2004, the Authority issued \$117,200,000 Oakland Joint Powers Financing Authority Lease Revenue Bonds (Oakland Administration Buildings), 2004 Series A (the "2004 Bonds"), to refinance the design, construction, rehabilitation and equipping of the Wilson Building (150 Frank H. Ogawa Plaza) and the Dalziel Building (250 Frank H. Ogawa Plaza) (collectively, the "Property") for the City; and

WHEREAS, the Authority intends to refund the 2004 Bonds and to finance any termination payments owed with respect to termination of the interest rate swap agreements (the "Swap Agreements") relating to the 2004 Bonds in order to provide

economic benefits to the City (the "Project") by issuing one or more series of its Lease Revenue Refunding Bonds (Oakland Administration Buildings) (collectively, the "Bonds"); and

WHEREAS, the Authority will lease the Property from the City pursuant to an Amended and Restated Lease Agreement (the "Lease"); and

WHEREAS, the Authority will lease the Property back to the City pursuant to an Amended and Restated Sublease Agreement (the "Sublease"); and

WHEREAS, lease payments paid by the City to the Authority pursuant to the Sublease will secure the Bonds; and

WHEREAS, the City desires to approve the Authority's issuance of the Bonds, in or more series and evidencing interest at fixed or variable rates, for the purpose of providing economic benefits to the City by refunding the 2004 Bonds and financing related costs; and

WHEREAS, this City Council, as a member of the Authority, took action to call a public hearing at the regular meeting place of the City Council to consider: (1) the proposed financing of the Project located within the geographic boundaries of the City, by the issuance and sale by the Authority of the Bonds; (2) whether there are any significant public benefits to the City from such proposed financing, including demonstrable savings to the City from the issuance and sale of the Bonds, such as savings in effective interest rates and bond issuance costs (in accordance with Section 6586.5 of the Government Code of the State of California); and

WHEREAS, a notice of such public hearing was duly published at least five days prior to the hearing by the City as required by law in the Oakland Tribune, the newspaper of general circulation in the City, a copy of the proof of publication from the Oakland Tribune of such notice of public hearing is on file in the office of the City Clerk; and

WHEREAS, on the date hereof, being the time and place set forth in the notice of such hearing, a public hearing was duly convened by the City Council, and the City Council heard all interested persons desiring to be heard; and

WHEREAS, all acts, conditions and things required by the Charter and the laws of the State to exist, to have happened and to have been performed precedent to and in connection with the enactment of this Resolution do exist, have happened and have been performed in regular and due time, form and manner as required by law; now, therefore, be it

RESOLVED, as follows:

Section 1. Conditions Precedent. The above recitals are true and correct.

Section 2. Issuance of Bonds. The City Council hereby approves the issuance of the Bonds by the Authority, in one or more series and evidencing interest at fixed or variable rates, in an aggregate principal amount not to exceed one hundred twenty five million dollars \$125,000,000.

Section 3. Bond Purchase Agreement. The proposed form of the Bond Purchase Agreement, by and among the Authority, the City and UBS Investment Bank, as representative on file with the City Clerk, is hereby approved. The City Administrator, the Director of the Finance and Management Agency or the Treasury Manager, or designee of any such official, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver, one or more Bond Purchase Agreements, substantially in such form, with such changes, additions, amendments or modifications made in accordance with Section 9 hereof.

Section 4. Lease. The proposed form of Lease, by and between the City as Lessor and the Authority, as Lessee, on file with the City Clerk, is hereby approved. The City Administrator, the Director of the Finance and Management Agency or the Treasury Manager, or designee of any such official, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver, the Lease, substantially in such form, with such changes therein as such officer may require or approve, such approval shall be conclusively evidenced by the execution and delivery thereof; provided however, that the term of the Lease shall not exceed 40 years. Such officers are hereby authorized to add City property to such Lease.

Section 5. Sublease. The proposed form of Sublease, by and between the Authority as Lessor and the City, as Lessee, on file with the City Clerk, is hereby approved. The City Administrator, the Director of the Finance and Management Agency or the Treasury Manager, or designee of any such official, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver, the Sublease, substantially in such form, with such changes therein as such officer may require or approve, such approval shall be conclusively evidenced by the execution and delivery thereof; provided however, that the term of the Sublease shall not exceed 40 years. Such officers are hereby authorized to add City property to such Sublease.

Section 6. Authorization of Variable Rate Bonds and Related Bond Provisions. The City Administrator and Director of the Finance and Management Agency are hereby authorized to approve variable rate bond provisions and related provisions in the Lease, Sublease and other Bond documents. The City Administrator and Director of Finance are hereby authorized to select one or more financial institutions to provide one or more letters of credit to support variable rate bonds and to negotiate the terms of one or more reimbursement agreements (the "Reimbursement Agreements") with terms that provide for payment by the City to the financial institutions of amounts not to exceed fair rental values as described in Section 3.03 of the Sublease (such payments may include amounts characterized as deferred rental). Any amounts payable by the City to the financial institutions that are in excess of the foregoing shall be subject to appropriation. The City Administrator, the Director of the Finance and Management Agency or the Treasury Manager, or designee of any such official, is hereby authorized and directed,

for and in the name and on behalf of the City, to execute and deliver, one or more Reimbursement Agreements, in such form as such officer may require or approve, such approval shall be conclusively evidenced by the execution and delivery thereof.

Section 7. Termination of Swap. The City Administrator and Director of the Finance and Management Agency are hereby authorized to terminate the Swap Agreements and to fund any termination costs owed by the City with the proceeds of the Bonds.

Section 8. Findings of Public Benefit. In accordance with Section 6586.5 of the Government Code of the State of California, the City Council hereby approves the financing of the Project and finds and determines that the issuance of the Bonds, the Project and transactions related thereto will result in significant public benefits to the City and that the property that is to be financed and refinanced is located within the geographic boundaries of the City.

Section 9. Modification to Documents. Any City official authorized by this Resolution to execute any document is hereby further authorized, in consultation with the City Administrator and the City Attorney, 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 modifications shall not approve an aggregate principal amount of Bonds in excess of one hundred twenty five million dollars \$125,000,000 or a lease term that exceeds 40 years). 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 10. Ratification. All actions heretofore taken by the officials, employees and agents of the City with respect to the sale and issuance of the Bonds are hereby approved, confirmed and ratified.

Section 11. General Authority. The Mayor, the City Administrator, the Director of the Finance and Management Agency, the Treasury Manager, the City Clerk any other officials of the City and their duly authorized deputies and agents are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, including, but not limited to negotiation and purchase of municipal bond insurance for the Bonds and a surety bond for the reserve fund for the Bonds, and execute and deliver any and all certificates, agreements and other documents including a Continuing Disclosure Agreement, an assignment or acquisition agreement, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds, and to effectuate the purposes thereof and of the documents herein approved in accordance with this Resolution.

The City Administrator and the Director of the Finance and Management Agency may each designate in writing one or more persons to perform any act that such official is authorized by this Resolution to perform.

Section 12. Effective Date. This Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA MAR 18 2008, 2008

PASSED BY THE FOLLOWING VOTE:

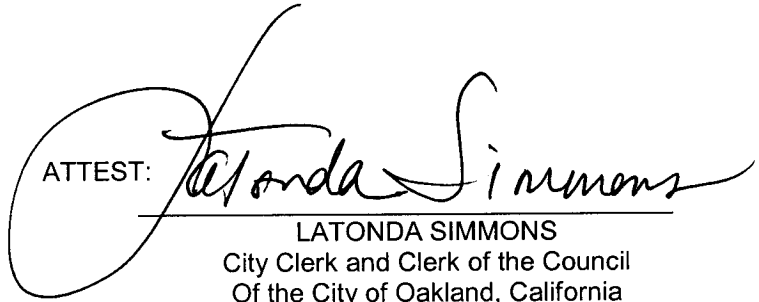
AYES- BROOKS, BRUNNER, CHANG, NADEL, QUAN, REID. KERNIGHAN and PRESIDENT DE LA FUENTE - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST:



LATONDA SIMMONS
City Clerk and Clerk of the Council
Of the City of Oakland, California