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Approved as to Form and Legality



Joint Powers Financing
Authority Counsel

OAKLAND JOINT POWERS FINANCING AUTHORITY

RESOLUTION NO. 2013-001 J.P.F.A.

RESOLUTION AUTHORIZING THE USE OF AN INSURANCE POLICY TO BE PROVIDED BY ASSURED GUARANTY MUNICIPAL CORP. ("ASSURED") TO REPLACE THE CASH IN THE RESERVE FUND SECURING THE OAKLAND JOINT POWERS FINANCING AUTHORITY'S LEASE REVENUE REFUNDING BONDS (OAKLAND ADMINISTRATION BUILDINGS) 2008 SERIES B (THE "BONDS"), AUTHORIZING THE AMENDMENT OF THE RATING REQUIREMENT IN SUCH TRUST AGREEMENT APPLICABLE TO THE PROVIDER OF SUCH AN INSURANCE POLICY WITH RESPECT TO ASSURED, AND AUTHORIZING THE REIMBURSEMENT OF ASSURED FROM BASE RENTAL PAYMENTS MADE BY THE CITY OF OAKLAND PURSUANT TO THE SUBLEASE RELATING TO THE BONDS

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, the City and the Authority previously executed and entered into an Amended and Restated Lease, dated as of April 1, 2008, pursuant to which the City, as lessor, leased two City administration buildings described therein (the "Leased Property") to the Authority; and

WHEREAS, the Authority, as lessor, and the City, as City, previously executed and entered into an Amended and Restated Sublease, dated as of April 1, 2008 (as amended or supplemented from time to time, the "Sublease"), pursuant to which the Authority leased the Leased Property back to the City; and

WHEREAS, under and pursuant to the Sublease, the City is obligated to make rental payments (the "Base Rental Payments") to the Authority for the rental of the Leased Property; and

WHEREAS, the Authority pledged its right to receive the Base Rental Payments to the Trustee on the terms and subject to the conditions described in the Trust Agreement, dated as of April 1, 2008, by and between the Authority and the Trustee (the "Original Trust Agreement" and, as

amended and supplemented by the First Supplemental Trust Agreement defined herein, the “Trust Agreement”); and

WHEREAS, pursuant to the Original Trust Agreement, the Authority issued its Lease Revenue Refunding Bonds (Oakland Administration Buildings) 2008 Series B (the “Bonds”) in an aggregate principal amount of \$113,450,000, secured by, among other things, the Reserve Fund established under Section 5.03(d) of the Original Trust Agreement (the “Reserve Fund”); and

WHEREAS, Section 5.03(d) of the Original Trust Agreement permits the Authority to replace the cash in the Reserve Fund with an insurance policy constituting a Reserve Facility, as defined in the Original Trust Agreement, to use such Reserve Facility to satisfy the Reserve Fund Requirement established under the Original Trust Agreement, and to apply available amounts from Base Rental Payments made by the City towards reimbursement of the provider of such Reserve Facility; and

WHEREAS, the Authority is empowered pursuant to Sections 1.01 and 3.04 of the Original Trust Agreement to designate a Reserve Facility as a “Related Obligation,” as defined in the Original Trust Agreement, of the Authority and to issue such Related Obligation for the foregoing purposes; and

WHEREAS, the Authority has received a proposal from Assured Guaranty Municipal Corp. (“Assured”) to issue a Reserve Facility (the “Assured Reserve Facility”); and

WHEREAS, the Authority desires to enter into a First Supplemental Trust Agreement (the “First Supplemental Trust Agreement”) amending and supplementing the Original Trust Agreement to provide for the replacement of the cash in the Reserve Fund with the Assured Reserve Facility, the use of the Assured Reserve Facility to satisfy the Reserve Fund Requirement, the designation of the Assured Reserve Facility as a Related Obligation under the Trust Agreement, and, for the foregoing purposes, the amendment of the rating requirement in the Original Trust Agreement applicable to the provider of a Reserve Facility with respect to Assured; and

WHEREAS, the Authority desires to amend the Sublease as may be necessary or desirable to accomplish the foregoing purposes;

WHEREAS, the Authority desires to approve the Insurance Agreement, by and among the City, the Authority and Assured, governing the Assured Reserve Facility (the “Insurance Agreement”); and

WHEREAS, all capitalized terms not defined herein shall have the meaning set forth in the Original Trust Agreement; and

WHEREAS, all acts, conditions and things required by the Agreement 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, the governing body of the Oakland Joint Powers Financing Authority (the “Board”) hereby finds, determines, declares and resolves as follows:

Section 1. Recitals. All of the recitals set forth above are true and correct, and the Board so finds and determines.

Section 2. Assured Reserve Facility. The Authority hereby authorizes the replacement of the cash in the Reserve Fund with the Assured Reserve Facility to be provided by Assured pursuant to the Insurance Agreement.

Section 3. Related Obligation. The Authority hereby authorizes the designation in the First Supplemental Trust Agreement of the Assured Reserve Facility as a “Related Obligation” of the Authority pursuant to Section 1.01 and 3.04 of the Original Trust Agreement, payable from available amounts from Base Rental Payments made by the City pursuant to Sections 3.01 and 3.04 of the Sublease, and subject to the fair rental value requirements and the abatement provisions applicable to the Base Rental Payments in Sections 3.03 and 3.06, respectively, of the Sublease.

Section 4. The Insurance Agreement. The proposed form of Insurance Agreement, on file with the Secretary of the Authority, is hereby approved. The President, Vice-President or Executive Director, Director of the Finance and Management Agency, or a designee of any such official, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Insurance Agreement, substantially in such form, with such changes, additions, amendments or modifications made in accordance with Section 7 hereof.

Section 5. First Supplemental Trust Agreement. The proposed form of the First Supplemental Trust Agreement, on file with the Secretary of the Authority, is hereby approved. The President, Vice-President or Executive Director, Director of the Finance and Management Agency, or a designee of any such official, is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the First Supplemental Trust Agreement, substantially in such form, with such changes, additions, amendments or modifications made in accordance with Section 7 hereof.

Section 6. EMMA Notice. The Authority hereby authorizes the submission to the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA®) website at <http://emma.msrb.org>. of such notice or other disclosure of any of the actions contemplated by this Resolution as its authorized officer shall deem necessary or advisable to comply with Securities Exchange Commission Rule 15c2-12.

Section 7. Modification to Documents. Each official of the Authority authorized by this Resolution to execute the documents named herein is hereby further authorized, in consultation with the Executive Director 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 be within the parameters provided for in Section 2). 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 8. General Authority. Each official of the Authority authorized by this Resolution to execute the documents named herein is hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution, including without limitation an amendment to the Sublease.

Section 9. Ratification. All actions heretofore taken by the officials, employees and agents of the Authority with respect to the Assured Reserve Facility, the Insurance Agreement, the Reserve Fund Requirement and the First Supplemental Trust Agreement are hereby approved, confirmed and ratified.

Section 10. Effective Date. This Resolution shall take effect immediately upon its passage.

IN THE BOARD OF THE JOINT POWERS FINANCING AUTHORITY, OAKLAND, CALIFORNIA, May __, 2013

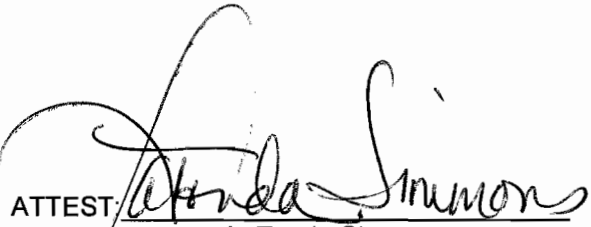
PASSED BY THE FOLLOWING VOTE: MAY 7 2013

AYES - ~~Brooks~~, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF and PRESIDENT KERNIGHAN - 7

NOES - 0

ABSENT - Brooks - 1

ABSTENTION - 0

ATTEST 
LaTonda Simmons
Secretary of the Oakland Joint Powers
Financing Authority of the City of Oakland