

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 04/25/2017 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2017/147

A Resolution of the Successor Agency to the Contra Costa County Redevelopment Agency Authorizing the Issuance and Sale of Tax Allocation Refunding Bonds to Refund Obligations of the Former Contra Costa County Redevelopment Agency, and Approving Related Documents and Actions

WHEREAS, the Contra Costa County Redevelopment Agency (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the California Health and Safety Code (the "Law"), including the power to borrow funds and issue bonds; and

WHEREAS, in order to finance redevelopment and housing activities of the Former Agency, the Former Agency has incurred the following obligations:

(i) pursuant to a Pleasant Hill Loan Agreement, dated as of May 1, 1992, between the County of Contra Costa Public Financing Authority (the "Authority") and the Former Agency, as amended and supplemented by a First Supplement dated as of March 1, 1999, by a Second Supplement dated as of August 1, 2003, by a Third Supplement dated as of May 1, 2007, and by a Fourth Supplement dated as of May 1, 2012, each between the Former Agency and the Authority, the Former Agency incurred a 1999 Loan (the "PH 1999 Loan") in the initial principal amount of \$21,138,030.52 of which \$6,995,000 is outstanding, a 2003A Loan (the "PH 2003A Loan") in the initial principal amount of \$19,195,000 of which \$5,550,000 is outstanding, and a 2007A Loan (the "PH 2007A Loan," and together with the PH 1999 Loan and the PH 2003A Loan, the "Pleasant Hill Loans") in the initial principal amount of \$37,775,000 of which \$32,645,000 is outstanding; and

(ii) pursuant to a West Pittsburg Loan Agreement, dated as of May 1, 1992, between the Former Agency and the Authority, as amended and supplemented by a First Supplement dated as of December 1, 1995, by a Second Supplement dated as of March 1, 1999, by a Third Supplement dated as of August 1, 2003, by a Fourth Supplement dated as of August 1, 2003, by a Fifth Supplement dated as of May 1, 2007, by a Sixth Supplement dated as of May 1, 2007 and by a Seventh Supplement dated as of May 1, 2012, each between the Former Agency and the Authority, the Former Agency incurred a 1999 Loan (the "WP 1999 Loan") in the initial principal amount of \$8,029,984.60 of which \$175,000 is outstanding, a 2007A Loan (the "WP 2007A Loan") in the initial principal amount of \$24,195,000 of which \$19,115,000 is outstanding, and a 2007B Loan (the "WP 2007B Loan," and together with the WP 1999 Loan and the WP 2007A Loan, the "West Pittsburg Loans") in the initial principal amount of \$5,015,000 of which \$4,520,000 is outstanding; and

(iii) pursuant to a North Richmond Loan Agreement, dated as of May 1, 1992, between the Former Agency and the Authority, as amended and supplemented by a First Supplement dated as of June 1, 1995, by a Second Supplement dated as of March 1, 1999, by a Third Supplement dated as of August 1, 2003, by a Fourth Supplement dated as of August 1, 2003, by a Fifth Supplement dated as of May 1, 2007, by a Sixth Supplement dated as of May 1, 2007 and by a Seventh Supplement dated as of May 1, 2012, each between the Former Agency and the Authority, the Former Agency incurred a 2007A Loan (the "NR 2007A Loan") in the initial principal amount of \$16,685,000 of which \$2,800,000 is outstanding, and a 2007B Loan (the "NR 2007B Loan," and together with the NR 2007A Loan, the "North Richmond Loans") in the initial principal amount of \$3,975,000 of which \$3,500,000 is outstanding; and

(iv) pursuant to a Rodeo Loan Agreement, dated as of March 1, 1999, between the Former Agency and the Authority, as amended and supplemented by a First Supplement dated as of August 1, 2003, by a Second Supplement dated as of August 1, 2003, by a Third Supplement dated as of May 1, 2007, by a Fourth Supplement dated as of May 1, 2007, and by a Fifth Supplement dated as of May 1, 2012, each between the Former Agency and the Authority, the Former Agency incurred a 2007A

Loan (the "R 2007A Loan") in the initial principal amount of \$9,775,000 of which \$5,265,000 is outstanding, and a 2007B Loan (the "R 2007B Loan," and together with the R 2007A Loan, the "Rodeo Loans") in the initial principal amount of \$3,930,000 of which \$3,465,000 is outstanding; and

(v) pursuant to a Montalvin Manor Loan Agreement, dated as of May 1, 2007, between the Former Agency and the Authority, as amended and supplemented by a First Supplement dated as of May 1, 2007 and by a Second Supplement dated as of May 1, 2012, each between the Former Agency and the Authority, the Former Agency incurred a Loan (the "MM 2007A Loan") in the initial principal amount of \$2,195,000 of which \$1,390,000 is outstanding, and a 2007B Loan (the "MM 2007B Loan," and together with the MM 2007A Loan, the "Montalvin Manor Loans") in the initial principal amount of \$790,000 of which \$680,000 is outstanding (the Pleasant Hill Loans, the West Pittsburg Loans, the North Richmond Loans, the Rodeo Loans and the Montalvin Manor Loans are collectively referred to herein as the "Prior Agency Indebtedness"); and

WHEREAS, section 34177.5 of the Law authorizes the issuance by the Successor Agency to the Contra Costa County Redevelopment Agency (the "Successor Agency") of refunding bonds 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 (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in section 34177.5(a)(1) of the Law (the "Savings Parameters"); and

WHEREAS, the Successor Agency has now determined that, due to prevailing financial market conditions, it is in the best interests of the Successor Agency at this time to refinance the Prior Agency Indebtedness by means of the issuance of (i) its Successor Agency to the Contra Costa County Redevelopment Agency Tax Allocation Refunding Bonds, Series 2017A (the "2017A Bonds") to refinance the Pleasant Hill Loans the WP 1999 Loan, a portion of the WP 2007A Loan, the WP 2007B Loan, the NR 2007A Loan, a portion of the NR 2007B Loan, the R2007A Loan, a portion of the R2007B Loan and the MM 2007A Loan; and (ii) its Successor Agency to the Contra Costa County Redevelopment Agency Taxable Tax Allocation Refunding Bonds, Series 2017B (the "2017B Bonds," and together with the 2017A Bonds, the "Refunding Bonds") to refinance portions of the WP 2007A Loan, the NR 2007B Loan and the R 2007B Loan, and all of the MM 2007B Loan, all under the provisions of section 34177.5 of the Law and the Refunding Law; 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, Montague DeRose and Associates, LLC (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 all or a portion of the Prior Agency Indebtedness (the "Debt Service Savings Analysis"); and

WHEREAS, the Debt Service Savings Analysis has demonstrated that a refunding of the Prior Agency Indebtedness will satisfy the Savings Parameters; and

WHEREAS, the Successor Agency has duly considered the above described transactions and wishes at this time to authorize the issuance and sale of the Refunding Bonds; and

WHEREAS, pursuant to section 34179 of the Law, an oversight board (the "Oversight Board") has been established for the Successor Agency; and

WHEREAS, the Successor Agency is now requesting that the Oversight Board approve the issuance of the Refunding Bonds pursuant to this Resolution and the Indenture (defined below); and

WHEREAS, the Successor Agency further requests that the Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds; 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 a resolution of approval of the Oversight Board (the "Oversight Board Resolution") to the California Department of Finance, the Successor Agency will, with the assistance of its disclosure counsel, the Municipal Advisor and its fiscal consultant, 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 to persons and institutions interested in purchasing the Refunding Bonds.

Section 1. 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 refinance the Prior Agency Indebtedness, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency Secretary, which Debt Service Savings Analysis is hereby approved. The Successor Agency further finds and determines that the issuance of the Refunding Bonds is in accordance with the County of Contra Costa

(the "County") Debt Management Policies for the Successor Agency, as set forth in Appendix 6 to the County's Debt Management Policy approved pursuant to Resolution No. 2017/110 adopted by the Board of Supervisors of the County on March 21, 2017.

Section 2. The Successor Agency hereby authorizes the issuance of the Refunding Bonds to refinance redevelopment and housing activities of the Former Agency by means of the refinancing of the Prior Agency Indebtedness. The Refunding Bonds shall be issued pursuant to the Law, the Refunding Law and an Indenture of Trust (the "Indenture"), by and between the Successor Agency and U.S. Bank National Association, as trustee ("the Trustee"). The Successor Agency hereby approves the Indenture in the form on file with the Secretary. The Chair of the Board of Supervisors of the County, the County Administrator, the County Director of Conservation and Development, the Deputy Director and Assistant Deputy Director of Conservation and Development, and the Community Development Bond Program Manager of the County (the "Designated Officers"), each acting alone, are hereby authorized to execute, and the Secretary is hereby authorized and directed to attest, the Indenture in said form, together with such additions thereto or changes therein as the Designated Officer executing the Indenture, upon consultation with general counsel to the Successor Agency and Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the Indenture by a Designated Officer shall be conclusive evidence of the approval of any such additions and changes. The Successor Agency hereby authorizes the delivery and performance by the Successor Agency of the Indenture. Section 3. The four Escrow Deposit and Trust Agreements (collectively, the "Escrow Agreements") relating to (i) the refinancing of the PH 1999 Loan and the WP 1999 Loan, and thereby the refunding of the outstanding County of Contra Costa Public Financing Authority 1999 Tax Allocation Revenue Bonds (Pleasant Hill BART, North Richmond, Bay Point, Oakley and Rodeo Redevelopment Project Areas), proceeds of which bonds were used to fund such loans; (ii) the refinancing of the PH 2003 Loan, and thereby the refunding of the outstanding County of Contra Costa Public Financing Authority 2003 Tax Allocation Revenue Bonds, Series A (Multiple Project Areas), proceeds of which bonds were used to fund the PH 2003 Loan; (iii) the refinancing of the PH 2007A Loan, a portion of the WP 2007A Loan, the WP 2007B Loan, the NR 2007A Loan, a portion of the NR 2007B Loan, the R 2007A Loan, a portion of the R 2007B Loan and the MM 2007A Loan, and thereby the refunding of the outstanding County of Contra Costa Public Financing Authority 2007 Tax Allocation Revenue Bonds, Series A (Contra Costa Centre, North Richmond, Bay Point, Rodeo and Montalvin Manor Project Areas) and the County of Contra Costa Public Financing Authority 2007 Tax Allocation Revenue Bonds, Subordinate Series B (Contra Costa Centre, North Richmond, Bay Point, Rodeo and Montalvin Manor Project Areas); and (iv) the refinancing of portions of the WP 2007A Loan, the NR 2007B Loan and the R 2007B Loan, and all of the MM 2007B Loan, and thereby the refunding of the outstanding County of Contra Costa Public Financing Authority 2007 Taxable Tax Allocation Revenue Bonds, Series A-T (North Richmond, Bay Point, Rodeo and Montalvin Manor Project Areas), with each such Escrow Deposit and Trust Agreement to be among the Successor Agency, the Authority and U.S. Bank National Association, as escrow bank, in the respective forms on file with the Secretary, are hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute the Escrow Agreements in said forms, together with such additions thereto or changes therein as the Designated Officers executing the Escrow Agreements, upon consultation with general counsel to the Successor Agency and Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the Escrow Agreements by a Designated Officer shall be conclusive evidence of the approval of any such additions or changes. The Successor Agency hereby authorizes the delivery and performance by the Successor Agency of the Escrow Agreements.

Section 4. The Successor Agency hereby authorizes the sale of the Bonds to Stifel, Nicolaus & Company Incorporated (the "Underwriter"). The Successor Agency hereby approves the Bond Purchase Agreement, by and between the Underwriter and the Successor Agency (the "Bond Purchase Agreement"), in the form on file with the Secretary, pursuant to which the Refunding Bonds shall be sold to the Underwriter. The Designated Officers, each acting alone, are hereby authorized to execute and deliver the Bond Purchase Agreement in said form, together with such additions thereto and changes therein as a Designated Officer executing the Bond Purchase Agreement, upon consultation with general counsel to the Successor Agency and Bond Counsel, shall deem necessary, desirable or appropriate, so long as the principal amount of the Refunding Bonds does not exceed the \$90,000,000, the requirements of section 34177.5(a)(1) of the Law are satisfied with respect to the Refunding Bonds and the Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 0.50% of the initial principal amount of the Refunding Bonds, and the execution by a Designated Officer of the Bond Purchase Agreement shall be conclusive evidence of the approval of any such additions and changes. The Successor Agency hereby authorizes the delivery and performance by the Successor Agency of the Bond Purchase Agreement.

Section 5. The Designated Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy for the Refunding Bonds and reserve account surety bond or insurance policy for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor and the Underwriter, that such municipal bond insurance policy and/or reserve account surety bond or insurance policy will reduce the interest cost with respect to the Refunding Bonds.

Section 6. 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 Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its disclosure counsel, its fiscal consultant and its Municipal Advisor, 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 Underwriter to persons and institutions interested in purchasing the Refunding Bonds.

Section 7. The Successor Agency hereby requests the Oversight Board, as authorized by section 34177.5(f) of the Law, to direct the Successor Agency to undertake the refunding proceedings, and as authorized by section 34177.5(f) of the Law and section 34180 of the Law, to approve the issuance of the Refunding Bonds pursuant to section 34177.5(a)(1) of the Law, this Resolution and the Indenture.

Section 8. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(i) The Successor Agency is authorized, as provided in section 34177.5(f) of the Law, to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the County of Contra Costa for administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(ii) The application of the proceeds of the Refunding Bonds by the Successor Agency to the refinancing of the Prior Agency Indebtedness, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in section 34177.5(a) of the Law, including municipal bond insurance and reserve fund surety bond or insurance policy premiums, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, notwithstanding section 34177.3 of the Law or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Contra Costa County Auditor-Controller or any other person or entity other than the Successor Agency; and

(iii) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under section 34181(a)(3) of the Law without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to section 34183 of the Law; and, in addition and as provided by section 34177.5(f) of the Law, if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings for the Prior Agency Indebtedness from such property tax revenues pursuant to section 34183 of the Law without reduction in its Administrative Cost Allowance.

Section 9. The Secretary of the Successor Agency is hereby authorized and directed to file a certified copy of this Resolution with the Oversight Board, and, as provided in section 34180(j) of the Law with the Contra Costa County Administrative Officer, the Contra Costa County Auditor-Controller and the California Department of Finance.

Section 10. The Chair of the Board of Supervisors of the County, the County Administrator, the County Director of Conservation and Development, the Deputy Director and Assistant Deputy Director of Conservation and Development, and the Community Development Bond Program Manager of the County, and any and all other officers of the Successor Agency, 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, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance, and in the issuance, sale and delivery of the Refunding Bonds. In furtherance of the foregoing, the Designated Officers are hereby authorized to approve modifications to the documents approved by this Resolution (a) to allow for municipal bond insurance and a reserve fund surety bond or insurance policy for the Refunding Bonds if, upon the advice of the Municipal Advisor, such insurance and/or surety bond are advantageous to the Successor Agency in the circumstances, and (b) to remove one or more of the Prior Agency Indebtedness loans from the documents if necessary for the Refunding Bonds to satisfy the requirements of section 34177.5(a)(1) of the Law.

Whenever in this Resolution any officer of the Successor Agency is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer shall be absent or unavailable.

Section 11. This Resolution shall take effect immediately upon its passage and adoption.

Contact: Kristen Lackey 925-674-7888

ATTESTED: April 25, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: