

RESOLUTION OF THE COUNTYWIDE OVERSIGHT BOARD

FOR THE COUNTY OF CONTRA COSTA

Adopted this Resolution on 09/28/2020 by the following vote:

AYE:
NO:
ABSENT:
ABSTAIN:
RECUSE:



Resolution: 2020/27

A RESOLUTION OF THE CONTRA COSTA COUNTY COUNTYWIDE OVERSIGHT BOARD APPROVING THE REFUNDING OF CERTAIN OBLIGATIONS AND THE FUNDING OF A SWAP TERMINATION PAYMENT RELATED TO THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY'S SUBORDINATE TAX ALLOCATION REFUNDING BONDS (MERGED PROJECT AREAS), 2010 SERIES A, APPROVING THE EXECUTION OF DOCUMENTS RATED THERETO, INCLUDING A SWAP TERMINATION AGREEMENT, AND APPROVING THE RESOLUTION OF THE SUCCESSOR AGENCY PROVIDING AUTHORIZATION THEREFOR

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Richmond created the successor agency (the "RCRA Successor Agency") to the Richmond Community Redevelopment Agency ("Agency"), confirmed by Resolution No. 4-12 adopted on January 24, 2012; and

WHEREAS, the Contra Costa County Countywide Oversight Board (the "Oversight Board") has been established as the oversight board for the RCRA Successor Agency pursuant to Health and Safety Code section 34179(j); and

WHEREAS, Health and Safety Code section 34177.5 authorizes the RCRA Successor Agency to issue refunding bonds pursuant to Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code and other applicable law, to refund the bonds and other indebtedness of the Agency, to provide savings to the RCRA Successor Agency; and

WHEREAS, the Oversight Board is informed by the RCRA Successor Agency that in October, 2004, the Richmond Redevelopment Agency entered into that certain Loan Agreement (Housing), dated as of October 1, 2004 (the "2004 Loan Agreement"), with the Richmond Joint Powers Financing Authority (the "JPFA"), payments under which secured the JPFA's Housing Set-Aside Tax Allocation Revenue Bonds, Series 2004B (Tax-Exempt), in the aggregate principal amount of \$2,000,000, of which \$720,000 is currently outstanding; and

WHEREAS, the Oversight Board is further informed by the RCRA Successor Agency that in April, 2010, the Agency issued its Subordinate Tax Allocation Refunding Bonds (Merged Project Areas), 2010 Series A (the "2010A Bonds") and together with the 2004 Loan Agreement, the "Outstanding Obligations") in the aggregate principal amount of \$33,740,000, of which \$21,625,000 is currently outstanding; and

WHEREAS, the Oversight Board is further informed by the RCRA Successor Agency that, in order to lower the cost of borrowing in combination with the issuance of the 2010A Bonds, the Agency entered into an interest rate swap pursuant to an ISDA Master Agreement, together with the schedule and confirmation thereto (the "2010 Swap Agreement"), between the Agency and Royal Bank of Canada ("RBC"); and

WHEREAS, the RCRA Successor Agency, has determined that there are potential debt service savings that can be achieved through a refinancing of the Outstanding Obligations and a termination of the 2010 Swap Agreement, and the RCRA Successor Agency now wishes to authorize the issuance of refunding bonds (the "Refunding Bonds"), on a tax-exempt and/or taxable basis, to refund all or a portion of the Outstanding Obligations and to fund all or a portion of a related termination payment (the "Termination Payment") in connection with the termination of the 2010 Swap Agreement (the "Termination"); and

WHEREAS, the RCRA Successor Agency has authorized and approved the issuance of the Refunding Bonds pursuant to Resolution No. 20-1 approved by the governing board of the RCRA Successor Agency on September 15, 2020 (the "Successor Agency Resolution"); and

WHEREAS, a copy of the Successor Agency Resolution and the documents mentioned in Section 3 hereof have been submitted

to the Contra Costa County Administrative Officer, the Contra Costa County Auditor-Controller and the California Department of Finance as required by Health and Safety Code section 34180(j); and

WHEREAS, pursuant to Health and Safety Code section 34180(b), the RCRA Successor Agency's issuance of bonds is subject to the further approval by this Oversight Board; and

WHEREAS, there have been submitted and are on file with the secretary of this Oversight Board, a copy of the Successor Agency Resolution, and forms of Bond Purchase Agreement, First Supplemental Trust Agreement (together with a copy of the Trust Agreement), Escrow Agreement, Continuing Disclosure Agreement, and Termination Agreement, all with respect to the Refunding Bonds proposed to be issued and sold, and this Oversight Board now wishes to approve the Successor Agency Resolution, the forms of said documents, the consummation of such financing and all other actions of the RCRA Successor Agency contemplated therein pursuant to Health and Safety Code Sections 34177.5(a), 34177.5(f) and 34180(b).

NOW, THEREFORE, THE CONTRA COSTA COUNTY COUNTYWIDE OVERSIGHT BOARD IN ITS CAPACITY AS OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Oversight Board Resolution by this reference.

SECTION 2. Approval of Refunding and Successor Agency Resolution. This Oversight Board hereby authorizes, approves and directs the refunding of all or a portion of the Outstanding Obligations and the funding of the Termination Payment as determined by the RCRA Successor Agency and approves the RCRA Successor Agency Resolution No. 20-1, on file with the secretary of this Oversight Board, adopted by the governing board of the RCRA Successor Agency on September 15, 2020 in full satisfaction of the approval requirements set forth in Health and Safety Code Sections 34177.5(a), 34177.5(f) and 34180(b).

SECTION 3. Approval of Documents. Pursuant to Health and Safety Code Section 34177.5(f), the following forms of documents in substantially the forms on file with this Oversight Board on or prior to this meeting: (i) the First Supplemental Trust Agreement (together with a copy of the Trust Agreement);

(ii) the Bond Purchase Agreement;

(iii) the Continuing Disclosure Agreement;

(iv) the Escrow Agreement; and

(v) the Termination Agreement. are hereby approved, with such insertions, deletions or changes therein as the officers executing and delivering the same may require or approve, such approval to be conclusively evidenced by execution and delivery thereof.

SECTION 3. Approval of Recovery of Costs. This Oversight Board hereby authorizes, approves and directs that the RCRA Successor Agency shall be able to recover its related costs in connection with the Refunding Bonds, including the recovery of costs from the proceeds of the Refunding Bonds, or if the RCRA Successor Agency is not able to issue such Refunding Bonds, by including such costs in a future Recognized Obligation Payment Schedule, such that the recovery of such costs shall be in addition to, and not count against the administrative cost allowance as such allowance is defined in Health and Safety Code section 34171(b).

SECTION 4. Approval of Other Actions Contemplated by Successor Agency Resolution. This Oversight Board approves all other actions of the RCRA Successor Agency contemplated by the Successor Agency Resolution without need for any further approval by this Oversight Board.

SECTION 5. Severability. If any provision of this Oversight Board Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Oversight Board Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Oversight Board Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Oversight Board Resolution irrespective of the invalidity of any particular portion of this Oversight Board Resolution.

SECTION 6. Effective Date. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Oversight Board Resolution shall not be effective for five (5) business days, pending a request for review by the State of California Department of Finance.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Countywide Oversight Board, on the date shown.

ATTESTED: September 28, 2020

Maureen Toms,
Oversight Board Secretary

Contact:

cc: Alan Wolken, City of Richmond, Maureen Toms, CC County DCD