

RESOLUTION NO. OB -2018

RESOLUTION OF THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF POMONA, CALIFORNIA, APPROVING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS BY THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF POMONA AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Pomona (the “Prior Agency”) was a public body, corporate and politic, duly created, established and authorized to transact business and exercise its powers under and pursuant to the provisions of the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Prior Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Plans for the Arrow/Towne Redevelopment Project, the Downtown I Redevelopment Project, the Downtown II Redevelopment Project, Downtown III Redevelopment Project, the Holt/Indian Hill Redevelopment Project, the Mission Corona Business Center Redevelopment Project, the Mountain Meadows Redevelopment Project, the Reservoir Street Industrial Redevelopment Project, the South Garey/Freeway Corridor Redevelopment Project, the Southwest Pomona Redevelopment Project and the West Holt Redevelopment Project were adopted and approved, and subsequently amended, in compliance with all requirements of the Law, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan, as amended, have been duly complied with; and

WHEREAS, the Prior Agency has previously incurred the obligations listed on Exhibit A hereto (collectively, the “Prior Obligations”); and

WHEREAS, on June 28, 2011, the California Legislature adopted ABx1 26 (the “Dissolution Act”) and ABx1 27 (the “Opt-in Bill”); and

WHEREAS, the California Supreme Court subsequently upheld the provisions of the Dissolution Act and invalidated the Opt-in Bill resulting in the dissolution of the redevelopment component of the Prior Agency as of February 1, 2012; and

WHEREAS, the Prior Agency, including its redevelopment powers, assets and obligations, was transferred on February 1, 2012 to the Successor Agency to the Redevelopment Agency of the City of Pomona (the “Successor Agency”); and

WHEREAS, on or about June 27, 2012, AB1484 was adopted as a trailer bill in connection with the 2012-13 California Budget; and

WHEREAS, California Health and Safety Code Section 34177.5(a)(1) authorizes successor agencies to refund outstanding bonds or other indebtedness provided that: (i) the total interest cost to maturity on the refunding bonds or other indebtedness, plus the principal amount of the refunding bonds or other indebtedness, does not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded, plus the remaining principal of the bonds or other

indebtedness to be refunded; and (ii) the principal amount of the refunding bonds or other indebtedness does not exceed the amount required to defease the bonds or other indebtedness to be refunded, to establish customary debt service reserves and to pay related costs of issuance; and

WHEREAS, the Successor Agency desires to authorize and approve the issuance of tax allocation refunding bonds (the “2018 Bonds”) in an aggregate principal amount sufficient to refund all or a portion of the Prior Obligations, and to irrevocably set aside a portion of the proceeds of such 2018 Bonds in a separate segregated trust fund which will be used to refund the outstanding Prior Obligations being refunded, to pay costs in connection with the issuance of the 2018 Bonds and to make certain other deposits as required by the Indenture (as defined below); and

WHEREAS, on February 5, 2018, the governing board of the Successor Agency approved issuance of the 2018 Bonds by resolution (the “Successor Agency Resolution”); and

WHEREAS, the 2018 Bonds shall be secured by a pledge of property tax revenues authorized by California Health and Safety Code Section 34177.5(a) and (g), pursuant to the provisions of Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (the “Bond Law”); and

WHEREAS, this Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Pomona (the “Oversight Board”) desires to approve all matters relating to the issuance and sale of the 2018 Bonds as required by Sections 34177.5 (f) and 34180 of the Health and Safety Code of the State of California.

NOW THEREFORE, THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF POMONA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The issuance by the Successor Agency to the Redevelopment Agency of the City of Pomona of the 2018 Bonds in an aggregate principal amount sufficient to refund all or a portion of the Prior Obligations listed on Exhibit A for the purpose of achieving debt service savings in accordance with Health & Safety Code Section 34177.5(a)(1), and the pledge of property tax revenues to the 2018 Bonds pursuant to the Indenture approved by Section 2 of the Successor Agency Resolution (as authorized by California Health and Safety Code Section 34177.5(a) and (g)) is hereby approved. The 2018 Bonds may be issued as a single issue, or from time to time in separate series, as the Successor Agency shall determine. The approval of the issuance of the 2018 Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of 2018 Bonds and the sale of the 2018 Bonds at a public or private sale.

Section 3. The Successor Agency is authorized and directed to negotiate, prepare, approve and execute such other documents, including, as necessary, a Bond Purchase Agreement, an Official Statement, a Continuing Disclosure Certificate, Escrow Agreements for the Prior Obligations, termination, liquidation, and/or amendments of investment agreements with respect to the reserve account required in connection with the 2018 Bonds or the Prior Obligations, and any

additional agreements as may be required to carry out the purposes hereof without the need for any further approval from the Oversight Board.

Section 4. The Chairman of the Oversight Board and the other officers and members of staff having responsibility for the affairs of the Oversight Board are hereby authorized and directed to execute such documents and certificates as they determine are necessary or appropriate to assist the Successor Agency in the issuance of the 2018 Bonds.

Section 5. Pursuant to the provisions of California Health and Safety Code Section 34177.5(f), the Successor Agency is expressly authorized to recover its related costs in connection with the transaction approved hereby, irrespective of whether the 2018 Bonds are issued.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this ____ day of _____, 2018, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Tim Sandoval, Chairperson

ATTEST:

Eva Buice, City Clerk
City of Pomona
Secretary to the Oversight Board
for the Successor Agency to the
Pomona Redevelopment Agency

APPROVED AS TO FORM:

Teresa L. Highsmith
General Counsel to Oversight Board
for Successor Agency to the Pomona
Redevelopment Agency

EXHIBIT A

PRIOR OBLIGATIONS

1. Third Amended Loan Agreement, dated as of March 1, 1998, by and among the Former RDA, the Pomona Public Financing Authority (the “Authority”) and The Bank of New York Mellon Trust Company, N.A., as successor to BNY Western Trust Company; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 1998 Refunding Revenue Bonds, Series W (Southwest Pomona Redevelopment Project).
2. Merged Redevelopment Project Loan Agreement, dated as of April 1, 2001, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to BNY Western Trust Company; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2001 Revenue Bonds, Series AD (Merged Redevelopment Project).
3. Merged Redevelopment Project Loan Agreement, dated as of November 1, 2003, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to BNY Western Trust Company; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2003 Revenue Bonds, Series AH (Merged Redevelopment Project).
4. Merged Redevelopment Project Housing Loan Agreement, dated as of December 1, 2005, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2005 Taxable Housing Tax Revenue Bonds, Series AQ (Merged Redevelopment Project).
5. Merged Redevelopment Project Loan Agreement, dated as of December 1, 2006, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2006 Revenue Bonds, Series AS (Merged Redevelopment Project).
6. Merged Redevelopment Project Loan Agreement, dated as of December 1, 2006, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2006 Taxable Revenue Bonds, Series AT (Merged Redevelopment Project).
7. Merged Redevelopment Project Subordinate Loan Agreement, dated as of December 1, 2006, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2006 Subordinate Revenue Bonds, Series AX (Merged Redevelopment Project).
8. Merged Redevelopment Project Subordinate Loan Agreement, dated as of July 1, 2007, by and among the Former RDA, the Authority and The Bank of New York Mellon Trust Company, N.A., as successor to The Bank of New York Trust Company, N.A.; Loan Payments under such agreement secure payment of the Pomona Public Financing Authority 2007 Subordinate Revenue Bonds, Series AW (Merged Redevelopment Project).