

[RESOLUTION NO. ____]

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED [NAME OF FORMER RDA], DIRECTING THE COMMENCEMENT OF A REFUNDING OF CERTAIN BONDS AND INDEBTEDNESS

WHEREAS, California Assembly Bill No. 26 (First Extraordinary Session) (“ABx1 26”) enacted on June 28, 2011, dissolved all redevelopment agencies and community development agencies in existence in the State of California, as of February 1, 2012, and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies; and

WHEREAS, California Assembly Bill No. 1484 (Stats 2012 c. 26) (“AB 1484”), a follow on bill to AB X1 26, was enacted on June 27, 2012 and provides a mechanism to refund outstanding bonds and other indebtedness under certain circumstances; and

WHEREAS, pursuant to California Health and Safety Code Section 34173(d), the City of [____] is the successor agency (the “Successor Agency”) to the dissolved [Agency] (the “Former RDA”), confirmed by [Resolution No. ____ adopted by][an official act of] the City of [____] on [____]; and

WHEREAS, California Health and Safety Code Section 34179(a) provides that each successor agency shall have an oversight board composed of seven members; and

WHEREAS, the Successor Agency has duly established such oversight board (the “Oversight Board”) pursuant to California Health and Safety Code Section 34179(a); and

WHEREAS, the Oversight Board, pursuant to California Health and Safety Code Section 34177.5(f), may direct the Successor Agency to issue bonds or incur other indebtedness to refund the bonds or other indebtedness of the Former RDA to provide debt service savings to the Successor Agency; and

WHEREAS, an oversight board may only direct such a refunding so long as the successor agency is able to recover its related costs in connection with the transaction; and

WHEREAS, the recovery of such costs in connection with such a refunding transaction shall be supplemental to, and not constrained by, the administrative cost allowance as such allowance is defined in California Health and Safety Code Section 34171(b); and

WHEREAS, the Oversight Board is informed by the Successor Agency that in [Year], [the Former RDA entered into that [____] dated as of [____] by and between the Agency and ____][the [Agency]/[Issuer (if other than Former RDA) for the benefit of the Former RDA] issued its [____] Bonds, Series [____] (the “Prior Obligations”) in the aggregate principal amount of \$[____], which [obligations][bonds] are subject to optional

[prepayment][redemption] on [____] at a [prepayment][redemption] price of [____] % of the outstanding principal amount thereof; and

WHEREAS, the Successor Agency has indicated that there are potential debt service savings that can be achieved through a refinancing of all or a portion of the Prior Obligations, and the Oversight Board now wishes to direct the Successor Agency to prepare for the refunding of all or a portion of the Prior Obligations, and such other bonds and indebtedness of the Former RDA as may be hereafter identified by the Successor Agency and approved by the Oversight Board, [to achieve debt service savings or otherwise comply with the terms of California Health and Safety Code Section 34177.5]; and

WHEREAS, the County of Los Angeles (the “County”), a political subdivision of the State of California and taxing entity recipient of property tax revenues, represented by voting membership on the Oversight Board, has developed a program (the “Refunding Program”) to assist successor agencies within the County to refund bonds and other indebtedness pursuant to AB 1484 through the purchase and sale of bonds by the County of Los Angeles Redevelopment Refunding Authority (the “Authority”) in order to provide debt service savings to the successor agency, efficiencies in issuance and cost of issuance savings;

NOW THEREFORE, OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED [NAME OF FORMER RDA] DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Request for Refunding. Pursuant to California Health and Safety Code Section 34177.5(f), the Oversight Board hereby requests the Successor Agency to prepare to issue bonds or other indebtedness (the “Refunding Indebtedness”), which may be sold to the Authority following a determination by the Successor Agency to participate in the Refunding Program, to refund all or a portion of the Prior Obligations; provided that this request shall not offer any assurance that Refunding Indebtedness will be sold by the Authority under the Refunding Program to refund all or any portion of the Prior Obligations. The Successor Agency is further requested to return to the Oversight Board, once the refunding issue and related documents have been prepared, for approval of the refunding pursuant to California Health and Safety Code Section 34180(b).

Section 3. Recovery of Costs. The Oversight Board hereby authorizes and approves the Successor Agency to cover reasonable related costs incurred in connection with this transaction. The Successor Agency may recover such costs from the proceeds of the Refunding Indebtedness or, if the Successor Agency is not able to issue its Refunding Indebtedness to refund the bonds or other indebtedness or the Authority under the Refunding Program is not able to issue its bonds relating to the Successor Agency, by including such costs in a future Recognized Obligation Payment Schedule. The recovery of such costs shall be in addition to and shall not count against any administrative cost allowance of the Successor Agency as such allowance is defined in California Health and Safety Code Section 34171(b).

Section 4. Severability. If any provision of this 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 Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. Effective Date. Pursuant to California Health and Safety Code Section 34179(h), all actions taken by the Oversight Board may be reviewed by the California Department of Finance and, therefore, this Resolution shall be effective five (5) business days after notice to the Department of Finance unless the Department of Finance requests a review of the actions taken in this Resolution, in which case this Resolution will be effective upon approval by the Department of Finance.

PASSED AND ADOPTED by the Oversight Board for the [Name of Successor Agency] this [___] day of [___], [20__], by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chair of the Oversight Board

[Add Secretary certification]

I certify that the foregoing Resolution was passed and adopted by the Oversight Board of the City of [____], at a regular meeting held on [____] by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Chairperson

ATTESTED:

Oversight Board Secretary