

RESOLUTION NO. SA 09-16

RESOLUTION OF THE SUCCESSOR AGENCY TO THE LANCASTER REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS, AND APPROVING THE FORM OF AN INDENTURE OF TRUST, A PRELIMINARY OFFICIAL STATEMENT, A BOND PURCHASE CONTRACT, A CONTINUING DISCLOSURE AGREEMENT, AN ESCROW AGREEMENT AND RELATED DOCUMENTS AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Lancaster Redevelopment Agency (the “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 (commencing with Section 33000) of the Health and Safety Code of the State of California) (the “Law”), and the powers of the Lancaster Redevelopment Agency included the power to issue bonds for any of its corporate purposes; and

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as the “Lancaster Residential Redevelopment Project” has been adopted and approved by Ordinance No. 158 of the City of Lancaster adopted on November 13, 1979, and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as the “Central Business District Redevelopment Project” has been adopted and approved by Ordinance No. 226 of the City of Lancaster adopted on June 1, 1981 and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, the Redevelopment Plan for a redevelopment. project known and designated as the “Fox Field Redevelopment Project” has been adopted and approved by Ordinance No. 289 of the City of Lancaster adopted on December 20, 1982 and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, the Redevelopment Plan for a redevelopment project known and designated as the “Amargosa Redevelopment Project” has been adopted and approved by Ordinance No. 321 of the City of Lancaster on October 17, 1983 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 Redevelopment Plan for a redevelopment project known and designated as the “Lancaster Redevelopment Project No. 5” has been adopted and approved by Ordinance No. 360 of the City of Lancaster on November 26, 1984 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 Redevelopment Plan for a redevelopment project known and designated as the “Lancaster Redevelopment Project No. 6” has been adopted and approved by Ordinance No. 505 of the City of Lancaster on July 3, 1989 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 Redevelopment Plan for a redevelopment project known and designated as the “Lancaster Redevelopment Project No. 7” has been adopted and approved by Ordinance No. 624 of the City of Lancaster on November 28, 1992 and all requirements of law for and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, the Agency has previously issued its Combined Redevelopment Project Areas (Housing Programs), Subordinate Tax Allocation Refunding Bonds, Issue of 2003 (the “2003 Bonds”); and

WHEREAS, the Agency has previously issued its Combined Redevelopment Project Areas (Housing Programs), Tax Allocation Bonds, Issue of 2009 (the “2009 Bonds”); 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 Agency being dissolved as of February 1, 2012, and an Oversight Board to the Successor Agency (the “Oversight Board”) was established; and

WHEREAS, the powers, assets and obligations of the Agency were transferred on February 1, 2012 to the Successor Agency to the Lancaster Redevelopment Agency (the “Successor Agency”); and

WHEREAS, California Health and Safety Code Section 34177.5(a) authorizes successor agencies to refund outstanding bonds provided that (i) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds shall not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (ii) the principal amount of the refunding bonds shall not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance; and

WHEREAS, the Successor Agency desires to issue its Combined Redevelopment Project Areas (Housing Programs), Tax Allocation Refunding Bonds, Issue of 2017 (the “2017 Bonds”) for the purpose of refunding all or a portion of the 2003 Bonds (such refunded portion, the “Refunded 2003 Bonds”) and all of the 2009 Bonds in order to achieve debt service savings; and

WHEREAS, the Successor Agency wishes at this time to approve all matters relating to the issuance and sale of the 2017 Bonds;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE SUCCESSOR AGENCY TO THE LANCASTER REDEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Subject to the provisions of the Indenture referred to in Section 2 hereof, the issuance of the 2017 Bonds in the approximate aggregate principal amount of \$68,160,000 on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, is hereby authorized and approved. The 2017 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Indenture, as the same will be completed as provided in this Resolution. The proceeds of the sale of the 2017 Bonds shall be applied as provided in the Indenture. The 2017 Bonds may be issued as separate series as the Successor Agency shall determine in the event any portion thereof are issued as taxable bonds. The 2017 Bonds shall be issued 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 approval of the issuance of the 2017 Bonds by the Successor Agency and the Oversight Board shall constitute the approval of each and every separate series of 2017 Bonds, without the need for any further approval from the Oversight Board.

Section 2. The Indenture of Trust in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein (the “Indenture”), is hereby approved. The Chair, the Executive Director and the Secretary (or in their absence, their designee) of the Successor Agency are hereby authorized and directed to execute and deliver the Indenture in the form presented at this meeting with such changes insertions and omissions as may be requested by Bond Counsel and approved by the Chair, the Executive Director and the Secretary (or in their absence, their designee), said execution being conclusive evidence of such approval.

Section 3. The 2017 Bonds shall be sold by negotiated sale pursuant to the Bond Purchase Contract between the Successor Agency and Hilltop Securities Inc. (the “Underwriter”) in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Chair and the Executive Director (or in their absence, their designee) of the Successor Agency is hereby authorized and directed to execute the Bond Purchase Contract in the form presented at this meeting with such changes, insertions and omissions as may be approved by the Chair or the Executive Director (or in their absence, their designee), said execution being conclusive evidence of such approval; provided, however, that the Bond Purchase Contract shall be signed only if the terms of the contract are such that (i) the total interest cost to maturity on the 2017 Bonds plus the principal amount of the 2017 Bonds will not exceed the total remaining interest cost to maturity on the Refunded 2003 Bonds and the 2009 Bonds plus the remaining principal of the Refunded 2003 Bonds and the

2009 Bonds, and (ii) the principal amount of the 2017 Bonds will not exceed the amount required to defease the Refunded 2003 Bonds and the 2009 Bonds, to establish a customary debt service reserve fund, and to pay related costs of issuance.

Section 4. The Preliminary Official Statement relating to the 2017 Bonds (the “Preliminary Official Statement”), in the form presented and on file with the Secretary, is hereby approved. The Executive Director (or in his absence, his designee) is hereby authorized and directed to cause the Preliminary Official Statement to be updated and revised and the Preliminary Official Statement, with such additions or changes therein as the Executive Director (or in his absence, his designee) may approve shall be presented to this Successor Agency for the purpose of deeming it final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (“Rule 15c2-12”). The Underwriter is hereby authorized to distribute the Preliminary Official Statement, as deemed final, to prospective purchasers of the 2017 Bonds in substantially the form hereby approved, together with such additions thereto and changes therein as are determined necessary by the Executive Director (or in his absence, his designee) to make the Preliminary Official Statement final as of its date for purposes of Rule 15c2-12, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading.

Section 5. The preparation and delivery of an Official Statement, and its use by the Successor Agency and the Underwriter, in connection with the offering and sale of the 2017 Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be requested by Bond Counsel or the Underwriter and approved by the Executive Director (or in his absence, his designee) of the Successor Agency, such approval to be conclusively evidenced by the execution and delivery thereof. The Executive Director (or in his absence, his designee) is hereby authorized and directed to execute the final Official Statement and any amendment or supplement thereto, in the name of and on behalf of the Successor Agency, and thereupon to cause the final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 6. The Continuing Disclosure Agreement in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Executive Director (or in his absence, his designee) of the Successor Agency is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement in the form presented at this meeting with such changes insertions and omissions as may be requested by Bond Counsel and approved by the Executive Director (or in his absence, his designee), said execution being conclusive evidence of such approval.

Section 7. The Escrow Agreement in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, is hereby approved. The Executive Director (or in his absence, his designee) of the Successor Agency is hereby authorized and directed to execute and deliver the Escrow Agreement in the form presented at this meeting with such changes insertions and omissions as may be requested by Bond Counsel and approved by the Executive Director (or in his absence, his designee), said execution being conclusive evidence of such approval.

Section 8. The Chair, the Executive Director, the Finance Officer, the Secretary and any other proper officer (or in their absence, their designee) of the Successor Agency, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, relating to the 2017 Bonds, and to do and cause to be done any and all acts and things necessary or proper (including, but not limited to, obtaining a reserve fund surety bond, a bond insurance policy or other types of credit enhancement) for carrying out the transactions contemplated by the Indenture, the Bond Purchase Contract, the Official Statement, the Continuing Disclosure Agreement, the Escrow Agreement, this Resolution and any such agreements. If such reserve fund surety bond, bond insurance policy or other types of credit enhancement are obtained, the Chair, the Executive Director, the Finance Officer, the Secretary and any other proper officer (or in their absence, their designee) of the Successor Agency is hereby authorized to make such changes to the agreements and documents relating to the 2017 Bonds as may be needed to obtain such reserve fund surety bond, bond insurance policy or other types of credit enhancement.

Section 9. The Successor Agency is hereby authorized to recover its costs of issuance with respect to the 2017 Bonds including the cost of reimbursing the Successor Agency for staff time and costs spent with respect to the 2017 Bonds.

Section 10. U.S. Bank National Association is hereby appointed as Trustee and Escrow Agent, Norton Rose Fulbright US LLP is hereby appointed as Bond Counsel, Urban Futures, Inc. is appointed as Financial Advisor and Dissemination Agent and Richards, Watson and Gershon, A Professional Corporation is hereby appointed as Disclosure Counsel. Hilltop Securities Inc. is hereby appointed as Underwriter.

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

PASSED, APPROVED, and ADOPTED this 13th day of December, 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

BRITT AVRIT, CMC
Secretary

R. REX PARRIS
Chair

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss
CITY OF LANCASTER }

CERTIFICATION OF RESOLUTION
LANCASTER SUCCESSOR AGENCY

I, _____, _____ City of Lancaster, CA, do hereby certify that this is a true and correct copy of the original Resolution No. SA 09-16, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, _____.

(seal)
