

OSB RESOLUTION 2016-09

A RESOLUTION OF THE DISSOLVED TULARE REDEVELOPMENT AGENCY SUCCESSOR AGENCY'S OVERSIGHT BOARD, CONFIRMING THE APPROVAL OF THE SUCCESSOR AGENCY'S OVERSIGHT BOARD MINUTES

WHEREAS, pursuant to Health and Safety Code Section 34173(d), the City of Tulare ("RDA Successor Agency") is the successor agency to the dissolved Redevelopment Agency of the City of Tulare ("Agency"); and,

WHEREAS, the Oversight Board is the RDA Successor Agency's oversight board pursuant to Health and Safety Code Section 34179(a); and,

WHEREAS, Health and Safety Code Section 34179(e) requires that all actions taken by the Oversight Board be adopted by resolution; and,

WHEREAS, the Oversight Board Secretary or designee has prepared and submitted the Minutes for the Board Meeting(s) of June 22, 2016 for approval by resolution; and,

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF TULARE 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. CEQA Compliance. The approval of the Board Minutes through this Resolution does not commit the RDA Successor Agency or the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

Section 3. Approval of the Minutes. The Oversight Board approves the Minutes for the Board Meetings of June 22, 2016, in substantially the form attached to this Resolution as Exhibit A.

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 application 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. Certification. The City Clerk of the City of Tulare, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

Section 6. Implementation and Transmittal of the Administrative Budget. The Successor Agency's designee and/or the Oversight Board Chairperson are hereby authorized and

directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the administrative budget.

Section 7. Effective Date. This 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. An action of the Oversight Board shall not become effective five business days after notice of said action to the Department of Finance.

PASSED, APPROVED AND ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the dissolved Redevelopment Agency of the City of Tulare, on the **28th** day of **September, 2016**.

Chair of the Oversight Board of Successor Agency
to City of Tulare Redevelopment Agency

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Roxanne Yoder, Chief Deputy City Clerk of the City of Tulare, Oversight Board Secretary, certify the foregoing is the full and true Resolution 2016-09 passed and adopted by the Oversight Board of Successor Agency to City of Tulare Redevelopment Agency at a special meeting held on September 28, 2016, by the following vote:

Aye(s) _____

Noe(s) _____ Absent/Abstention(s) _____.

Dated:

OVERSIGHT BOARD SECRETARY

Roxanne Yoder

EXHIBIT A

TULARE OVERSIGHT BOARD – ACTION MINUTES (SPECIAL MEETING) SESSION INFORMATION

Objective: *In accordance with the requirements of AB 1X 26 - Meeting of the Oversight Board specific to those actions and activities, as necessary, to facilitate the wind down of the former Tulare Redevelopment Agency*

Date:	06/22/16	Pete Vander Poel III – County of Tulare	Kathy Melendez - City of Tulare
Time:	4:30 PM	John Hess – County of Tulare	John Beck – Former Superintendent of Schools
Location:	Tulare City Hall Library Conference Room 411 East Kern Avenue Tulare, CA 93274	Bill Postlewaite – City of Tulare	Ken Nunes – College of the Sequoias N/A – Tulare Regional Medical Center

AGENDA ITEMS

PRESENTER

- | | |
|---|---|
| 1. Call to Order | 4:30 p.m. |
| 2. Pledge of Allegiance | |
| 3. Roll Call | Present: Pete Vander Poel,
Kathy Melendez, John Beck,
Ken Nunes, Bill Postlewaite

Staff Present: Darlene
Thompson, Roxanne Yoder, |
| 4. Citizen’s Comments & Communications
Comments from the public are limited to items listed on the agenda (GC 54654.3a). Speakers will be allowed three (3) minutes. Please begin your comments by stating and spelling your name and providing your city of residence. | None |
| 5. Presentations: | None |
| 6. Approval of Previous Meeting Minutes | |
| A. Adopt OSB Resolution 2016-06 approving the Action Minutes of March 23, 2016. | Moved by Board Member Beck, seconded by Board Member Melendez and unanimously carried 5 to 0 to adopt Resolution 2016-06 as presented. |
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7. Old Business

None

8. New Business

A. Adopt OSB Resolution 2016-07 approving transfer and receipt of Bond Proceeds from the City of Tulare to the Successor Agency to the Redevelopment Agency of the City of Tulare.

Darlene Thompson provided a report for the Board's review and consideration. Following discussion it moved by Board Member Postlewaite, seconded by Board Member Melendez and unanimously carried 5 to 0 to adopt Resolution 2016-07 as presented.

B. Adopt OSB Resolution 2016-08 re-approving the Bond Expenditure Agreement between the City of Tulare and Successor Agency to the former Tulare Redevelopment Agency and authorize Successor Agency Staff to take all necessary steps to effectuate the approval.

Darlene Thompson provided a report for the Board's review and consideration. Following discussion it moved by Board Member Nunes, seconded by Board Member Beck and unanimously carried 5 to 0 to adopt Resolution 2016-08 as presented.

9. Chairperson and Board Members' Items of Interest

Chairperson and Board Members

10. Adjournment

4:38 p.m.

In compliance with the Americans with Disabilities and Brown Act, if you need special assistance to participate in the meeting, including the receipt of the agenda and documents in the agenda package in an alternate format, please contact the City Clerk's Office (559) 684-4200. Notification 48-hours prior to the meeting will enable the Successor Agency to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35. 102-35, 104 ADA Title II), and allow for the preparation of documents in the appropriate alternate format.

**TULARE OVERSIGHT BOARD – ACTION MINUTES (SPECIAL MEETING)
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Chair of the Oversight Board of Successor Agency
to City of Tulare Redevelopment Agency

ATTEST:

Board Secretary

TO: Tulare Redevelopment Successor Agency Oversight Board

FROM: General Counsel Successor Agency

DATE: September 28, 2016

RE: Adopt OSB Resolution 16-10 approving the issuance of 2016 Tax Allocation Refunding Bonds, Series A (Tax-Exempt) and Series B (Taxable) (together, the “2016 Refunding Bonds”) to refinance all or a portion of the outstanding Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series A (Tax-Exempt), Series B (Taxable), and 2010 Tax Allocation Housing Bonds, Series C (Taxable) (together, the “2010 Tax Allocation Bonds”) for debt service savings.

BACKGROUND

In 2010, the Redevelopment Agency of the City of Tulare issued its 2010 Tax Allocation Bonds including \$8,605,000 Series A (Tax-Exempt), \$4,915,000 Series B (Taxable), and \$9,830,000 Series C (Taxable) to finance and refinance redevelopment projects within the “Merged Project Areas” within the City.

The proposed 2016 Refunding Bonds would be issued with two separate series corresponding with the taxable or tax-exempt status of the outstanding 2010 Tax Allocation Bonds:

- 1) **2016 Series A Refunding Bonds (Tax-Exempt)** would be issued to refund the outstanding 2010 Series A (Tax-Exempt) Bonds. The outstanding 2010 Series A Bonds carry tax-exempt interest rates ranging from 6.00% for principal due August 1, 2030 to 6.25% for principal due August 1, 2040 (final maturity).
- 2) **2016 Series B Refunding Bonds (Taxable)** would be issued to refund the outstanding 2010 Series B (Taxable) Bonds and the 2010 Series C (Taxable) Housing Bonds. The outstanding 2010 Series B and Series C Bonds carry taxable interest rates ranging from 7.50% for principal due August 1, 2020 to 8.50% for principal due August 1, 2040 (final maturity).

At current interest rates, significant savings can be achieved by refunding the outstanding 2010 Tax Allocation Bonds. Interest rates are currently very low by historical standards.

In accordance with California Health and Safety Code Section 34177.5(a)(1), the Successor Agency is granted the authority, rights, and powers of the redevelopment agency which it succeeded for the purpose of issuing new debt to refund debt of the prior redevelopment agency for savings. The 2016 Refunding Bonds can only be issued if they a) result in lower total principal and interest payments than the

outstanding bonds, and b) the principal amount of the refunding bonds does not exceed the amount needed to refund the outstanding bonds.

Preliminary savings estimates are summarized below.

Preliminary Savings Summary			
2010 Tax Allocation Bonds	Series A (Tax-Exempt)	Series B & C (Taxable)	Combined Total
Outstanding Principal	\$8,605,000	\$12,560,000	\$21,165,000
Outstanding Bond Interest Rates	6.00% - 6.25%	7.50% - 8.50%	
Proposed 2016 Refunding Bonds	Series A (Tax-Exempt)	Series B (Taxable)	Combined Total
Gross Savings	\$1,947,104	\$2,513,292	\$4,460,395
Net Present Value (NPV) Savings	\$1,118,782	\$912,167	\$2,030,948
NPV Savings % of Refunded Bonds	13.00%	7.26%	9.60%

The savings estimates assume the 2016 Refunding Bonds would be structured with the same repayment terms as the outstanding 2010 Tax Allocation Bonds, with no extension of the repayment term for any Series of outstanding bonds. The savings estimates are based on conservatively high estimates of current interest rates and assume availability of municipal bond insurance and use of a reserve surety bond to satisfy the debt service reserve requirement. Actual savings may vary based on interest rates at time of sale and other factors.

Because the outstanding 2010 Tax Allocation Bonds are not subject to redemption until August 1, 2020, these bonds would be “defeased” via an “advance refunding” under which proceeds of the 2016 Refunding Bonds will be placed in an escrow fund that is used to pay debt service on the outstanding 2010 Bonds through August 1, 2020 and subsequently refund all remaining outstanding principal, without any prepayment premium.

If authorized, the Successor Agency would move forward with the 2016 Refunding Bonds to refinance the 2010 Tax Allocation Bonds for savings and reduced debt service payments.

RECOMMENDATION

Adopt OSB Resolution 16-10 approving the issuance of 2016 Tax Allocation Refunding Bonds, Series A (Tax-Exempt) and Series B (Taxable) (together, the “2016 Refunding Bonds”) to refinance all or a portion of the outstanding Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series A (Tax-Exempt), Series B (Taxable), and 2010 Tax Allocation Housing Bonds, Series C (Taxable) (together, the “2010 Tax Allocation Bonds”) for debt service savings.

OSB RESOLUTION 16-10

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF TULARE APPROVING THE ISSUANCE OF REFUNDING BONDS AND MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Redevelopment Agency of the City of Tulare (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 Health and Safety Code of the State (the “Law”);

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references in this Resolution are to the California Health and Safety Code), the Former Agency has been dissolved and no longer exists, and pursuant to Section 34173, the Successor Agency to the Redevelopment Agency of the City of Tulare (the “Successor Agency”) has become the successor entity to the Former Agency;

WHEREAS, pursuant to Section 34179, this Oversight Board has been established for the Successor Agency;

WHEREAS, prior to dissolution of the Former Agency, for the purpose of financing redevelopment activities of the Former Agency, the Former Agency issued its (i) \$8,605,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series A (Tax-Exempt); (ii) \$4,915,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series B (Taxable); and (iii) \$9,830,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Housing Bonds, Series C (Taxable) (collectively, the “2010 Bonds”);

WHEREAS, Section 34177.5 of the Law authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the “Refunding Law”) for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the “Savings Parameters”);

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its Successor Agency to the Redevelopment Agency of the City of Tulare 2016 Tax Allocation Refunding Bonds (the “Refunding Bonds”), the Successor Agency has caused its independent financial advisor, Bartle Wells Associates (the “Municipal Advisor”), to prepare an preliminary 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 the 2010 Bonds (the “Preliminary Debt Service Savings Analysis”), and the Preliminary Debt Service Savings Analysis is on file with this Oversight Board;

WHEREAS, on September 20, 2016 the Successor Agency adopted a resolution (the “Successor Agency Resolution”) approving the issuance of the Refunding Bonds pursuant to

Section 34177.5(a)(1), a copy of which Successor Agency Resolution is attached hereto as Exhibit A;

WHEREAS, pursuant to the Successor Agency Resolution, the Successor Agency, among other things, approved the Preliminary Debt Service Savings Analysis, approved the issuance of the Refunding Bonds, approved the sale of the Refunding Bonds to Morgan Stanley & Co. LLC (the “Underwriter”) and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and U.S. Bank National Association, as trustee, providing for the issuance of the Refunding Bonds (the “Indenture”), approve the refunding of the 2010 Bonds;

WHEREAS, this Oversight Board has completed its review of the refunding proceedings described in the Successor Agency Resolution and the Preliminary Debt Service Savings Analysis and wishes at this time to give its approval to the foregoing;

NOW THEREFORE, BE IT RESOLVED that the Oversight Board for the Successor Agency to the Redevelopment Agency of the City of Tulare, hereby finds, resolves, and determines 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. Determination of Savings. This Oversight Board 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 refund the 2010 Bonds, all as evidenced by the Preliminary Debt Service Savings Analysis, which Preliminary Debt Service Savings Analysis is hereby approved.

Section 3. Direction and Approval of Issuance of the Bonds. As authorized by Section 34177.5(f), the Oversight Board hereby directs the Successor Agency to undertake the refunding proceedings, and as authorized by Section 34177.5(f) and Section 34180, this Oversight Board hereby directs and approves the issuance by the Successor Agency of the Refunding Bonds pursuant to Section 34177.5(a)(1) and under other applicable provisions of the Law and the Refunding Law and as provided in the Successor Agency Resolution and the Indenture in the aggregate principal amount of not to exceed \$26,000,000, provided that the principal and interest payable with respect to the Refunding Bonds complies in all respects with the requirements of the Savings Parameters with respect thereto, as shall be certified to by the Municipal Advisor upon delivery of the Refunding Bonds or any part thereof.

In connection with the sale and issuance of the Refunding Bonds, the Successor Agency is authorized to purchase a municipal bond insurance policy and a reserve account surety bond for all or a portion of the Refunding Bonds if the Successor Agency determines that the purchase of either or both reduces the true interest cost of all or a portion of the Refunding Bonds, thereby increasing the savings obtained through the issuance of the Refunding Bonds and the refunding of the 2010 Bonds.

Section 4. Sale and Delivery of Refunding Bonds in Whole or in Part. The Oversight Board hereby approves the sale and delivery of the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, if such Savings Parameters cannot

be met with respect to the whole of the Refunding Bonds, then the Oversight Board approves the sale and delivery of the Refunding Bonds from time to time in part. In the event the Refunding Bonds are initially sold in part, the Successor Agency is hereby authorized to sell and deliver additional parts of the Refunding Bonds without the prior approval of this Oversight Board provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

Section 5. Determinations by the Oversight Board. Based upon the full record before it, which includes but is not limited to staff reports, testimony, and other materials and evidence provided, the Oversight Board makes the following determinations upon which the Successor Agency shall rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

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

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and redemption of the 2010 Bonds, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34183(a)(3) 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. In addition and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of any 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 with respect to the Refunding Bonds from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

Section 6. Further Determinations. Pursuant to Health and Safety Code Section 34177.5(h), the Oversight Board further finds and determines, based on information provided, that: (a) the Successor Agency has made, and will continue to make, diligent efforts to assure that the lowest long-term cost financing is obtained with the Refunding Bonds; (b) the Refunding Bonds will not provide for any bullets or spikes and shall not use variable rates of interest; and (c) the Successor Agency has made, and will continue to make, use of an independent financial advisor in issuing the Refunding Bonds.

Section 7. Effective Date. Pursuant to Health and Safety Code Section 34177(f) and Section 34179(h), this Resolution shall be effective five (5) business days after proper notification hereof is given to the California Department of Finance unless the California 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 California Department of Finance.

ADOPTED, September 28, 2016, by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Tulare.

Chair of the Oversight Board of Successor Agency
to City of Tulare Redevelopment Agency

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Roxanne Yoder, Chief Deputy City Clerk of the City of Tulare, Oversight Board Secretary, certify the foregoing is the full and true Resolution 16-10 passed and adopted by the Oversight Board of Successor Agency to City of Tulare Redevelopment Agency at a special meeting held on September 28, 2016, by the following vote:

Aye(s) _____

Noe(s) _____ Absent/Abstention(s) _____.

Dated:

OVERSIGHT BOARD SECRETARY

Roxanne Yoder

EXHIBIT A

Successor Agency Resolution

RESOLUTION 2016- 01

RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF TULARE APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF TULARE, AND APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Redevelopment Agency of the City of Tulare (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Successor Agency to the Redevelopment Agency of the City of Tulare (the "Successor Agency") has become the successor entity to the Former Agency; and,

WHEREAS, prior to dissolution of the Former Agency, for the purpose of financing redevelopment activities of the Former Agency, the Former Agency issued its (i) \$8,605,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series A (Tax-Exempt); (ii) \$4,915,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Bonds, Series B (Taxable); and (iii) \$9,830,000 Redevelopment Agency of the City of Tulare Merged Tulare Redevelopment Projects 2010 Tax Allocation Housing Bonds, Series C (Taxable) (collectively, the "2010 Bonds"); and,

WHEREAS, Section 34177.5 authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"); and,

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its Successor Agency to the Redevelopment Agency of the City of Tulare 2016 Tax Allocation Refunding Bonds in one or more series on a tax-exempt and/or taxable basis (the "Refunding Bonds"), the Successor Agency has caused its municipal advisor, Bartle Wells Associates (the "Municipal Advisor"), to prepare a preliminary 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 the 2010 Bonds (the "Preliminary Debt Service Savings Analysis"); and,

WHEREAS, the Successor Agency desires at this time to approve the issuance of the Refunding Bonds, in one or more series on a tax-exempt or taxable basis, and to approve the form of and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and U.S. Bank National Association, as trustee, providing for the issuance of the Refunding Bonds (the "Indenture"); and,

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

WHEREAS, the Oversight Board will be requested to approve the issuance of the Refunding Bonds and the other actions of the Successor Agency that are set forth in and contemplated by this Resolution which approval shall be a condition to the issuance of the Refunding Bonds; and,

WHEREAS, the Successor Agency has determined to sell the Refunding Bonds to Morgan Stanley & Co. LLC (the "Underwriter"); and,

WHEREAS, the Successor Agency will subsequently approve a preliminary official statement and official statement, bond purchase agreement, escrow agreement, continuing disclosure agreement and any other documents required or desirable to effect the issuance of the Refunding Bonds and the refunding of the 2010 Bonds; and,

WHEREAS, the Successor Agency may obtain credit enhancement if desirable in connection with the issuance of the Refunding Bonds; and

NOW, THEREFORE, BE IT RESOLVED by the Successor Agency to the Redevelopment Agency of the City of Tulare, as follows:

1. Determination of Savings. The Successor Agency hereby determines 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 refund the 2010 Bonds, all as evidenced by the Preliminary Debt Service Savings Analysis on file with the Successor Agency, which Preliminary Debt Service Savings Analysis is hereby approved. The Preliminary Debt Service Savings Analysis will be provided to the Oversight Board.

2. Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under the Law and the Refunding Law in the aggregate principal amount of not to exceed \$26,000,000, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery. The Refunding Bonds may be issued in one or more series, which may be tax-exempt or taxable.

3. Approval of Indenture. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Mayor of the City of Tulare, as Chair of the Successor Agency, the City Manager of the City of Tulare, as the chief administrative officer of the Successor Agency, the Finance Director, as the chief financial officer of the Successor Agency, the City Attorney of the City, as the general counsel of the Successor Agency, or the written designee of any such officer (each, an "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the Secretary of the Successor Agency is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively

evidenced by the execution and delivery of the Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

4. Filing of Preliminary Debt Service Savings Analysis and Resolution. The Successor Agency is hereby further authorized and directed to file the Preliminary Debt Service Savings Analysis, together with a certified copy of this Resolution, as provided in Section 34180(j), with the Tulare County Administrative Officer, the Tulare County Auditor-Controller and the California Department of Finance.

5. Sale of Refunding Bonds. The Successor Agency hereby approves the sale of the Refunding Bonds to the Underwriter. The Underwriter's discount (not including original issue discount) may not exceed 1.25% of the principal amount of the Refunding Bonds.

6. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the 2010 Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the further approval of the Successor Agency or the Oversight Board, provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

7. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy for all or a portion of the Refunding Bonds and a debt service reserve fund 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 debt service reserve fund insurance policy will reduce the true interest costs with respect to the Refunding Bonds.

8. Professional Services. The Authorized Officers are hereby authorized to retain, in connection with the issuance of the Refunding Bonds, Bartle Wells Associates, as municipal advisor, the firm of Hawkins Delafield & Wood LLP, as bond counsel, and the firm of Rosenow Spevacek Group, Inc., as redevelopment consultant. Additionally, the selection of U.S. Bank National Association, as trustee, is hereby confirmed.

9. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency and the Commission 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, which they, or any of them, may deem necessary or advisable in obtaining the

requested approval by the California Department of Finance, and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed 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 is absent or unavailable.

10. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

ADOPTED September 20, 2016 by the City Council of the City of Tulare, acting in its capacity as the Successor Agency to the Redevelopment Agency of the City of Tulare, by the following vote, to wit:

David Macedo
Successor Agency Chairperson
Mayor of the City of Tulare

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Paul Melikian, Interim City Manager/City Clerk of the City of Tulare, as the Successor Agency to the Tulare Redevelopment Agency, certify the foregoing is the full and true Successor Agency Resolution 2016- 01 passed and adopted by the Successor Agency to the Tulare Redevelopment Agency at a regular meeting held on September 20, 2016, by the following vote:

Aye(s): Shea Gowin; Maritza Castellanoz; Craig Vejvoda; Carlitos Jones; David Macedo

Noe(s): NA Absent/Abstention(s): NA

Dated: 9/20/16

PAUL MELIKIAN, Interim City Manager/City Clerk

Roxanne Yoder
Roxanne Yoder, Chief Deputy



TO: Tulare Redevelopment Successor Agency Oversight Board

FROM: General Counsel Successor Agency

DATE: September 28, 2016

RE: Adopt OSB Resolution 16-11 approving the transfer to The City of Tulare certain properties identified within and as previously approved by the Agency's Long Range Property Management Plan.

BACKGROUND

The Tulare City Council approved and adopted Resolution 11-19 approving the transfer of certain real properties from the City of Tulare Redevelopment Agency ("Agency") to the City as a repayment of City funds that were advanced to the Agency for its services and activity's and that was allowed for in the Third Amended and Restated Loan Repayment Agreement ("Repayment Agreement") between the Agency and the City.

The California State Controller's Office ("SCO") challenged the transfer of properties to the City and Repayment Agreement. Subsequent litigation and appeals between the City and the SCO, resulted in a settlement agreement between the City and the SCO that the properties would be returned to the Successor Agency and disposed of in accordance with and as identified in the Agency's approved Long Range Property Management Plan ("LRPMP") adopted by Resolution 15-05 on October 2, 2015.

Five of the properties identified below, and included in the approved "LRPMP" and part of the settlement were to be returned back to the City for "Governmental Use" and include two City parking lot parcels on K and J Street, one empty lot adjacent to the Transit Center for future expansion. One empty lot adjacent to the Santa Fe Trail, and a vacant lot on K Street to be used for future intersection improvements.

Address or Description	APN
400 Block North O Street	170-232-017
420 North J Street	170-261-015
400 Block North K Street	170-261-016
400 Block North K Street	170-263-016
4266 South K Street	191-350-010/11

RECOMMENDATION

Adopt Resolution 16-11 and transfer to the City of Tulare the properties listed herein, to be done in compliance with Health and Safety Code Section 34191.5 and the terms of the Long Range Property Management Plan previously approved by the Oversight Board on October 2, 2015 by Resolution 15-05, and approved by the California Department of Finance, December 31, 2015.

OSB RESOLUTION 16-11

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY FOR THE TULARE REDEVELOPMENT AGENCY APPROVING THE TRANSFER FROM THE SUCCESSOR AGENCY TO THE CITY OF TULARE OF CERTAIN REAL PROPERTIES AND MAKING CERTAIN FINDINGS RELATING THERETO

WHEREAS, the City of Tulare Redevelopment Agency (“Agency”) was engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code (“HSC”) Section 33000, et seq.) (“CRL”); and

WHEREAS, the City Council of the City of Tulare (“City”) approved and adopted Resolution 11-19 approving the transfer of certain real properties and cash assets from the Agency to the City as part of the Agency’s attempt to repay a debt to the City under the Third Amended and Restated Loan Repayment Agreement; and

WHEREAS, in response to the Governor's State budget for Fiscal Year 2011-2012, the California legislature passed Assembly Bill (“AB”) x1 26, which included the elimination of redevelopment agencies and the dissolution of the Agency "to realign the delivery of state services to counties and local governments;” and

WHEREAS, the City elected to serve as the Successor Agency to the Agency (“Successor Agency”), a separate body politic responsible for the Agency’s obligations and required to implement the dissolution of the Agency; and

WHEREAS, the California State Controller’s Office (“SCO”) determined the transfer of property to the City under Resolution 11-19 was in violation of the certain covenants and provisions of the CRL and ordered the return of all real property and cash assets to the Successor Agency; and

WHEREAS, the City and the Successor Agency sought to allow the City to keep the properties as payment for debts owed it by the Agency through litigation against SCO, which resulted in the trial court finding against the City; and

WHEREAS, the City and the Successor Agency initially appealed the trial court’s decision and later abandoned the appeal as part of a settlement agreement between the City and Successor Agency on the one hand and SCO on the other hand, under which the City agreed to return the real properties and cash assets to the Successor Agency; and

WHEREAS, in accordance with HSC Section 34180, the Oversight Board of the Successor Agency (“Oversight Board”) is authorized and required to review and approve actions taken by the Successor Agency; and

WHEREAS, pursuant to HSC Section 34191.5, the Successor Agency was required to submit a Long Range Property Management Plan (“LRPMP”) to the Oversight Board and California Department of Finance (“DOF”) to identify disposition of real property it owns; and

WHEREAS, on October 2, 2015 by OSB Resolution 15-05, the Oversight Board approved an LRPMP, which identifies certain real properties named on the LRPMP as items 10, 17, 18, 20, and 27 for governmental use and transfer to the City (“Governmental Use Properties”), and submitted it to DOF; and

WHEREAS, DOF approved the LRPMP on December 31, 2015; and

WHEREAS, the Successor Agency approved the transfer of the Governmental Use Properties to the City in accordance with the approved LRPMP and authorized submittal thereof to the Oversight Board for its review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Tulare Redevelopment Successor Agency Oversight Board as follows:

Section 1. **Recitals.** The Recitals set forth above are true and correct and incorporated herein.

Section 2. **Findings.** The Oversight Board hereby finds and determines, based on the Recitals set forth above and the information made available in the staff report accompanying this Resolution, the oral presentation of the Successor Agency and Tulare City staff, and all other written and oral evidence presented to the Oversight Board, that the Successor Agency to the Tulare Redevelopment Agency’s transfer and the City’s acceptance of the properties listed herein are to be done in compliance with Health and Safety Code Section 34191.5 and the terms of the Long Range Property Management Plan previously approved by the Oversight Board and the California Department of Finance and is hereby approved by the Oversight Board.

Section 3. **Subject Properties.** The properties listed herein are to be transferred from the Successor Agency to the City;

Address or Description	APN
400 Block North O Street	170-232-017
420 North J Street	170-261-015
400 Block North K Street	170-261-016
400 Block North K Street	170-263-016
4266 South K Street	191-350-010/11

Section 4. **Certification.** The City Clerk shall certify to the passage and adoption of this Resolution and the same shall thereupon take effect and be in force immediately upon its adoption.

BE IT FURTHER RESOLVED that the Oversight Board to the Successor Agency to the Tulare Redevelopment Agency approves the appointment of the Tulare City Manager as agent of the Successor Agency to the Tulare Redevelopment Agency to conduct all negotiations, execute and submit all documents, including but not limited to applications, agreements, amendments, payment requests, and so on, which may be necessary for the completion of the aforementioned project.

PASSED, APPROVED AND ADOPTED at a meeting of the Oversight Board of the Successor Agency to the dissolved Redevelopment Agency of the City of Tulare, on the **28th** day of **September, 2016**.

Chair of the Oversight Board of Successor Agency
to City of Tulare Redevelopment Agency

ATTEST:

STATE OF CALIFORNIA)
COUNTY OF TULARE) ss.
CITY OF TULARE)

I, Roxanne Yoder, Chief Deputy City Clerk of the City of Tulare, Oversight Board Secretary, certify the foregoing is the full and true Resolution 2016-11 passed and adopted by the Oversight Board of Successor Agency to City of Tulare Redevelopment Agency at a special meeting held on September 28, 2016, by the following vote:

Aye(s) _____

Noe(s) _____ Absent/Abstention(s) _____.

Dated:

OVERSIGHT BOARD SECRETARY

Roxanne Yoder