

City of Oakdale
Successor Agency to the Redevelopment Agency
Oversight Board Special Meeting
Agenda



The City of Oakdale recognizes and supports the Choose Civility program, an initiative of the Stanislaus County Office of Education. For more info. visit their website: <http://www.stancoe.org/civility/>

Thursday, December 10, 2015
4:00 p.m.

City Council Chambers
277 North Second Avenue
Oakdale, California



Members of the Board

Chairperson Mickey Peabody
Albert Avila, Shirley Buell, J.R. McCarty, William O'Brien, Brian Sanders

Note: California law prohibits the Successor Agency to the Redevelopment Agency Oversight Board City Council from taking action on any matter that is not on the posted agenda unless it is determined to be an emergency by the Board. All items will be referred to staff for follow-up and placed on a future agenda.

1. **CALL TO ORDER:**
2. **OVERSIGHT BOARD MEMBERS PRESENT/ABSENT:**
3. **ITEMS FROM THE AUDIENCE:** This is the time of the meeting to address the Oversight Board on any municipal matter not listed on the Agenda.
4. **INTRODUCTION OF NEW BOARD MEMBER BRIAN SANDERS**
5. **CONSENT AGENDA:** The below listed Item(s) comprise the consent agenda and unless there is discussion by a member of the audience/Board may be approved in one motion.
 - 5.1 Consider approving the Minutes of the Successor Agency to the Redevelopment Agency Oversight Board of the special meeting held September 24, 2015.

Recommended Action: Adopt Resolution 2015-13 approving Consent Agenda.
6. **NEW BUSINESS:**
 - 6.1 Swearing In of Oversight Board Member Brian Sanders.
 - 6.2 Election of Vice Chairperson
 - 6.3 Consider a Resolution of the Oversight Board for the Successor Agency to the Oakdale Community Redevelopment Agency approving the issuance Refunding Bonds, making certain determinations with respect to the refunding bonds and providing other matters relating thereto.

Recommended Action: Adopt Oversight Board Resolution 2015-14, a Resolution of the Oversight Board to the Successor Agency to the City of Oakdale former Redevelopment Agency approving the issuance Refunding Bonds, making certain determinations with respect to the refunding bonds and providing other matters relating thereto.

7. **ADJOURNMENT:**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact City Hall, 209-845-3571. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28CFR 35.102-35.104 ADA Title II).

Any documents produced by the City and distributed to a majority of the Successor Agency to the Redevelopment Agency Oversight Board regarding any item on this agenda will be made available in the City Clerk's office at City Hall located at 280 North Third Avenue, Oakdale, California.

DECLARATION OF POSTING

I, Kathy Teixeira, City Clerk, for the City of Oakdale, certify that I caused to be posted a copy of the Oversight Board Special Meeting Agenda for the special meeting of Thursday, December 10, 2015, at the City Council Chambers, 277 North Second Avenue, Oakdale, CA, 95361 on December 8, 2015.

/s/Kathy Teixeira
Kathy Teixeira, CMC
City Clerk



CITY OF OAKDALE
City of Oakdale
Successor Agency to the Redevelopment Agency
Oversight Board Special Meeting Minutes
Thursday, September 24, 2015
8:30 AM
277 North Second Avenue
Oakdale, CA 95361

1. CALL TO ORDER:

Chairperson Peabody called the meeting to order at 8:30 a.m.

2. OVERSIGHT BOARD MEMBERS PRESENT/ABSENT:

Present: Chairperson Peabody
Board Member Avila
Board Member Cook
Board Member O'Brien
Board Member Peabody

Absent: Board Member Buell
Board Member McCarty
Vice Chairperson Whitfield

Staff Present: City Clerk Teixeira

3. ITEMS FROM THE AUDIENCE: This is the time of the meeting to address the Oversight Board on any municipal matter not listed on the Agenda.

There were no items from the audience.

4. CONSENT AGENDA: The below listed Item(s) comprise the consent agenda and unless there is discussion by a member of the audience/Board may be approved in one motion.

4.1: Approving Minutes: Successor Agency to the Redevelopment Agency Oversight Board of the special meeting held May 5, 2015.

MOTION

To adopt Resolution 2015-11, a Resolution of the Oversight Board to the Successor Agency to the City of Oakdale former Redevelopment Agency approving the September 24, 2015 Consent Agenda with the correction to the meeting start time of 4:00 p.m.

Moved by Board Member O'Brien, seconded by Board Member Cook and **CARRIED**

AYES:	Board Members:	Avila, Cook, O'Brien and Peabody	(4)
NOES:	Board Members:	None	(0)
ABSENT:	Board Members:	Buell, McCarty and Whitfield	(3)
ABSTAINED:	Board Members:	None	(0)



**CITY OF OAKDALE
 DRAFT SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY
 OVERSIGHT BOARD SPECIAL MEETING MINUTES
 September 24, 2015**

Motion carried 4/0 roll call vote (Board Members Buell, McCarty and Whitfield absent).

5. NEW BUSINESS:

5.1: Consider a resolution of the Successor Agency to the Redevelopment Agency Oversight Board approving the Recognized Obligations Payment Schedule (ROPS) for January 1, 2016 to June 30, 2016.

MOTION

To adopt Resolution 2015-12, a Resolution of the Oversight Board to the Successor Agency to the City of Oakdale former Redevelopment Agency approving the January 1, 2016 to June 30, 2016 Recognized Obligation Payment Schedule (ROPS).

Moved by Board Member Cook, seconded by Board Member O'Brien and

AYES:	Board Members: Avila, Cook, O'Brien and Peabody	(4)
NOES:	Board Members: None	(0)
ABSENT:	Board Members: Buell, McCarty and Whitfield	(3)
ABSTAINED:	Board Members: None	(0)

Motion carried 4/0 roll call vote (Board Members Buell, McCarty and Whitfield absent).

6. ADJOURNMENT:

There being no further business, Board Member Peabody adjourned the meeting at 8:45 a.m.

ATTEST:

APPROVED:

Kathy Teixeira, CMC
 City Clerk

Mickey Peabody
 Chairperson



City of Oakdale
Successor Agency Oversight Board Staff Report

Date: November 16, 2015

To: Oversight Board to the Successor Agency to the Former Oakdale
Redevelopment Agency

From: Bryan Whitemyer, City Manager / Executive Director

Subject: Approve a Resolution of the Oversight Board to the Successor Agency
authorizing the issuance and sale of Tax Allocation Refunding Bonds and
approving and authorizing related legal documents and actions.

I. BACKGROUND

Staff is seeking approval for the issuance of Tax Allocation Refunding Bonds to refinance four Tax Allocation Bonds of the Former Oakdale Redevelopment Agency (the "Successor Agency") that were issued through the Oakdale Public Financing Authority (the "Authority"). The Successor Agency not only has the opportunity to refinance outstanding bonds to generate significant savings for other affected taxing entities such as the Oakdale Unified School District but also generate savings to the City's General Fund.

The bonds would be approved in an amount that does not exceed \$20,000,000 with net present value savings that does not drop below 3.00%.

Outstanding Bonds of the Successor Agency

The Authority issued bonds in 1997, 2004 and two issues in 2011 (the "Prior Bonds") for the Redevelopment Agency as described below.

Prior Bond Issuance #1

\$7,845,000
Oakdale Public Financing Authority
1997 Tax Allocation Revenue Bonds
(Central City Redevelopment Project)

The 1997 Tax Allocation Revenue Bonds were issued to: (i) advance refund the Authority's \$3,110,000 outstanding principal amount of 1989 Revenue Bonds, Series A; (ii) provide \$4,000,000 for capital improvements in the Project Area; and (iii) establish a reserve fund for the Bonds and to pay the costs of issuance of the Bonds. Currently there remains \$4,855,000 of these bonds outstanding with a final maturity of June 1, 2027.

Prior Bond Issuance #2

\$13,330,000
Oakdale Public Financing Authority
2004 Tax Allocation Revenue Bonds
(Central City Redevelopment Project)



CITY OF OAKDALE

Successor Agency Oversight Board Staff Report

SUBJECT: AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS AND APPROVING AND AUTHORIZING RELATED LEGAL DOCUMENTS AND ACTIONS.
MEETING DATE: NOVEMBER 16, 2015

The 2004 Tax Allocation Revenue Bonds were issued to: (i) current refund the Authority's \$1,395,000 outstanding principal amount of 1992 Revenue Bonds, Series A; (ii) provide \$8,340,487 for capital improvements in the Project Area; (iii) provide \$2,679,212 to finance low and moderate income housing projects; and (iv) establish a reserve fund for the Bonds and to pay the costs of issuance of the Bonds. Currently there remains \$11,045,000 of these bonds outstanding with a final maturity of June 1, 2033.

Prior Bond Issuance #3

\$2,550,000
Oakdale Public Financing Authority
2011 Tax Allocation Revenue Bonds
(Central City Redevelopment Project)

The 2011 Tax Allocation Revenue Bonds were issued to: (i) provide \$2,076,156 for capital improvements in the Project Area; and (ii) establish a reserve fund for the Bonds and to pay the costs of issuance of the Bonds. Currently there remains \$2,550,000 of these bonds outstanding with a final maturity of June 1, 2036.

Prior Bond Issuance #4

\$820,000
Oakdale Public Financing Authority
2011 Taxable Housing Tax Allocation Revenue Bonds
(Central City Redevelopment Project)

The 2011 Taxable Housing Tax Allocation Revenue Bonds were issued to: (i) provide \$617,020 to finance low and moderate income housing projects; and (ii) establish a reserve fund for the Bonds and to pay the costs of issuance of the Bonds. Currently there remains \$820,000 of these bonds outstanding with a final maturity of June 1, 2036.

Discussion

This item was brought before both the Successor Agency on March 16, 2015 and the Oversight Board on May 5, 2015. Shortly thereafter, the transaction was put forth for approval to the California Department of Finance ("DOF"). On July 13, 2015 DOF denied the transaction on the basis they wanted the Oversight Board to adopt a resolution specifically requiring the bond proceeds from the 2011 Tax Allocation Revenue Bonds be used to retire bonds as part of the refunding. The transaction was temporarily put on hold pending the adoption of some proposed legislation. Since then, SB 107 was approved by the Legislature and signed into law by the Governor. SB 107 specifically allows bond proceeds from bond issues done during the period of January 1, 2011 to June 28, 2011, the period from the announcement of dissolution until dissolution was signed into law, to spend a portion of bond proceeds on projects. Under the formula in SB 107, the Successor Agency can spend 35% of the bond proceeds on projects which is currently estimated to be about \$733,000 of the \$2,095,000 remaining. The balance of the proceeds (\$1,362,000) will be used to retire bonds as part of the refunding.



CITY OF OAKDALE

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Line Item	Dollar Amount
Original Deposit to the Redevelopment Fund	2,076,156.00
Interest Earnings	18,853.47
Total Available Dollars	2,095,009.47
65% Used to Retire Bonds	1,361,756.16
35% Used for Projects	733,253.31

Based on current interest rates, substantial savings may be realized if the Prior Bonds are refinanced, benefiting the City and other taxing entities. For that reason staff is recommending that the City Council / Authority / Successor Agency authorize the issuance and sale of 2016 Tax Allocation Refunding Bonds. Series A and separate 2016 Taxable Tax Allocation Refunding Bonds, Series B Bonds (combined the “2016 Refunding Bonds”).

Benefits of the Bond Refunding:

Based on current interest rates it is anticipated that the 2016 Refunding Bonds will generate an estimated \$6,422,454 in gross savings, an estimated \$2,739,757 in net present value savings (today’s dollars) or 14.22% of remaining combined par amount of the Prior Bonds being refunded. The bonds are structured to provide maximum savings in the years 2016 to 2022 ranging from \$985,000 in 2016 to \$923,000 in 2017-2021 and \$776,000 in 2022. The periods 2023 to 2036 are essentially breakeven to the debt service of the combined Prior Bonds.

The table on the next page shows the combined savings from refunding the Prior Bonds:



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Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/30/2016 @ 3.3791858%
06/01/2016	1,114,631.88	129,123.03	985,508.85	979,928.98
06/01/2017	1,685,763.76	762,037.50	923,726.26	891,141.81
06/01/2018	1,685,507.50	762,037.50	923,470.00	861,298.85
06/01/2019	1,688,447.50	762,037.50	926,410.00	835,315.53
06/01/2020	1,684,187.50	762,037.50	922,150.00	803,832.06
06/01/2021	1,687,602.50	762,037.50	925,565.00	779,954.23
06/01/2022	1,688,367.50	912,037.50	776,330.00	632,618.71
06/01/2023	1,685,620.00	1,681,787.50	3,832.50	4,002.82
06/01/2024	1,685,541.26	1,684,412.50	1,128.76	1,733.05
06/01/2025	1,682,862.50	1,682,037.50	825.00	1,450.65
06/01/2026	1,687,547.50	1,686,787.50	760.00	1,356.22
06/01/2027	1,684,022.50	1,678,787.50	5,235.00	4,386.30
06/01/2028	1,687,556.26	1,683,537.50	4,018.76	3,425.98
06/01/2029	1,681,925.00	1,678,587.50	3,337.50	2,762.52
06/01/2030	1,688,606.26	1,684,750.00	3,856.26	2,891.78
06/01/2031	1,686,793.76	1,682,750.00	4,043.76	2,910.22
06/01/2032	1,686,756.26	1,682,750.00	4,006.26	2,792.32
06/01/2033	1,683,225.00	1,679,500.00	3,725.00	2,540.75
06/01/2034	1,311,200.00	1,308,000.00	3,200.00	2,169.02
06/01/2035	1,307,575.00	1,306,500.00	1,075.00	859.14
06/01/2036	1,307,500.00	1,307,250.00	250.00	278.67
	33,701,239.44	27,278,785.53	6,422,453.91	5,817,649.63

Savings Summary

PV of savings from cash flow	5,817,649.63
Less: Prior funds on hand	(3,080,205.76)
Plus: Refunding funds on hand	2,312.66
Net PV Savings	2,739,756.53

The savings will be shared by all of the tax sharing entities based on their portion of the breakdown of the 1% property tax levy. It is estimated by Seifel Consulting Inc. that the City receives approximately 11.64% of the 1% property tax distribution. Based on current market interest rates, the City would receive approximately \$106,000 per year in additional property tax revenues to the General Fund.

The table on the next page shows the estimated breakdown of the 1% property tax levy to the taxing entities of the savings from refunding the Prior Bonds:



CITY OF OAKDALE

Successor Agency Oversight Board Staff Report

SUBJECT: AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS AND APPROVING AND AUTHORIZING RELATED LEGAL DOCUMENTS AND ACTIONS. MEETING DATE: NOVEMBER 16, 2015

Successor Agency to the Former Oakdale Redevelopment Agency Estimated Upfront Savings based on Current Interest Rates

Table with 6 columns: Entity, % Split With ERAF, % Split With ERAF Redistribution, Estimated Gross Savings, Estimated Savings in the First 7 Years, Estimated Annual Savings in the First 7 Years. Rows include City, County, Special District, K-12 Schools, Community College District, County Office of Education, ERAF *, and a total row.

* The ERAF redistribution to K-12 Schools, Community College District and County Office of Education is estimated using the respective shares of those districts.

Bond Refunding Team:

To facilitate the issuance of the Refunding Bonds, it is recommended that the Successor Agency engage the services of: Del Rio Advisors, LLC and A. M. Peché & Associates LLC, as co-municipal advisors, Jones Hall, A Professional Law Corporation, as bond counsel, Nossaman LLP as disclosure counsel, Hilltop Securities Inc. as underwriter, Grant Thornton, LLP as Verification Agent, U.S. Bank National Association as Trustee and Escrow Agent, and Seifel Consulting Inc. as Fiscal Consultant.

Tentative Schedule of Bond Refunding:

If the City Council / Authority / Successor Agency approve this recommended action, the estimated timeline and steps to issue the 2016 Refunding Bonds are as follows:

- November 2015 Fiscal Consultant's Report Update
November 16, 2015 Successor Agency briefing and approval to proceed
December 2, 2015 Oversight Board briefing and approval to proceed
December 2015 Documents sent to State Department of Finance (DOF)
February 2016 DOF approves refinancing and grants authority to proceed
February 2016 Rating / Insurer presentations
February 2016 Successor Agency approves preliminary official statement
March 2016 Market bonds and close bonds



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Successor Agency Oversight Board Staff Report

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Fiscal Impact

There is no backstop of the Successor Agency debt service by the General Fund of the City. The financing team will work on a contingent basis and all fees are payable only from a successful sale of 2016 Refunding Bonds with the exception of fees and expenses of Seifel Consulting Inc and the rating fee.

Due to preparing projections and other pertinent information in the Fiscal Consultant's Report, the fees and expenses of Seifel Consulting Inc. cannot be contingent on the sale of Refunding Bonds. However, should the Refunding Bonds not close, these costs can be recovered through the Successor Agency RPTTF process.

The rating fee would be required to pay for a review of the Successor Agency credit by Standard & Poor's. The better the rating, the lower the interest rates and the more likely to qualify for bond insurance. The rating fee would not be incurred until later in the process when the team is reasonably confident that the transaction will move forward. This is also a recoverable expense by the Successor Agency through the RPTTF process.

The savings will be shared by all of the tax sharing entities based on their portion of the breakdown of the 1% property tax. It is estimated by Seifel Consulting Inc. that the City receives approximately 11.64% of the 1% property tax distribution. Based on this, it is estimated that the City would receive approximately \$106,000 per year in additional property tax revenues for the General Fund.

Total Savings from the Bond Refunding – \$6,422,454^(*).

^(*)Based on current interest rates and includes all costs of issuing the bonds

Total Cost of Refunding – \$433,734 or 2.64% of the bond (please see the table on the next page)



CITY OF OAKDALE

Successor Agency Oversight Board Staff Report

SUBJECT: AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS AND APPROVING AND AUTHORIZING RELATED LEGAL DOCUMENTS AND ACTIONS.
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**Successor Agency to the Oakdale Redevelopment Agency
2016 TAB Refunding Bonds, Series A & Series B (Taxable)
(1997, 2004, 2011 TE and 2011 Taxable)**

Costs of Issuance

Projected Issue Size	16,460,000.00
Bond Counsel	85,000.00
Disclosure Counsel	41,500.00
Co-Municipal Advisor	90,500.00
Rating Fee	25,000.00
Fiscal Agent / Trustee	6,500.00
Trustee Counsel	1,500.00
Verification Report	5,000.00
Fiscal Consultant	30,500.00
Printing	5,000.00
Miscellaneous	5,000.00
Rounding Adjustment	4,304.17
Total Estimated Costs of Issuance Dollars	299,804.17
Costs of Issuance as Percentage	1.82%
Total Estimated Underwriter's Discount Dollar	133,930.00
Underwriter's Discount Percentage	0.81%
Total Estimated Costs to Issue the Bonds	433,734.17
Total Percent of Projected Issue Size	2.64%

Public Contact

Posting of the City Council / Financing Authority / Successor Agency Agenda.

Alternative Courses of Action

1. Choose not to move forward and keep the Prior Bonds "as-is"

Recommendation for Action

Staff recommends the Oversight Board approve resolution 2015-XX and legal documents directing the commencement of proceedings for the issuance and sale of 2016 Tax Allocation Refunding Series A Bonds and separate 2016 Taxable Tax Allocation Refunding Series B Bonds, and approving and authorizing related actions.

Attachments

Attachment A: Draft Oversight Board Resolution 2015-XX



IN THE OVERSIGHT BOARD TO THE SUCCESSOR AGENCY
TO THE OAKDALE REDEVELOPMENT AGENCY OF THE
CITY OF OAKDALE
STATE OF CALIFORNIA

SUCCESSOR AGENCY OVERSIGHT BOARD RESOLUTION 2015-14

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE OAKDALE COMMUNITY REDEVELOPMENT AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS, MAKING CERTAIN DETERMINATIONS WITH RESPECT TO THE REFUNDING BONDS AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the Oakdale Community Redevelopment Agency (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 hereinafter being to such Code), the Former Agency has been dissolved and no longer exists, and pursuant to Section 34173, the Successor Agency to the Oakdale Community Redevelopment Agency (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, the Oversight Board is informed by the Successor Agency that, prior to dissolution of the Former Agency, in order to finance redevelopment activities within or of benefit to the Central City Redevelopment Project the Former Agency entered into (i) a Loan Agreement, dated as of May 1, 1997, used to pay debt service on the Oakdale Public Financing Authority's \$7,845,000 1997 Tax Allocation Revenue Bonds (Central City Redevelopment Project), currently outstanding in the aggregate principal amount of \$4,855,000, (ii) a Loan Agreement, dated as of April 1, 2004, used to pay debt service on the Oakdale Public Financing Authority's \$13,330,000 2004 Tax Allocation Revenue Bonds (Central City Redevelopment Project), currently outstanding in the aggregate principal amount of \$11,045,000, (iii) a Loan Agreement, dated as of February 1, 2011 (the "2011 Non-Housing Loan Agreement"), used to pay debt service on the Oakdale Public Financing Authority's \$2,550,000 2011 Tax Allocation Revenue Bonds (Central City Redevelopment Project (the "2011 Non-Housing Bonds"), and (iv) a Loan Agreement, dated as of February 1, 2011 (the "2011 Housing Loan Agreement"), used to pay debt service on the Oakdale Public Financing Authority's \$820,000 2011 Taxable Housing Tax Allocation Revenue Bonds (Central City Redevelopment Project (the "2011 Housing Bonds") (collectively, the "Prior Obligations");

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");



SUCCESSOR AGENCY OVERSIGHT BOARD RESOLUTION 2015-14

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of its Successor Agency to the Oakdale Community Redevelopment Agency 2015 Series A Tax Allocation Refunding Bonds (Oakdale Redevelopment Project) (the “Refunding Bonds”), the Successor Agency has caused its financial advisors, Del Rio Advisors, LLC and A. M. Peché & Associates LLC (together, the “Financial Advisor”), to prepare an 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 Prior Obligations (the “Debt Service Savings Analysis”);

WHEREAS, the Successor Agency by its Resolution No. 2015-____ adopted on _____, 2015 (the “Successor Agency Resolution”) approved the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1);

WHEREAS, in the Successor Agency Resolution, the Successor Agency approved the issuance of the Refunding Bonds and authorized 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”);

WHEREAS, in the Successor Agency Resolution, the Successor Agency also requested that this Oversight Board direct the Successor Agency to undertake the refunding proceedings and approve the issuance of the Refunding Bonds pursuant to the Successor Agency Resolution and the Indenture and that this Oversight Board make certain determinations described below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds;

WHEREAS, the Successor Agency has determined to sell the Refunding Bonds to Southwest Securities, Inc. (the “Underwriter”) pursuant to the terms of the Bond Purchase Agreement to be entered into by the Successor Agency and the Underwriter;

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its Disclosure Counsel, the Financial Advisor and the Fiscal Consultant to the Successor Agency, cause to be prepared a form of Official Statement for the Refunding Bonds describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Underwriter to persons and institutions interested in purchasing the Refunding Bonds; and

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

NOW THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE OAKDALE COMMUNITY REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:



SUCCESSOR AGENCY OVERSIGHT BOARD RESOLUTION 2015-14

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 and defease the Prior Obligations, all as evidenced by the Debt Service Savings Analysis on file with the Secretary of the Oversight Board, which 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 \$_____, 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 Financial Advisor upon delivery of the Refunding Bonds, or any part thereof.

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. As requested by the Successor Agency, 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, and is also authorized to execute the professional services agreements approved in the Successor Agency Resolution;
- (b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the Prior Obligations, as well as the payment by the Successor Agency of costs of each of issuance of the Refunding Bonds, as provided in Section 34177.5(a), shall be implemented by the Successor Agency



SUCCESSOR AGENCY OVERSIGHT BOARD RESOLUTION 2015-14

promptly upon sale and delivery of the Refunding Bonds, notwithstanding Section 34177.3 or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Stanislaus County Auditor-Controller or any other person or entity other than the Successor Agency; and

- (c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(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 (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.

PASSED AND ADOPTED by the Oversight Board for the Successor Agency to the Oakdale Community Redevelopment Agency at a regular meeting held on this ____ day of _____, 2015, by the following vote:

AYES: Board Members:
NOES: Board Members:
ABSENT: Board Members:
ABSTAIN: Board Members:

ATTEST:

SIGNED:

Kathy Teixeira, CMC
City Clerk

Mickey Peabody, Chairperson