

RESOLUTION NO. 047

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY DIRECTING PREPARATION OF PROCEEDINGS FOR THE REFUNDING OF OUTSTANDING 2007 BONDS, APPROVING ISSUANCE AND SALE OF REFUNDING BONDS, MAKING CERTAIN DETERMINATIONS AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the Community Redevelopment Agency of the City of Palm Springs (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 "Code"), and pursuant to Section 34172(a) of the Code, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the Code the City of Palm Springs has become the successor entity to the Former Agency (the "Successor Agency"); and

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency had issued the following bonds (collectively, the "Prior Bonds"):

- (a) \$12,770,000 aggregate principal amount of Community Redevelopment Agency of the City of Palm Springs Merged Project No. 1 Tax Allocation Bonds, 2007 Series A, and
- (b) \$6,495,000 aggregate principal amount of Community Redevelopment Agency of the City of Palm Springs Merged Project No. 2 Taxable Tax Allocation Bonds, 2007 Series C; and

WHEREAS, Section 34177.5(a)(1) authorizes the Successor Agency to undertake proceedings for the refunding of outstanding bonds and other obligations of the Former Agency in order to achieve debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters"), and to issue bonds for such purpose 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"); and

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

WHEREAS, the City Council, acting as the governing board of the Successor Agency, has adopted its resolution on July 26, 2017 (the "Successor Agency Resolution") under which the Successor Agency has authorized the issuance of one or more series of tax-exempt and taxable refunding bonds (collectively, the "Refunding

Bonds”) under the Refunding Bond Law for the purpose of refunding all or a portion of the Prior Bonds, provided that the Savings Parameters is achieved with respect to the refunding of the Prior Bonds as set forth in Section 34177.5(a)(1) of the Code; and

WHEREAS, in the Successor Agency Resolution, the Successor Agency has requested that the Oversight Board direct the Successor Agency to undertake proceedings for the issuance of the Refunding Bonds; and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon approval by the California Department of Finance, the Successor Agency is expected to sell the Refunding Bonds on a negotiated basis to Stifel Nicolaus & Company, Incorporated, such sale to be accomplished pursuant to a bond purchase agreement in the form approved by the Successor Agency pursuant to the Successor Agency Resolution; and

WHEREAS, the Successor Agency has caused an analysis to be made of the potential savings that will accrue to the Successor Agency and other affected taxing entities as a result of the refunding of the Prior Bonds (the “Debt Service Savings Analysis”) and has presented the Debt Service Savings Analysis to the Oversight Board for its consideration; and

WHEREAS, the Oversight Board has completed its review of the refunding proceedings and wishes at this time to give its approval to the issuance and sale of the Refunding Bonds by the Successor Agency and certain matters relating thereto;

NOW, THEREFORE, BE IT RESOLVED BY THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY, AS FOLLOWS:

Section 1. Debt Service Savings Analysis. The Successor Agency has filed the Successor Agency Resolution and the Debt Service Savings Analysis with the Oversight Board, which Debt Service Savings Analysis is hereby approved as demonstrating the potential savings that may result from the refunding of the Prior Bonds, in whole or in part.

Section 2. Direction to Refund. As requested by the Successor Agency in the Successor Agency Resolution, the Oversight Board hereby directs the Successor Agency to undertake the refunding of the Prior Bonds, in whole or in part. As set forth in the Successor Agency Resolution, the Refunding Bonds shall only be issued to refund the Prior Bonds in the event that the Savings Parameters set forth in Section 34177.5(a)(1) of the Code are met with respect to such refunding.

Section 3. Approval of Issuance and Sale of the Refunding Bonds. As authorized by Sections 34177.5(f) and 34180 of the Code, the Oversight Board hereby approves the Successor Agency Resolution and the issuance by the Successor Agency of the Refunding Bonds pursuant to Section 34177.5(a)(1) of the Code and under the

applicable provisions of the Refunding Law in the aggregate principal amount of not to exceed \$20,000,000, and as provided in the Successor Agency Resolution and the Indenture of Trust and the respective Supplemental Indentures relating to the Refunding Bonds (the "Refunding Bonds Indenture") as approved pursuant to the Successor Agency Resolution, provided that the principal and interest payable with respect to the Refunding Bonds shall comply in all respects with the requirements of the Savings Parameters. The Oversight Board hereby approves the execution and delivery by the Successor Agency of all of the agreements, certificates and other documents which are approved pursuant to the Successor Agency Resolution.

Section 4. Determinations by the Oversight Board. The Oversight Board hereby determines (upon which determination the Successor Agency may rely in undertaking the refunding proceedings and the issuance and sale of the Refunding Bonds) that the authorization and sale of the Refunding Bonds, and the application of proceeds thereof to the refunding of all or a portion of the Prior Bonds and the payment of costs of issuance, as provided in the Refunding Bond Indenture and authorized by §34177.5(a)(1) of the Code, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, without the requirement for further approval from the Oversight Board, the California Department of Finance, the Riverside County Auditor-Controller or any other person or entity other than the Successor Agency.

Section 5. Actions to Effectuate Resolution. The members of the Oversight Board and the staff of the Successor Agency are hereby authorized, jointly and severally, to do all things which they may deem necessary or proper to effectuate the purposes of this Resolution and the Refunding Bonds Indenture.

PASSED, APPROVED AND ADOPTED at a meeting of the Oversight Board on the 8th day of August, 2017, by the following votes:



LISA HOWELL
Chair

ATTEST:



KATHLEEN D. HART, MMC
Interim Clerk/Secretary

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, KATHLEEN D. HART, Interim Clerk/Secretary of the Oversight Board for the Successor Agency of the Palm Springs Community Redevelopment Agency hereby certify that Resolution No. 047 was adopted by the Oversight Board at a Special Meeting held on the 8th day of August, 2017, by the following vote:

AYES: Board Members Arthur, Ready, Van Horn, and Chair Howell
NOES: None
ABSENT: Board Member Foat, and Chair Vice Chair Marshall
ABSTAIN: None



Kathleen D. Hart, MMC
Interim Clerk/Secretary