

RESOLUTION NO. S.A. 01-2020

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH, ACTING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION REFUNDING BONDS TO REFUND OUTSTANDING BONDS OF THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF LONG BEACH, AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Redevelopment Agency of the City of Long Beach (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 California Health and Safety Code (the "Law"), including the power to borrow funds and issue bonds; and

WHEREAS, in order to finance redevelopment activities of the Former Agency, the Former Agency has issued its Redevelopment Agency of the City of Long Beach Taxable Recovery Zone Economic Development Bonds, 2010 Series A (North Long Beach Redevelopment Project) and its Redevelopment Agency of the City of Long Beach Taxable Build America Bonds, 2010 Series B (North Long Beach Redevelopment Project) (collectively, the "Prior Bonds"); and

WHEREAS, section 34177.5 of the Law authorizes the issuance by the Successor Agency to the Redevelopment Agency of the City of Long Beach (the "Successor Agency") of refunding bonds pursuant to Article 11 (commencing with section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code

1 (the "Refunding Law") for the purpose of achieving debt service savings within the
2 parameters set forth in section 34177.5(a)(1) of the Law (the "Savings Parameters"); and

3 WHEREAS, the Successor Agency has now determined that, due to
4 prevailing financial market conditions, it is in the best interests of the Successor Agency
5 at this time to refund the Prior Bonds by means of the issuance of refunding bonds (the
6 "Refunding Bonds") under the provisions of section 34177.5 of the Law and the
7 Refunding Law; and

8 WHEREAS, to confirm compliance with the Savings Parameters for
9 purposes of the issuance by the Successor Agency of the Refunding Bonds, the
10 Successor Agency has caused its municipal advisor, KNN Public Finance, LLC (the
11 "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the
12 Successor Agency and to applicable taxing entities as a result of the use of the proceeds
13 of the Refunding Bonds to refund all or a portion of the Prior Bonds (the "Debt Service
14 Savings Analysis"); and

15 WHEREAS, the Debt Service Savings Analysis has demonstrated that a
16 refunding of the Prior Bonds will satisfy the Savings Parameters; and

17 WHEREAS, the Successor Agency has heretofore issued its Successor
18 Agency to the Redevelopment Agency of the City of Long Beach Tax Allocation
19 Refunding Bonds, Series 2015A and its Successor Agency to the Redevelopment
20 Agency of the City of Long Beach Tax Allocation Refunding Bonds, Series 2015B
21 (Federally Taxable) (collectively, the "2015 Bonds") pursuant to an Indenture of Trust,
22 dated as of July 1, 2015 (the "Indenture"), between the Successor Agency and U.S. Bank
23 National Association, as trustee (the "Trustee"); and

24 WHEREAS, the Indenture allows for the issuance of Additional Bonds, as
25 defined therein, to be secured under the Indenture on a parity with the outstanding 2015
26 Bonds; and

27 WHEREAS, pursuant to section 34179 of the Law, an oversight board (the
28 "Oversight Board") has been established for the Successor Agency; and

1 WHEREAS, the Successor Agency is now requesting that the Oversight
2 Board direct the Successor Agency to undertake the refunding proceedings and to
3 approve the issuance of the Refunding Bonds pursuant to this Resolution; and

4 WHEREAS, the Successor Agency further requests that the Oversight
5 Board make certain determinations described below on which the Successor Agency will
6 rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds;
7 and

8 WHEREAS, following approval by the Oversight Board of the issuance of
9 the Refunding Bonds by the Successor Agency and upon submission of this Resolution
10 and a resolution of approval of the Oversight Board (the "Oversight Board Resolution") to
11 the California Department of Finance, the Successor Agency will, with the assistance of
12 its disclosure counsel, the Municipal Advisor and its fiscal consultant for the Refunding
13 Bonds, cause to be prepared a form of official statement for the Refunding Bonds
14 describing the Refunding Bonds and containing material information relating to the
15 Successor Agency and the Refunding Bonds, the preliminary form of which will be
16 submitted to the Successor Agency for approval for distribution by RBC Capital Markets,
17 LLC and Cabrera Capital Markets, LLC, the underwriters for the Refunding Bonds
18 (collectively, the "Underwriters") to persons and institutions interested in purchasing the
19 Refunding Bonds; and

20 WHEREAS, the Successor Agency has duly considered the above
21 described transactions and wishes at this time to authorize the issuance and sale of the
22 Refunding Bonds as Additional Bonds under and as such term is defined in the
23 Indenture, to be secured under the Indenture on a parity with the 2015 Bonds;

24 NOW, THEREFORE, the City Council of the City of Long Beach, Acting as
25 the Successor Agency to the Redevelopment Agency of the City of Long Beach resolves
26 as follows:

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

1 Section 2. Approval of Refunding Bonds. The Successor Agency hereby
2 authorizes the issuance of the Refunding Bonds to refund the Prior Bonds.

3 Section 3. Approval of Supplemental Indenture. The Refunding Bonds
4 shall be issued pursuant to the applicable provisions of the Law and the Refunding Law,
5 and pursuant to the Indenture, as supplemented by a First Supplemental Indenture of
6 Trust (the "First Supplement"), between the Successor Agency and the Trustee. The
7 Successor Agency hereby approves the First Supplement in the form on file with the City
8 Clerk. The City Manager, the Director of Financial Management and the City Treasurer,
9 each acting for the Successor Agency (each a "Designated Officer"), and each acting
10 alone, are hereby authorized and directed to execute the First Supplement in said form,
11 together with such additions thereto or changes therein as the Designated Officer
12 executing the First Supplement, upon consultation with the City Attorney, acting as
13 general counsel to the Successor Agency, and Bond Counsel, shall deem necessary,
14 desirable or appropriate, and the execution of the First Supplement by a Designated
15 Officer shall be conclusive evidence of the approval of any such additions and changes.
16 The Successor Agency hereby authorizes the City Clerk, acting for the Successor
17 Agency, to attest the signature of the Designated Officer who executes the First
18 Supplement. The Successor Agency hereby authorizes the delivery and performance by
19 the Successor Agency of the First Supplement.

20 Section 4. Approval of Escrow Agreement. The Escrow Agreement (the
21 "Escrow Agreement"), between the Successor Agency and the Trustee, as Escrow Bank,
22 in the form on file with the City Clerk, is hereby approved. The Designated Officers, each
23 acting alone, are hereby authorized and directed to execute the Escrow Agreement in
24 said form, together with such additions thereto or changes therein as the Designated
25 Officers executing the Escrow Agreement, upon consultation with the City Attorney,
26 acting as general counsel to the Successor Agency, and Bond Counsel, shall deem
27 necessary, desirable or appropriate, and the execution of the Escrow Agreement by a
28 Designated Officer shall be conclusive evidence of the approval of any such additions or

1 changes. The Successor Agency hereby authorizes the delivery and performance by the
2 Successor Agency of the Escrow Agreement.

3 Section 5. Issuance of Refunding Bonds in Whole or in Part. It is the
4 intent of the Successor Agency to sell and deliver the Refunding Bonds in whole,
5 provided that there is compliance with the Savings Parameters. However, the Successor
6 Agency hereby authorizes the sale and delivery of the Refunding Bonds in whole or, if
7 such Savings Parameters cannot be met with respect to the whole, then in part; provided
8 that the Refunding Bonds so sold and delivered in part are in compliance with the
9 Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each
10 instance provide sufficient funds only for the refunding of that portion of the Prior Bonds
11 that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in
12 part, the Successor Agency intends to sell and deliver additional series of the Refunding
13 Bonds without the prior approval of the Oversight Board provided that in each such
14 instance the Refunding Bonds so sold and delivered in part are in compliance with the
15 Savings Parameters.

16 Section 6. Municipal Bond Insurance and Surety Bond. The Designated
17 Officers, each acting alone, are hereby authorized and directed to take all actions
18 necessary to obtain a municipal bond insurance policy for the Refunding Bonds and
19 reserve account surety bond or insurance policy for the Refunding Bonds from a
20 municipal bond insurance company if it is determined by the City Treasurer, upon
21 consultation with the Municipal Advisor, that such municipal bond insurance policy and/or
22 surety bond or insurance policy will reduce the interest cost with respect to the Refunding
23 Bonds.

24 Section 7. Approval of Official Statement and Purchase Agreement.

25 A. Following approval by the Oversight Board of the issuance of
26 the Refunding Bonds by the Successor Agency and upon submission of this
27 Resolution and the Oversight Board Resolution to the California
28 Department of Finance, the Successor Agency will, with the assistance of

1 its Disclosure Counsel, its Fiscal Consultant and the Municipal Advisor,
2 cause to be prepared a form of official statement for the Refunding Bonds
3 describing the Refunding Bonds and containing material information relating
4 to the Successor Agency and the Refunding Bonds, the preliminary form of
5 which will be submitted to the Successor Agency for approval for
6 distribution by the Underwriters to persons and institutions interested in
7 purchasing the Bonds.

8 B. Following approval by the Oversight Board of the issuance of
9 the Refunding Bonds by the Successor Agency and upon submission of this
10 Resolution and the Oversight Board Resolution to the California
11 Department of Finance, the Underwriters will cause to be prepared a Bond
12 Purchase Agreement relating to the sale of the Refunding Bonds by the
13 Successor Agency to the Underwriters, the form of which will be submitted
14 to the Successor Agency for approval.

15 Section 8. Oversight Board Approval of the Issuance of the Refunding
16 Bonds. The Successor Agency hereby requests the Oversight Board, as authorized by
17 section 34177.5(f) of the Law, to direct the Successor Agency to undertake the refunding
18 proceedings, and as authorized by section 34177.5(f) of the Law and section 34180 of
19 the Law, to approve the issuance of the Refunding Bonds pursuant to section
20 34177.5(a)(1) of the Law, this Resolution and the Indenture as supplemented by the First
21 Supplement.

22 Section 9. Determinations by the Oversight Board. The Successor
23 Agency requests that the Oversight Board make the following determinations upon which
24 the Successor Agency will rely in undertaking the refunding proceedings and the
25 issuance of the Refunding Bonds:

26 A. The Successor Agency is authorized, as provided in section
27 34177.5(f) of the Law, to recover its costs related to the issuance of the
28 Refunding Bonds from the proceeds of the Refunding Bonds, including the

1 cost of reimbursing its administrative staff for time spent with respect to the
2 authorization, issuance, sale and delivery of the Refunding Bonds;

3 B. The application of the proceeds of the Refunding Bonds by
4 the Successor Agency to the refunding and defeasance of the Prior Bonds,
5 as well as the payment by the Successor Agency of costs of issuance of the
6 Refunding Bonds, as provided in section 34177.5(a) of the Law, including
7 municipal bond insurance and reserve fund surety bond or insurance
8 premiums, shall be implemented by the Successor Agency promptly upon
9 sale and delivery of the Refunding Bonds, notwithstanding section 34177.3
10 of the Law or any other provision of law to the contrary, without the approval
11 of the Oversight Board, the California Department of Finance, the Los
12 Angeles County Auditor-Controller or any other person or entity other than
13 the Successor Agency; and

14 C. The Successor Agency shall be entitled to receive its full
15 Administrative Cost Allowance under section 34181(a)(3) of the Law without
16 any deductions with respect to continuing costs related to the Refunding
17 Bonds, such as trustee's fees, auditing and fiscal consultant fees and
18 continuing disclosure and rating agency costs (collectively, "Continuing
19 Costs of Issuance"), and such Continuing Costs of Issuance shall be
20 payable from property tax revenues pursuant to section 34183 of the Law;
21 and, in addition and as provided by section 34177.5(f) of the Law, if the
22 Successor Agency is unable to complete the issuance of the Refunding
23 Bonds for any reason, the Successor Agency shall, nevertheless, be
24 entitled to recover its costs incurred with respect to the refunding
25 proceedings for the Prior Bonds from such property tax revenues pursuant
26 to section 34183 of the Law without reduction in its Administrative Cost
27 Allowance.

28 Section 10. Designation of Underwriters. The firms of RBC Capital

1 Markets, LLC and Cabrera Capital Markets, LLC are hereby designated as the
2 Underwriters for the Refunding Bonds.

3 Section 11. Agreements with Consultants. The firm of KNN Public
4 Finance, LLC is hereby designated as Municipal Advisor to the Successor Agency for the
5 Bonds, the firm of Quint & Thimmig LLP is hereby designated as Bond Counsel to the
6 Successor Agency for the Refunding Bonds, the firm of Stradling, Yocca, Carlson &
7 Rauth, a Professional Corporation is hereby designated as Disclosure Counsel for the
8 Refunding Bonds, and the firm of Keyser Marston Associates Inc. is hereby designated
9 as Fiscal Consultant to the Successor Agency for the Refunding Bonds. The City
10 Treasurer is hereby authorized and directed to execute and deliver agreements with the
11 Municipal Advisor and the Fiscal Consultant for their services related to the Refunding
12 Bonds, each such agreement to be in the form and substance acceptable to the City
13 Treasurer upon consultation with the City Attorney. The City Attorney is hereby
14 authorized and directed to execute and deliver an agreement with Bond Counsel and an
15 agreement with Disclosure Counsel for their services related to the Refunding Bonds,
16 each in a form acceptable to the City Attorney.

17 Section 12. Official Actions. The Designated Officers and any and all other
18 officers of the City, acting for the Successor Agency, are hereby authorized and directed,
19 for and in the name and on behalf of the Successor Agency, to do any and all things and
20 take any and all actions, which they, or any of them, may deem necessary or advisable in
21 obtaining the requested approvals by the Oversight Board and the California Department
22 of Finance and in the issuance, sale and delivery of the Refunding Bonds.

23 Section 13. Effective Date, Filing of Resolution. This Resolution shall take
24 effect immediately upon its adoption by the City Council, and the City Clerk shall certify
25 the vote adopting this Resolution. The City Clerk is hereby authorized and directed to file
26 a certified copy of this Resolution with the Oversight Board, and, as provided in section
27 34180(j) of the Law with the Los Angeles County Administrative Officer, the Los Angeles
28 County Auditor-Controller and the California Department of Finance.

I hereby certify that the foregoing resolution was adopted by the City
Council of the City of Long Beach at its meeting of September 15, 2020,
by the following vote:

Ayes: Councilmembers: Zendejas, Pearce, Supernaw,
Uranga, Austin.

Noes: Councilmembers: None.

Absent: Councilmembers: Price, Mungo, Andrews, Richardson.

Recusal(s): Councilmembers: None.


City Clerk