

## RESOLUTION NO. SA-19-70

### **A RESOLUTION OF THE REDEVELOPMENT AGENCY SUCCESSOR AGENCY OF THE CITY OF IMPERIAL BEACH, CALIFORNIA CONFIRMING THE ISSUANCE OF REFUNDING BONDS PURSUANT TO AN INDENTURE OF TRUST, APPROVING OFFICIAL STATEMENT AND BOND PURCHASE AGREEMENT, AND PROVIDING OTHER MATTERS RELATING THERETO**

**WHEREAS**, the Imperial Beach Redevelopment Agency (“Redevelopment Agency”) was a redevelopment agency in the City of Imperial Beach (“City”), duly created pursuant to the California Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code) (“Redevelopment Law”); and

**WHEREAS**, the Redevelopment Agency was responsible for the administration of redevelopment activities within the City and established the Palm Avenue/Commercial Development Project Area (the “Project Area”); and

**WHEREAS**, Assembly Bill No. X1 26 (2011-2012 1<sup>st</sup> Ex. Sess.) (“AB 26”) was signed by the Governor of California on June 28, 2011, making certain changes to the Redevelopment Law and the California Health and Safety Code (“Health and Safety Code”), including adding Part 1.8 (commencing with Section 34161) (“Part 1.8”) and Part 1.85 (commencing with Section 34170) (“Part 1.85”) to Division 24 of the Health and Safety Code; and

**WHEREAS**, pursuant to AB 26, as modified by the California Supreme Court on December 29, 2011 by its decision in *California Redevelopment Association v. Matosantos*, all California redevelopment agencies, including the Redevelopment Agency, were dissolved on February 1, 2012, and successor agencies were designated and vested with the responsibility of paying, performing and enforcing the enforceable obligations of the former redevelopment agencies and expeditiously winding down the business and fiscal affairs of the former redevelopment agencies; and

**WHEREAS**, the City Council of the City adopted Resolution No. 2012-7136 on January 5, 2012, pursuant to Part 1.85 of AB 26, electing for the City to serve as the Successor Agency to the Redevelopment Agency upon the dissolution of the Redevelopment Agency under AB 26 (“Successor Agency”); and

**WHEREAS**, on February 15, 2012, the Board of Directors of the Successor Agency, adopted Resolution No. SA-12-01 naming itself the “Imperial Beach Redevelopment Agency Successor Agency,” the sole name by which it will exercise its powers and fulfill its duties pursuant to Part 1.85 of AB 26, and establishing itself as a separate legal entity with rules and regulations that will apply to the governance and operations of the Successor Agency; and

**WHEREAS**, as part of the FY 2012-2013 State budget package, on June 27, 2012, the Legislature passed and the Governor signed Assembly Bill No. 1484 (“AB 1484”, Chapter 26, Statutes 2012) primarily for the purpose of making technical and substantive amendments to AB 26 based on issues that arose in the implementation of AB 26 that imposes additional statutory provisions relating to the activities and obligations of successor agencies and to the wind down process of former redevelopment agencies, including without limitation refunding or refinancing bonds or other indebtedness; and

**WHEREAS**, Health and Safety Code Section 34179 of AB 26 as amended by AB 1484 (collectively the "Dissolution Act") establishes County oversight with respect to each successor agency through an "oversight board" established (hereinafter referred to as the "Oversight Board") pursuant to Health and Safety Code Section 34179 with duties and responsibilities primarily set forth in Health and Safety Code Sections 34179 through 34181 of the Dissolution Act; and

**WHEREAS**, On November 18, 2010, the former Imperial Beach Redevelopment Agency (the "Original Agency") issued its \$21,595,000 aggregate principal amount of 2010 Tax Allocation Bonds (Palm Avenue/Commercial Redevelopment Project) (the "2010 Bonds") secured by the Original Agency's tax increment revenues as funding for the debt service obligations, pursuant to an Indenture of Trust, dated as of November 1, 2010, by and between the Original Agency and Wells Fargo Bank, National Association, as Trustee (as subsequently supplemented, the "2010 Indenture"), in order to finance redevelopment activities relating to improvements within the Project Area; and

**WHEREAS**, pursuant to the Dissolution Act, the Successor Agency may cause the refinancing or refunding of the 2010 Bonds for debt service savings by issuing, or causing the issuance, of tax allocation refunding bonds in accordance with the Dissolution Act including, without limitation, Sections 34177.5 and 34180(b); and

**WHEREAS**, on December 6, 2017 the Successor Agency adopted Resolution No. SA-17-58 (the "Issuance Resolution") authorizing the issuance of bonds to refund the 2010 Bonds under and pursuant to the Redevelopment Law, the Dissolution Act, 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"), the 2010 Indenture, as supplemented by a Second Supplemental Indenture of Trust to be entered into to provide for the issuance thereof, and the Constitution and other applicable laws of the State of California, and under, pursuant to and subject to the conditions and limitations of Section 34177.5 of the California Health and Safety Code; and

**WHEREAS**, the Successor Agency requested that the Oversight Board approve the issuance of the bonds to refund the 2010 Bonds by the Successor Agency; and

**WHEREAS**, Resolution No. OB-17-51 adopted by the Oversight Board on December 13, 2017 (the "Oversight Board Resolution") approved the Issuance Resolution; and

**WHEREAS**, pursuant to the Dissolution Act, the Oversight Board Resolution, together with additional materials, were submitted to the California Department of Finance (the "Department of Finance") for its approval of the Oversight Board Resolution, and the Department of Finance provided a letter to the Successor Agency dated January 31, 2018 stating that the Oversight Board Resolution approving the bonds to refund the 2010 Bonds was approved by the Department of Finance, subject to meeting the savings requirements under, pursuant to and subject to the conditions and limitations of Section 34177.5 of the California Health and Safety Code; and

**WHEREAS**, at the time of the Department of Finance approval the refunding bonds were expected to be refunded on an advance basis, however the issuance was postponed due to change in tax-exempt bond laws prohibiting issuance of tax-exempt refunding bonds on an advance basis; and

**WHEREAS**, the Successor Agency now desires to refund the 2010 Bonds by issuing one or more additional series of bonds designated as the "Imperial Beach Redevelopment Agency

Successor Agency 2020 [Taxable] Tax Allocation Refunding Bonds," or similar designation (as further described below, the "Refunding Bonds") under and pursuant to the Refunding Law, the Redevelopment Law, the Dissolution Act, the 2010 Indenture the Issuance Resolution (as approved by the subsequent Oversight Board Resolution and by the Department of Finance), and the Constitution and other applicable laws of the State of California, and under, pursuant to and subject to the conditions and limitations of Section 34177.5 of the California Health and Safety Code; and

**WHEREAS**, the Original Agency has issued its \$21,595,000 aggregate principal amount of Palm Avenue/Commercial Redevelopment Project Tax Allocation Bonds, 2013 Tax Allocation Refunding Bonds (the "2013 Bonds") for the purpose of refinancing redevelopment activities with respect to the Redevelopment Project financed in 2003, pursuant to a First Supplemental Indenture of Trust, dated as of December 1, 2013, by and between the Successor Agency and the Trustee; the Refunding Bonds will be issued on parity with the 2013 Bonds, under and pursuant to the provisions of the 2010 Indenture, as supplemented; and

**WHEREAS**, the Successor Agency has determined to sell the Refunding Bonds via public offering with Piper Jaffray & Co., as underwriter (the "Underwriter") pursuant to a Bond Purchase Agreement between the Successor Agency and the Underwriter (the "Bond Purchase Agreement"), the form of which is on file with the Successor Agency; and

**WHEREAS**, the Successor Agency, with the assistance of Jones Hall, A Professional Law Corporation, as disclosure counsel, Montague DeRose and Associates, as municipal advisor, and Fraser & Associates Analytics, as fiscal consultant, has prepared a draft of the Official Statement for the Refunding Bonds (the "Official Statement"), which contains, among other things, information regarding the Refunding Bonds, the Original Agency and the Successor Agency, the preliminary form of which is on file with the Successor Agency; and

**WHEREAS**, the Successor Agency, with the aid of its staff, has reviewed the Official Statement and Bond Purchase Agreement and wishes at this time to approve its use and distribution as in the public interests of the Successor Agency and applicable taxing entities; and

**WHEREAS**, all of the prerequisites with respect to the approval of this Resolution have been met;

**NOW, THEREFORE, BE IT RESOLVED** by the Imperial Beach Redevelopment Agency Successor Agency, as follows:

- Section 1.** The foregoing recitals are true and correct, have served as the basis for the findings and approvals set forth below, and are a substantive part of this Resolution.
- Section 2.** The Successor Agency hereby confirms its actions in the Issuance Resolution authorizing and approving the issuance and sale of the Refunding Bonds.
- Section 3.** The Successor Agency hereby approves the Preliminary Official Statement in substantially the form on file with the Successor Agency, subject to modifications regarding whether the Refunding Bonds will be issued on a federally taxable or federally tax-exempt basis, to maintain compliance with federal tax law. Distribution of the Preliminary Official Statement by the

Successor Agency and the Underwriter is hereby approved, and, prior to the distribution of the Preliminary Official Statement, each of the Mayor, the Executive Director of the Successor Agency or the Finance Officer of the Successor Agency (each an "Authorized Officer"), is hereby authorized and directed, on behalf of the Successor Agency, to deem the Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule"). The execution of the Final Official Statement, which shall include such changes and additions thereto deemed advisable by the Authorized Officer executing the same, and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the Refunding Bonds, and each Authorized Officer, acting alone, is authorized and directed to execute and deliver the Final Official Statement for and on behalf of the Successor Agency, to deliver to the Underwriter a certificate with respect to the information set forth therein and to deliver to the Underwriter a continuing disclosure undertaking substantially in the form appended to the Final Official Statement.

**Section 4.** The Successor Agency hereby approves the Bond Purchase Agreement prescribing the provisions for purchase and sale of the Refunding Bonds by the Successor Agency to the Underwriter. Each Authorized Officer is hereby authorized and directed to execute and deliver, and the City Clerk, on behalf of the Successor Agency, is hereby authorized and directed to attest to, the Bond Purchase Agreement 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 shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Successor Agency hereby authorizes the delivery and performance of the Bond Purchase Agreement.

**Section 5.** The Authorized Officers and any and all other officers of the Successor Agency 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 connection with 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.

**Section 6.** 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 applications 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 Successor Agency declares that its board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

**Section 7.** This Resolution shall take effect upon the date of its adoption.

**PASSED, APPROVED, AND ADOPTED** by the Imperial Beach Redevelopment Agency Successor Agency at its meeting held on the 6<sup>th</sup> day of November 2019, by the following vote:

**AYES: BOARD MEMBERS: SPRIGGS, AGUIRRE, PATTON, DEDINA**

**NOES: BOARD MEMBERS: NONE**

**ABSENT: BOARD MEMBERS: WEST**



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**SERGE DEDINA,  
CHAIR**

**ATTEST:**



**JACQUELINE M. KELLY, MMC  
SECRETARY**