

RESOLUTION NO. 08-21

A RESOLUTION OF THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE CONVERSION OF ITS SUBORDINATE TAX ALLOCATION BONDS (MERGED PROJECT AREAS), 2007 SERIES A TO AN INDEX INTEREST RATE MODE; AND AUTHORIZING THE TAKING OF ALL NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Richmond Community Redevelopment Agency (the "Agency") is empowered to assist the City of Richmond (the "City") in financing and refinancing certain public capital improvements pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California and pursuant to that certain Joint Exercise of Powers Agreement by and between the City and the Richmond Community Redevelopment Agency dated as of December 1, 1989; and

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "JPA Law") and the Joint Powers Agreement, the Agency is authorized to issue bonds for financing and refinancing public capital improvements whenever there are significant public benefits; and

WHEREAS, the Agency has issued its Subordinate Tax Allocation Bonds (Merged Project Areas), 2007 Series A (the "Bonds"), pursuant to the Indenture, dated as of July 1, 2007 (the "Master Indenture"), as supplemented by the First Supplemental Indenture, dated as of July 1, 2007 (the "First Supplemental Indenture"), each by and between the Agency and Union Bank of California, N.A., as trustee (the "Trustee") for the purpose of funding the Series 2007 Project (the "Project"); and

WHEREAS, the municipal finance market has experienced volatility since the original issuance of the Bonds, and the Agency has determined that it is necessary and desirable to temporarily convert the Bonds, pursuant to the Indenture, from the Auction Rate Bond ("ARB") Interest Rate Period to an alternative interest rate mode, namely to the Index Interest Rate Period (the "Conversion"), by entering into a Second Supplemental Indenture, dated as of May 1, 2008 (the "Second Supplemental Indenture"), by and between the Agency and the Trustee, supplementing and amending the Master Indenture and the First Supplemental Indenture; and

WHEREAS, in order to remarket the Bonds after Conversion, the Agency will enter into a Bond Purchase Agreement (the "Bond Purchase Agreement") with RBC Capital Markets Corporation (the "Purchaser") providing for the purchase of the Bonds by the Purchaser upon Conversion; and

WHEREAS, there have been presented to this meeting the forms of:

1. the Second Supplemental Indenture, and
2. the Bond Purchase Agreement; and

WHEREAS, this Board has been presented with the form of each document referred to herein relating to conversion of the Bonds, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such Bond interest mode conversion; and

WHEREAS, the Agency has full legal right, power and authority under the laws of the State of California to enter into the transactions hereinafter authorized;

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Richmond Community Redevelopment Agency as follows:

Section 1. The foregoing recitals are true and correct, and this Board so finds and determines.

Section 2. The Board hereby authorizes the Conversion of the Bonds from the ARB Interest Rate Period to the Index Interest Rate Period.

Section 3. The proposed form of the Second Supplemental Indenture on file with the Secretary of the Agency is hereby approved. The Chief Executive Officer, Executive Director, or Director of the Agency (each an “Authorized Officer”), or their designee, are hereby authorized and directed to execute and deliver and the Secretary of the Agency is hereby authorized and directed to attest the Second Supplemental Indenture in substantially the form on file with the Secretary of the Agency and presented to this meeting, with such additions thereto or changes or insertions that hereafter become necessary in the interest of the Agency and which are approved by the Authorized Officer, in consultation with the Agency’s bond counsel, such approval to be conclusively evidenced by such execution and delivery.

Section 4. The proposed form of the Bond Purchase Agreement on file with the Secretary of the Agency is hereby approved. The Authorized Officer, or designee, is hereby authorized and directed to execute and deliver the Bond Purchase Agreement in substantially the form on file with the Secretary of the Agency and presented to this meeting, with such additions thereto or changes or insertions that hereafter become necessary in the interest of the Agency and which are approved by the Authorized Officer, in consultation with the Agency's bond counsel, such approval to be conclusively evidenced by such execution and delivery; provided that the purchase price for the Bonds shall be equal to not less than 100% of the principal amount of Bonds so purchased.

Section 5. The officers of the Agency are hereby authorized and directed, jointly and severally, to do any and all things, including the selection and appointment of a calculation agent for the Bonds, and to execute and deliver, on behalf of the Agency, any certificate, consent, request, approval, notice, amendment, confirmation, supplement or revision, permitted or required to be delivered pursuant to the documents authorized hereby or otherwise as may be necessary or desirable in connection with the interest rate mode conversion of the Bonds without further authorization by this Board, and any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution including, but not limited to, the execution and delivery of a tax certificate or other documents related to the Bonds. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 6. This resolution shall take effect immediately upon its passage.

I certify that the foregoing resolution was passed and adopted by the Governing Board of the Richmond Community Redevelopment Agency at a regular meeting thereof, held on the 6th day of May 6, 2008, by the following vote:

AYES:	Members Bates, Butt, Lopez, Marquez, Rogers, Sandhu, Thurmond, Viramontes, Chairperson McLaughlin
NOES:	None
ABSTENTION:	None
ABSENT:	None

DIANE HOLMES
Clerk of the Redevelopment Agency

[SEAL]

Approved:

GAYLE McLAUGHLIN
Chairperson

Approved as to form:

LOUISE RENNE, Interim
Agency Counsel

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of Resolution No. 08-21, finally passed and adopted at a joint meeting of the Redevelopment Agency and the City Council at a meeting held on May 6, 2008.

CERTIFICATE OF THE AGENCY CLERK

I, Diane Homes, Clerk of the Richmond Community Redevelopment Agency, hereby certify that the foregoing Resolution No. _____ is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Agency Board of the Agency duly held in Richmond, California on May 6, 2008, of which meeting all of the members of said Agency Board had due notice.

I further certify that I have carefully compared the foregoing copy with the original on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

An agenda of said meeting was posted at least 72 hours before the meeting at 1401 Marina Way South, Richmond, CA 94804, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

Dated: _____, 2008.

Clerk of the Richmond Community Redevelopment
Agency