

CITY COUNCIL OF THE CITY OF SOLEDAD

RESOLUTION NO. 4022

RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE SOLEDAD REDEVELOPMENT AGENCY, SOLEDAD REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2007A AND SOLEDAD REDEVELOPMENT AGENCY, SOLEDAD REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, SERIES 2007B (TAXABLE); APPROVING SUBORDINATION OF AMOUNTS OWED BY THE REDEVELOPMENT AGENCY; AND AUTHORIZING THE TAKING OF ALL NECESSARY ACTION IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS

WHEREAS, the Soledad Redevelopment Agency (the "Agency") has determined to issue and sell its Soledad Redevelopment Agency, Soledad Redevelopment Project Tax Allocation Bonds, Series 2007A (the "Series 2007A Bonds"), in an aggregate principal amount not to exceed \$8,000,000 and its Soledad Redevelopment Agency, Soledad Redevelopment Project Tax Allocation Bonds, Series 2007B (Taxable) (the "Series 2007B Bonds, and together with the Series 2007A Bonds, the "Bonds"), in an aggregate principal amount not to exceed \$6,500,000 to aid in financing capital improvements within the Soledad Redevelopment Project, in accordance with the California Community Redevelopment Law (being Part I of Division 24 of the California Health and Safety Code); and

WHEREAS, the City of Soledad (the "City") and the Agency have previously formed the Soledad Public Financing Authority, a joint powers authority (the "Authority"), which will assist the Agency in said financing and refinancing by purchasing the Bonds from the Agency and selling them to an underwriter to be selected by the Agency; 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 "Marks-Roos Local Bond Pooling Act of 1985"), the Authority is authorized to assist in the issuance of bonds for the financing of public capital improvements whenever there are significant public benefits; and

WHEREAS, the Agency has been advised that a favorable interest rate market would make it possible for the Agency to demonstrably reduce the effective interest rate costs on its debt by the issuance of the Bonds, resulting in significant public benefits; and

WHEREAS, the City desires to assist the Agency in the issuance of the Bonds by subordinating to the payment of the Bonds by the Agency any and all amounts that may be payable to the City by the Agency pursuant to any loans by the City or other borrowings of the Agency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Soledad as follows:

Section 1. The issuance of the Bonds by the Agency pursuant to Section 33640 of the California Health and Safety Code is hereby approved. The purchase of the Bonds from the Agency by the Authority for sale to an underwriter to be selected by the Agency, all upon such terms and conditions as the Agency may approve is hereby approved.

Section 2. The City hereby subordinates to the payment of the Bonds by the Agency any and all amounts that are payable by the Agency to the City, pursuant to any loans by the City or any borrowings of the Agency, including but not limited to all amounts that may be owed to the City by the Agency pursuant to that certain Cooperation Agreement, between the City and the Agency, approved by City Council Resolution No. 1393, adopted on October 27, 1982.

Section 3. The staff and council members of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 4. This Resolution shall take effect from and after its passage and approval.

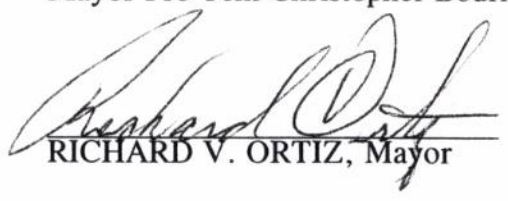
PASSED AND ADOPTED by the City Council of the City of Soledad this
20th day of June, 2007 by the following vote:

AYES, and in favor thereof, Councilmembers: Martha Camacho, Juan
Saavedra, Pat Stephens, Mayor Richard Ortiz

NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmember: Mayor Pro Tem Christopher Bourke



RICHARD V. ORTIZ, Mayor

ATTEST:



NOELIA F. CHAPA, City Clerk