

OVERSIGHT BOARD OF THE REDEVELOPMENT SUCCESSOR AGENCY OF THE CITY
OF HEALDSBURG

RESOLUTION NO. OB1-2014

RESOLUTION OF THE OVERSIGHT BOARD OF THE
SUCCESSOR AGENCY TO THE REDEVELOPMENT
AGENCY OF THE CITY OF HEALDSBURG DIRECTING THE
SUCCESSOR AGENCY TO REFUND BONDS ISSUED BY
THE FORMER REDEVELOPMENT AGENCY OF THE CITY
OF HEALDSBURG

WHEREAS, the California Legislature adopted, the Governor signed, and the California Supreme Court, in *California Redevelopment Association, et al. v. Matosantos*, (2012) 53 Cal.4th 231, upheld Assembly Bill x1 26 (“ABx1 26”); and

WHEREAS, ABx1 26 dissolved redevelopment agencies, including the former Redevelopment Agency of the City of Healdsburg (“Redevelopment Agency”), effective February 1, 2012; and

WHEREAS, as added by ABx1 26, California Health and Safety Code Sections 34171(j) and 34173 originally provided that a city or county that formed a redevelopment agency would serve as the successor agency to the dissolved redevelopment agency unless such city or county affirmatively elected not to fill that role; and

WHEREAS, as added by ABx1 26, California Health and Safety Code Section 34173(b) provides that the authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies are vested in the successor agencies; and

WHEREAS, pursuant to ABx1 26, the City of Healdsburg has been serving as the successor agency to the Redevelopment Agency since February 1, 2012 (the “Successor Agency”); and

WHEREAS, AB 1484, enacted on June 27, 2012, amended ABx1 26 (together with AB 1484, the “Dissolution Law”) to clarify that successor agencies are separate public entities from their sponsoring city or county; and

WHEREAS, on July 16, 2012, the City of Healdsburg adopted a resolution acknowledging that the “Redevelopment Successor Agency of the City of Healdsburg” is the successor agency to the former Redevelopment Agency; and

WHEREAS, pursuant to Section 34179 of the Dissolution Law, this oversight board (the “Oversight Board”) has been established for the Successor Agency; and

WHEREAS, prior to its dissolution, the Former Agency issued its Sotoyome Community Development Project 2002 Tax Allocation Bonds, Series A in the principal amount of \$14,290,000 (the “2002A Bonds”) and 2002 Tax Allocation Bonds, Series C (Housing Set-Aside Tax Revenues) in the principal amount of \$5,630,000 (the “2002C Bonds” and together with the 2002A Bonds, the “Prior Bonds”), for the purpose of financing and refinancing redevelopment activities; and

WHEREAS, the 2002A Bonds have an outstanding principal amount of \$10,645,000 and the 2002C Bonds are currently outstanding in the principal amount of \$4,190,000; and

WHEREAS, Section 34177.5 of the Dissolution Law permits the Successor Agency to refinance the Prior Bonds, provided that certain savings and other parameters are met; and

WHEREAS, the Successor Agency has requested Del Rio Advisors, LLC to prepare an analysis of the potential savings that will accrue to the Successor Agency and applicable taxing entities as a result of such refunding (the “Debt Service Savings Analysis”), a copy of which analysis dated December 3, 2013 is attached as Exhibit A to this Resolution; and

WHEREAS, Section 34177.5(f) authorizes the Oversight Board to direct the Successor Agency to commence a bond refunding transaction, so long as the Successor Agency is able to recover its related costs in connection with the transaction; and

WHEREAS, the Debt Service Savings Analysis has been presented to the Oversight Board for its evaluation at this meeting; and

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency that:

1. Determination of Savings. The Oversight Board has determined that there are significant potential savings available to the Successor Agency and applicable taxing entities by refunding the Prior Bonds, as evidenced by the Debt Service Savings Analysis.
2. Filing of Debt Service Savings Analysis. The Secretary to the Successor Agency is hereby authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution of the Oversight Board, with the Sonoma County Administrative Officer and Auditor-Controller and the State of California Department of Finance, as provided in Sections 34179(h) and 34180(j).
3. Request for Direction. The Oversight Board hereby directs the Successor Agency to undertake the refunding of the Prior Bonds pursuant to Section 34177.5(a)(1) for the purpose of incurring indebtedness to provide savings to the Successor Agency and applicable taxing entities.

4. Preparation for Proceedings. The Oversight Board directs the Successor Agency to cause the preparation of appropriate documentation for the issuance of bonds to refund the Prior Bonds and to submit such documentation to the Oversight Board for approval in accordance with the provisions of Section 34177.5 and 34180.
5. Appointments. The Successor Agency is hereby authorized to appoint Del Rio Advisors, LLC, as financial advisor, Brandis Tallman LLC, as placement agent, Meyers Nave, as bond counsel, and Fraser & Associates, as fiscal consultant to act on behalf of the Successor Agency in the preparation of the bond refunding transaction.
6. Authorizations. The Oversight Board further authorizes the Successor Agency to take such other actions as they deem necessary or convenient to expedite the process of review of the refunding transaction by the California Department of Finance.

PASSED, APPROVED AND ADOPTED by the Oversight Board of the Successor Agency to the Redevelopment Agency of the City of Healdsburg this 4th day of February 2014, by the following vote:

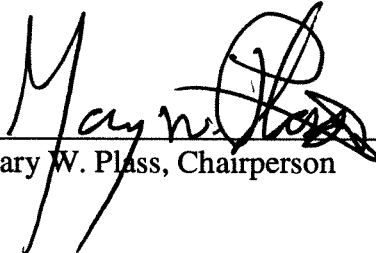
AYES: Board Members: (5) Herrington, Liles, Schaffner, Ward and Chairperson Plass

NOES: Board Members: (0) None

ABSENT: Board Members: (2) Navarrette and Ziedrich

ABSTAINING: Board Members: (0) None

SO ORDERED:



Gary W. Plass, Chairperson

ATTEST:



Maria Curiel, City Clerk

I, MARIA CURIEL, Secretary to the Oversight Board for the Redevelopment Successor Agency of the City of Healdsburg, do hereby certify that the foregoing is a full, true, and correct copy of Resolution No. OB1-2014 duly adopted by the Oversight Board at a regular meeting held on the 4th day of February, 2014.



Maria Curiel, Board Secretary

**Successor Agency to the Healdsburg RDA
Refunding Tax Allocation Bonds, Series 2014
(2002 TABs, Series A and Housing TABs Series C)**

Summary Calculations

Arbitrage Yield	4.20062 %
True Interest Cost (TIC)	4.20062 %
"All-In" True Interest Cost (AIC)	4.40647 %
Average Coupon	4.20000 %
Net Interest Cost (NIC)	4.20000 %
Average Life	9.288 Years

**Successor Agency to the Healdsburg RDA
 Refunding Tax Allocation Bonds, Series 2014
 (2002 TABs, Series A and Housing TABs Series C)**

Gross Debt Service Schedule (Combined Series)

Date	Principal	Rate	Interest	Annual Debt Service
3/25/2014				
8/1/2014	638,600	4.200	204,771.00	843,371.00
8/1/2015	600,100	4.200	558,238.80	1,158,338.80
8/1/2016	625,400	4.200	533,034.60	1,158,434.60
8/1/2017	647,600	4.200	506,767.80	1,154,367.80
8/1/2018	679,700	4.200	479,568.60	1,159,268.60
8/1/2019	706,200	4.200	451,021.20	1,157,221.20
8/1/2020	737,300	4.200	421,360.80	1,158,660.80
8/1/2021	768,100	4.200	390,394.20	1,158,494.20
8/1/2022	798,300	4.200	358,134.00	1,156,434.00
8/1/2023	833,100	4.200	324,605.40	1,157,705.40
8/1/2024	866,300	4.200	289,615.20	1,155,915.20
8/1/2025	903,800	4.200	253,230.60	1,157,030.60
8/1/2026	945,700	4.200	215,271.00	1,160,971.00
8/1/2027	981,800	4.200	175,551.60	1,157,351.60
8/1/2028	1,021,900	4.200	134,316.00	1,156,216.00
8/1/2029	1,066,300	4.200	91,396.20	1,157,696.20
8/1/2030	1,109,800	4.200	46,611.60	1,156,411.60
8/1/2031	-	-	-	-
Totals	13,930,000		5,433,888.60	19,363,888.60

Exhibit A

Successor Agency to the Healdsburg RDA
 Refunding Tax Allocation Bonds, Series 2014
 (2002 TABs, Series A and Housing TABs Series C)

Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis) (Combined Series)

	Prior Issue Reserve Fund		1,283,837.00			
	Investment Yield		2.00			
					Net	
		Prior Issue		Prior Issue		4.20062
	Annual	Annual	Less:	Annual	Annual	Present
Date	Debt Service	Debt Service	RF Earnings	Debt Service	(Savings) / Cost	Value
3/25/2014						
8/1/2014	843,371.00	903,544.38	(12,838.37)	890,706.01	(47,335.01)	(46,651.27)
8/1/2015	1,158,338.80	1,278,768.75	(25,676.74)	1,253,092.01	(94,753.21)	(90,970.54)
8/1/2016	1,158,434.60	1,278,793.75	(25,676.74)	1,253,117.01	(94,682.41)	(87,204.29)
8/1/2017	1,154,367.80	1,274,793.75	(25,676.74)	1,249,117.01	(94,749.21)	(83,686.57)
8/1/2018	1,159,268.60	1,279,543.75	(25,676.74)	1,253,867.01	(94,598.41)	(80,126.35)
8/1/2019	1,157,221.20	1,277,543.75	(25,676.74)	1,251,867.01	(94,645.81)	(76,872.62)
8/1/2020	1,158,660.80	1,279,043.75	(25,676.74)	1,253,367.01	(94,706.21)	(73,757.86)
8/1/2021	1,158,494.20	1,278,793.75	(25,676.74)	1,253,117.01	(94,622.81)	(70,659.94)
8/1/2022	1,156,434.00	1,276,793.75	(25,676.74)	1,251,117.01	(94,683.01)	(67,790.11)
8/1/2023	1,157,705.40	1,278,043.75	(25,676.74)	1,252,367.01	(94,661.61)	(64,978.09)
8/1/2024	1,155,915.20	1,276,275.00	(25,676.74)	1,250,598.26	(94,683.06)	(62,299.91)
8/1/2025	1,157,030.60	1,277,456.25	(25,676.74)	1,251,779.51	(94,748.91)	(59,755.50)
8/1/2026	1,160,971.00	1,281,331.25	(25,676.74)	1,255,654.51	(94,683.51)	(57,231.86)
8/1/2027	1,157,351.60	1,277,643.75	(25,676.74)	1,251,967.01	(94,615.41)	(54,808.28)
8/1/2028	1,156,216.00	1,276,650.00	(25,676.74)	1,250,973.26	(94,757.26)	(52,598.23)
8/1/2029	1,157,696.20	1,278,093.75	(25,676.74)	1,252,417.01	(94,720.81)	(50,378.22)
8/1/2030	1,156,411.60	1,276,718.75	(25,676.74)	1,251,042.01	(94,630.41)	(48,219.38)
8/1/2031	-	1,282,525.00	(1,309,513.74)	(26,988.74)	26,988.74	12,932.17
Totals	19,363,888.60	22,632,356.88	(1,733,179.95)	20,899,176.93	(1,535,288.33)	(1,115,056.86)
			Plus: Other Contributions		-	-
				Net Total	(1,535,288.33)	(1,115,056.86)
				Savings % New		8.005%
				Savings % Prior		7.516%

**Successor Agency to the Healdsburg RDA
Refunding Tax Allocation Bonds, Series 2014
(2002 TABs, Series A and Housing TABs Series C)**

Gross Debt Service Schedule (Series A)

Date	Principal	Rate	Interest	Annual Debt Service
3/25/2014				
8/1/2014	457,900	4.200	146,952.96	604,852.96
8/1/2015	432,400	4.200	400,633.80	833,033.80
8/1/2016	447,600	4.200	382,473.00	830,073.00
8/1/2017	465,600	4.200	363,673.80	829,273.80
8/1/2018	488,500	4.200	344,118.60	832,618.60
8/1/2019	506,000	4.200	323,601.60	829,601.60
8/1/2020	528,200	4.200	302,349.60	830,549.60
8/1/2021	550,200	4.200	280,165.20	830,365.20
8/1/2022	571,800	4.200	257,056.80	828,856.80
8/1/2023	598,000	4.200	233,041.20	831,041.20
8/1/2024	623,200	4.200	207,925.20	831,125.20
8/1/2025	647,800	4.200	181,750.80	829,550.80
8/1/2026	677,000	4.200	154,543.20	831,543.20
8/1/2027	705,600	4.200	126,109.20	831,709.20
8/1/2028	733,500	4.200	96,474.00	829,974.00
8/1/2029	765,900	4.200	65,667.00	831,567.00
8/1/2030	797,600	4.200	33,499.20	831,099.20
8/1/2031	-	-	-	-
Totals	9,996,800		3,900,035.16	13,896,835.16

Exhibit A

**Successor Agency to the Healdsburg RDA
Refunding Tax Allocation Bonds, Series 2014
(2002 TABs, Series A and Housing TABs Series C)**

Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis) (Series A)

	Prior Issue Reserve Fund		920,054.00			
	Investment Yield		2.00			
Date	Annual Debt Service	Prior Issue Annual Debt Service	Less: RF Earnings	Net Prior Issue Annual Debt Service	Annual (Savings) / Cost	4.20062 Present Value
3/25/2014						
8/1/2014	604,852.96	648,038.13	(9,200.54)	638,837.59	(33,984.63)	(33,493.73)
8/1/2015	833,033.80	919,356.25	(18,401.08)	900,955.17	(67,921.37)	(65,210.57)
8/1/2016	830,073.00	916,356.25	(18,401.08)	897,955.17	(67,882.17)	(62,521.25)
8/1/2017	829,273.80	915,606.25	(18,401.08)	897,205.17	(67,931.37)	(60,000.43)
8/1/2018	832,618.60	918,856.25	(18,401.08)	900,455.17	(67,836.57)	(57,458.92)
8/1/2019	829,601.60	915,856.25	(18,401.08)	897,455.17	(67,853.57)	(55,111.99)
8/1/2020	830,549.60	916,856.25	(18,401.08)	898,455.17	(67,905.57)	(52,885.66)
8/1/2021	830,365.20	916,606.25	(18,401.08)	898,205.17	(67,839.97)	(50,660.17)
8/1/2022	828,856.80	915,106.25	(18,401.08)	896,705.17	(67,848.37)	(48,578.11)
8/1/2023	831,041.20	917,356.25	(18,401.08)	898,955.17	(67,913.97)	(46,617.94)
8/1/2024	831,125.20	917,375.00	(18,401.08)	898,973.92	(67,848.72)	(44,644.05)
8/1/2025	829,550.80	915,856.25	(18,401.08)	897,455.17	(67,904.37)	(42,825.90)
8/1/2026	831,543.20	917,800.00	(18,401.08)	899,398.92	(67,855.72)	(41,016.20)
8/1/2027	831,709.20	917,950.00	(18,401.08)	899,548.92	(67,839.72)	(39,298.20)
8/1/2028	829,974.00	916,306.25	(18,401.08)	897,905.17	(67,931.17)	(37,707.85)
8/1/2029	831,567.00	917,868.75	(18,401.08)	899,467.67	(67,900.67)	(36,113.98)
8/1/2030	831,099.20	917,381.25	(18,401.08)	898,980.17	(67,880.97)	(34,589.20)
8/1/2031	-	919,843.75	(938,455.08)	(18,611.33)	18,611.33	8,912.71
Totals	13,896,835.16	16,240,375.63	(1,242,072.90)	14,998,302.73	(1,101,467.57)	(799,821.44)
			Plus: Other Contributions		-	-
				Net Total	(1,101,467.57)	(799,821.44)
				Savings % New		8.001%
				Savings % Prior		7.514%

Successor Agency to the Healdsburg RDA
 Refunding Tax Allocation Bonds, Series 2014
 (2002 TABs, Series A and Housing TABs Series C)

Prior Issue Debt Service Schedule and Call Provisions (Series A)

Date	Principal	Rate	Interest	Annual Debt Service	4/24/2013 Called Bonds	0.00% Call Premium	Debt Service	Defeasance Debt Service
2/1/2014								
4/24/2014							123,595.36	10,768,595.36
8/1/2014	380,000	4.400	268,038.13	648,038.13	380,000	-		
8/1/2015	400,000	4.500	519,356.25	919,356.25	400,000	-		
8/1/2016	415,000	5.000	501,356.25	916,356.25	415,000	-		
8/1/2017	435,000	5.000	480,606.25	915,606.25	435,000	-		
8/1/2018	460,000	5.000	458,856.25	918,856.25	460,000	-		
8/1/2019	480,000	5.000	435,856.25	915,856.25	480,000	-		
8/1/2020	505,000	5.000	411,856.25	916,856.25	505,000	-		
8/1/2021	530,000	5.000	386,606.25	916,606.25	530,000	-		
8/1/2022	555,000	5.000	360,106.25	915,106.25	555,000	-		
8/1/2023	585,000	5.125	332,356.25	917,356.25	585,000	-		
8/1/2024	615,000	5.125	302,375.00	917,375.00	615,000	-		
8/1/2025	645,000	5.125	270,856.25	915,856.25	645,000	-		
8/1/2026	680,000	5.125	237,800.00	917,800.00	680,000	-		
8/1/2027	715,000	5.125	202,950.00	917,950.00	715,000	-		
8/1/2028	750,000	5.125	166,306.25	916,306.25	750,000	-		
8/1/2029	790,000	5.125	127,868.75	917,868.75	790,000	-		
8/1/2030	830,000	5.125	87,381.25	917,381.25	830,000	-		
8/1/2031	875,000	5.125	44,843.75	919,843.75	875,000	-		
Totals	10,645,000		5,595,375.63	16,240,375.63	10,645,000	-	123,595.36	10,768,595.36

**Successor Agency to the Healdsburg RDA
Refunding Tax Allocation Bonds, Series 2014
(2002 TABs, Series A and Housing TABs Series C)**

Gross Debt Service Schedule (Housing Series C)

Date	Principal	Rate	Interest	Annual Debt Service
3/25/2014				
8/1/2014	180,700	4.200	57,818.04	238,518.04
8/1/2015	167,700	4.200	157,605.00	325,305.00
8/1/2016	177,800	4.200	150,561.60	328,361.60
8/1/2017	182,000	4.200	143,094.00	325,094.00
8/1/2018	191,200	4.200	135,450.00	326,650.00
8/1/2019	200,200	4.200	127,419.60	327,619.60
8/1/2020	209,100	4.200	119,011.20	328,111.20
8/1/2021	217,900	4.200	110,229.00	328,129.00
8/1/2022	226,500	4.200	101,077.20	327,577.20
8/1/2023	235,100	4.200	91,564.20	326,664.20
8/1/2024	243,100	4.200	81,690.00	324,790.00
8/1/2025	256,000	4.200	71,479.80	327,479.80
8/1/2026	268,700	4.200	60,727.80	329,427.80
8/1/2027	276,200	4.200	49,442.40	325,642.40
8/1/2028	288,400	4.200	37,842.00	326,242.00
8/1/2029	300,400	4.200	25,729.20	326,129.20
8/1/2030	312,200	4.200	13,112.40	325,312.40
8/1/2031	-	-	-	-
Totals	3,933,200		1,533,853.44	5,467,053.44

Exh. b. 1 A

**Successor Agency to the Healdsburg RDA
Refunding Tax Allocation Bonds, Series 2014
(2002 TABs, Series A and Housing TABs Series C)**

Net Debt Service Schedule and Savings Calculation (Cash Flow NPV Basis) (Housing Series C)

	Prior Issue Reserve Fund		Investment Yield			
			363,783.00	2.00		
Date	Annual Debt Service	Prior Issue Annual Debt Service	Less: RF Earnings	Net Prior Issue Annual Debt Service	Annual (Savings) / Cost	4.20062 Present Value
3/25/2014						
8/1/2014	238,518.04	255,506.25	(3,637.83)	251,868.42	(13,350.38)	(13,157.54)
8/1/2015	325,305.00	359,412.50	(7,275.66)	352,136.84	(26,831.84)	(25,759.97)
8/1/2016	328,361.60	362,437.50	(7,275.66)	355,161.84	(26,800.24)	(24,683.05)
8/1/2017	325,094.00	359,187.50	(7,275.66)	351,911.84	(26,817.84)	(23,686.14)
8/1/2018	326,650.00	360,687.50	(7,275.66)	353,411.84	(26,761.84)	(22,667.43)
8/1/2019	327,619.60	361,687.50	(7,275.66)	354,411.84	(26,792.24)	(21,760.62)
8/1/2020	328,111.20	362,187.50	(7,275.66)	354,911.84	(26,800.64)	(20,872.20)
8/1/2021	328,129.00	362,187.50	(7,275.66)	354,911.84	(26,782.84)	(19,999.77)
8/1/2022	327,577.20	361,687.50	(7,275.66)	354,411.84	(26,834.64)	(19,212.00)
8/1/2023	326,664.20	360,687.50	(7,275.66)	353,411.84	(26,747.64)	(18,360.14)
8/1/2024	324,790.00	358,900.00	(7,275.66)	351,624.34	(26,834.34)	(17,655.86)
8/1/2025	327,479.80	361,600.00	(7,275.66)	354,324.34	(26,844.54)	(16,929.60)
8/1/2026	329,427.80	363,531.25	(7,275.66)	356,255.59	(26,827.79)	(16,215.66)
8/1/2027	325,642.40	359,693.75	(7,275.66)	352,418.09	(26,775.69)	(15,510.08)
8/1/2028	326,242.00	360,343.75	(7,275.66)	353,068.09	(26,826.09)	(14,890.38)
8/1/2029	326,129.20	360,225.00	(7,275.66)	352,949.34	(26,820.14)	(14,264.24)
8/1/2030	325,312.40	359,337.50	(7,275.66)	352,061.84	(26,749.44)	(13,630.18)
8/1/2031	-	362,681.25	(371,058.66)	(8,377.41)	8,377.41	4,019.47
Totals	5,467,053.44	6,391,981.25	(491,107.05)	5,900,874.20	(433,820.76)	(315,235.42)
			Plus: Other Contributions		-	-
				Net Total	(433,820.76)	(315,235.42)
				Savings % New		8.015%
				Savings % Prior		7.524%

Exhibit A

Successor Agency to the Healdsburg RDA
 Refunding Tax Allocation Bonds, Series 2014
 (2002 TABs, Series A and Housing TABs Series C)

Prior Issue Debt Service Schedule and Call Provisions (Housing Series C)

Date	Principal	Rate	Interest	Annual Debt Service	4/24/2014 Called Bonds	0.00% Call Premium	Debt Service	Defeasance Debt Service
2/1/2014								
4/24/2014							48,650.10	4,238,650.10
8/1/2014	150,000	4.400	105,506.25	255,506.25	150,000	-		
8/1/2015	155,000	4.500	204,412.50	359,412.50	155,000	-		
8/1/2016	165,000	5.000	197,437.50	362,437.50	165,000	-		
8/1/2017	170,000	5.000	189,187.50	359,187.50	170,000	-		
8/1/2018	180,000	5.000	180,687.50	360,687.50	180,000	-		
8/1/2019	190,000	5.000	171,687.50	361,687.50	190,000	-		
8/1/2020	200,000	5.000	162,187.50	362,187.50	200,000	-		
8/1/2021	210,000	5.000	152,187.50	362,187.50	210,000	-		
8/1/2022	220,000	5.000	141,687.50	361,687.50	220,000	-		
8/1/2023	230,000	5.125	130,687.50	360,687.50	230,000	-		
8/1/2024	240,000	5.125	118,900.00	358,900.00	240,000	-		
8/1/2025	255,000	5.125	106,600.00	361,600.00	255,000	-		
8/1/2026	270,000	5.125	93,531.25	363,531.25	270,000	-		
8/1/2027	280,000	5.125	79,693.75	359,693.75	280,000	-		
8/1/2028	295,000	5.125	65,343.75	360,343.75	295,000	-		
8/1/2029	310,000	5.125	50,225.00	360,225.00	310,000	-		
8/1/2030	325,000	5.125	34,337.50	359,337.50	325,000	-		
8/1/2031	345,000	5.125	17,681.25	362,681.25	345,000	-		
Totals	4,190,000		2,201,981.25	6,391,981.25	4,190,000	-	48,650.10	4,238,650.10