

RESOLUTION NO. PFA 24-01

A RESOLUTION OF THE CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$16,260,000 PRINCIPAL AMOUNT OF WATER REVENUE REFUNDING BONDS, SERIES 2024, APPROVING THE FORM AND AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF TRUST, AN INSTALLMENT PURCHASE CONTRACT AND AN ESCROW DEPOSIT AND TRUST AGREEMENT, APPROVING THE FORM AND AUTHORIZING THE SALE OF BONDS PURSUANT TO A BOND PURCHASE AGREEMENT, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the City of Redwood City Public Financing Authority (the “Authority”) is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated as of June 18, 1991, by and between the City of Redwood City (the “City”) and the Successor Agency to the Redevelopment Agency of the City of Redwood City (the “Agency”), and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”), and is authorized pursuant to Article 4 of the Act to, among other things, borrow money for the purpose of financing and refinancing public capital improvements of the City; and

WHEREAS, pursuant to an Indenture of Trust, dated as of June 1, 2013 (the “2013 Indenture”) between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Prior Trustee”), the Authority issued its Water Revenue Refunding Bonds, Series 2013, in the original principal amount of \$26,870,000 (the “Refunded Bonds”); and

WHEREAS, the Refunded Bonds are special obligations of the Authority payable from the revenues pledged under the 2013 Indenture, consisting primarily of installment payments (the “2013 Installment Payments”) to be made by the City under an installment purchase contract, dated as of June 1, 2013, between the Authority and the City (the “2013 Installment Purchase Contract”); and

WHEREAS, the City has requested that the Authority issue revenue bonds for the purpose of providing funds to enable the City to refinance the 2013 Installment Payments and cause a refunding of the Refunded Bonds; and

WHEREAS, in order to provide funds to refinance the 2013 Installment Payments and cause a refunding of the Refunded Bonds, the Authority proposes to issue its City of Redwood City Public Financing Authority Water Revenue Refunding Bonds, Series 2024, in the aggregate principal amount of not to exceed \$16,260,000 (the “Bonds”), under the provisions of an Indenture of Trust (the “Indenture”), between the Authority and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); and

WHEREAS, the Bonds are to be issued pursuant to Article 4 of the Act, and will be paid from installment payments to be made by the City to the Authority under an Installment Purchase Contract, by and between the Authority and the City (the "Installment Purchase Contract"); and

WHEREAS, the City and the Authority have caused to be prepared proposed forms of the Indenture, the Installment Purchase Contract and a Bond Purchase Agreement (the "Bond Purchase Agreement") by and among the City, the Authority and Stifel, Nicolaus & Company, Incorporated, as underwriter of the Bonds (the "Underwriter"), pursuant to which the Underwriter would purchase the Bonds from the Authority, preliminary forms of which are on file with the Secretary of the Authority; and

WHEREAS, the City and the Authority have also caused to be prepared a form of Escrow Deposit and Trust Agreement among the City, the Authority and the 2013 Trustee, which provides for the deposit, investment and application of moneys to pay and prepay the 2013 Installment Payments and pay and redeem the Refunded Bonds; and

WHEREAS, in connection with the offering of the Bonds, the Authority and the City have caused to be prepared a preliminary Official Statement (the "Official Statement") describing, among other things, the City, the Indenture, the City's municipal water enterprise, the Refunded Bonds, the Installment Purchase Contract and the Bonds, a preliminary form of which is on file with the Secretary of the Authority; and

WHEREAS, in accordance with Government Code Section 5852.1, the Authority has obtained and wishes to disclose the information set forth in Exhibit A hereto; and

WHEREAS, the Authority has duly considered such transactions, including, without limitation, the Indenture, the Bond Purchase Agreement, the Installment Purchase Contract, the Escrow Deposit and Trust Agreement and the Official Statement, and wishes at this time to approve said transactions in the public interests of the Authority.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY OF REDWOOD CITY PUBLIC FINANCING AUTHORITY, AS FOLLOWS:

Section 1. Findings. The findings set forth in the recitals hereof are true and correct.

Section 2. Issuance of Bonds; Approval of Indenture. The Authority hereby authorizes the issuance of the Bonds under and pursuant to the Act and the Indenture in the aggregate principal amount of not to exceed \$16,260,000 for the purposes hereinbefore described. The Authority hereby approves the Indenture in the form on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Chairman, Vice-Chairman, Secretary or Auditor and Treasurer, or their respective designated representatives (each, an "Authorized Officer"), upon consultation with Authority counsel and Jones Hall, A Professional Law Corporation ("Bond Counsel"), and execution thereof by the Chairman or Vice-Chairman, and

attestation by the Secretary, shall be conclusive evidence of the approval of any such additions and changes. Such changes and additions shall include, without limitation, the insertion in the Indenture of the final annual maturities and final aggregate principal amount of the Bonds and the final annual interest rates payable with respect to the Bonds. The Chairman or Vice-Chairman, acting alone, is each hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest, the final form of the Indenture for and in the name and on behalf of the Authority. The Authority hereby authorizes the delivery and performance of the Indenture, and the execution of the Indenture by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions.

Section 3. Approval of Related Financing Agreements. The Authority hereby approves each of the following agreements required to implement the refinancing plan to be accomplished by issuance of the Bonds, in substantially the respective forms on file with the Secretary together with any changes therein or additions thereto deemed advisable by an Authorized Officer, and the execution thereof by the Chairman or Vice-Chairman shall be conclusive evidence of the approval of any such changes or additions.

- (a) Installment Purchase Contract
- (b) Escrow Deposit and Trust Agreement providing for the deposit and investment of moneys to pay and redeem the 2013 Bonds and
- (c) Bond Purchase Agreement.

The Chairman or Vice-Chairman is hereby authorized and directed for and in the name and on behalf of the Authority to execute, and the Secretary is hereby authorized and directed to attest the final form of each of the foregoing agreements, and such execution shall be conclusive evidence of the approval of the final form thereof.

Section 4. Sale of Bonds. The Authority hereby approves the negotiated sale of the Bonds to the Underwriter. The Bonds shall be sold upon the terms and conditions set forth in the Bond Purchase Agreement. The Authority hereby delegates to an Authorized Officer the authority to accept an offer from the Underwriter to purchase the Bonds, provided that the Bonds shall be sold at such price and shall bear interest at such rates as shall produce a minimum net present value savings to the City of at least 3% of the principal component of the 2013 Installment Payments, as such savings shall be verified and conclusively determined by the City's municipal advisor (the "Minimum Savings Requirement"). The maximum amount of Underwriter's discount on the sale of the Bonds shall not exceed 1.5%% of the par amount of the Bonds.

Section 5. Official Statement. The Authority hereby approves the Official Statement in the form on file with the Secretary, together with any additions thereto or changes therein deemed necessary or advisable by the Authorized Officers, and hereby authorizes the Authorized Officers to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions. Distribution of the

Official Statement to prospective purchasers of the Bonds is hereby approved. Each of the Authorized Officers are hereby authorized to execute the final form of the Official Statement, on behalf of the Authority, including as it may be modified by such additions thereto and changes therein as the Authorized Officers, upon consultation with Authority counsel, Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the final Official Statement by the Authorized Officers shall be conclusive evidence of the approval of any such additions and changes. The Authority hereby authorizes the distribution of the final Official Statement by the purchaser of the Bonds.

Section 6. Official Action. The officers and staff of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including negotiations for purchase of bond ratings, bond insurance or debt service reserve fund surety bond resulting in present value savings and execution and delivery of any and all assignments, certificates, requisition, agreements, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds, the payment of issuance costs incurred with respect to the Bonds, the prepayment of the 2013 Installment Payments and the refunding of the Refunded Bonds, and the sale of the Project to the City.

Section 7. Effective Date. This Resolution shall take effect immediately upon adoption.

* * *

PASSED AND ADOPTED this ____ day of _____, 2024.

Passed and adopted by the Council of the City of Redwood City acting as the Commission of the Public Financing Authority at a regular meeting thereof held on the ____ day of _____, 2024 by the following votes:

AYES, and in favor of the passage and adoption of the foregoing resolution, Council members:

NOES:

RECUSED:

ABSENT:

Jeff Gee
Chairman
Public Financing Authority

Attest:

Yessika Castro
Secretary
Public Financing Authority

I hereby approve the foregoing resolution
this ____ day of _____, 2024.

Jeff Gee
Chairman
Public Financing Authority

EXHIBIT A

GOVERNMENT CODE SECTION 5852.1 DISCLOSURE

The following information consists of estimates that have been provided by the City's municipal advisor, which has been represented by such party to have been provided in good faith:

- (A) True Interest Cost of the Bonds: 2.95%.
- (B) Finance Charge of the Bonds (Sum of all fees paid to third parties): \$246,314.15.
- (C) Net Proceeds to be Received (net of finance charges, reserves and capitalized interest, if any): \$14,745,000.
- (D) Total Payment Amount Through Maturity: \$18,612,075.00.

The principal amount of the Bonds, the true interest cost of the Bonds, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the estimated amount used for purposes of such estimates, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan (including a refinancing of only a portion of the 2013 Installment Payments), or a combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on the timing of the need for proceeds of the Bonds and other factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

Passed and adopted by the Council of the City of Redwood City at a
Joint City Council/Successor Agency Board/Public Financing Authority Meeting
thereof held on the 26th day of August 2024 by the following votes:

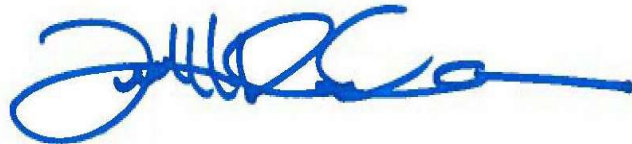
AYES: Aguirre, Eakin, Howard, Martinez Saballos, Sturken, Vice
Mayor Espinoza-Garnica and Mayor Gee

NOES: None

ABSENT: None

ABSTAINED: None

RECUSED: None



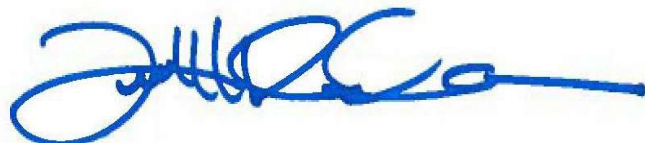
Jeff Gee
Mayor of the City of Redwood City

Attest:



Yessika Castro, CMC, CPMC
City Clerk of Redwood City

I hereby approve the foregoing resolution this
27th day of August 2024.



Jeff Gee
Mayor of the City of Redwood City