

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 89-2014

Adopted October 21, 2014

APPROVING THE SELECTION OF PIPER JAFFRAY & COMPANY AS UNDERWRITER AND STIFEL NICOLAUS & COMPANY, INC. AND STINSON SECURITIES, LLC AS CO-MANAGERS FOR THE NEGOTIATED SALE OF SERIES 2014B TAXABLE REFUNDING TAX ALLOCATION REVENUE BONDS AND BACKSTROM MCCARLEY BERRY & COMPANY, LLC AS UNDERWRITER AND STIFEL NICOLAUS & COMPANY, INC. AND BLAYLOCK BEAL VAN, LLC AS CO-MANAGERS FOR THE NEGOTIATED SALE OF THE SERIES 2014C REFUNDING TAX ALLOCATION REVENUE BONDS

- WHEREAS, On September 12, 2014, Commission on Community Investment and Infrastructure ("Commission"), adopted Resolution 83-2014, authorizing the issuance, subject to Oversight Board and State Department of Finance approval, of refunding tax allocation revenue bonds, Series 2014B and Series 2014C in a combined aggregate amount not to exceed \$300,000,000 (the "2014 Refunding Bonds") to refinance several outstanding tax allocation revenue bonds; and,
- WHEREAS, Resolution 83-2014 approved in form and authorized the execution of bond purchase contracts (the "2014 Bond Purchase Contracts") with underwriters to be approved at a later date, limiting the underwriter's discount to a maximum of .462% for the Series B Bonds and .45% for the Series C Bonds; and,
- WHEREAS, Resolution 83-2014 authorized and directed the Executive Director or the Deputy Director, Finance and Administration (each defined as "Authorized Officer") to execute and deliver each Bond Purchase Contract in the form approved, with such additions or changes as recommended and approved by the Authorized Officer upon consultation with Bond Counsel; and,
- WHEREAS, Section IX.C.5 of the Purchasing Policy authorizes OCII staff to select a Contractor from a City panel that was established using the City's competitive selection process, to the same extent that OCII staff may select a Contractor from an OCII panel authorized under the Purchasing policy; and,
- WHEREAS, On June 27, 2014, PFM, the OCII's Financial Advisor for the 2014 Refunding Bonds, at the direction of OCII staff, issued to the City's Underwriter Panel a Request for Proposal ("RFP") for Underwriter for the proposed 2014 Refunding Bonds; and,
- WHEREAS, Fourteen firms responded to the RFP by the submission deadline, July 11, 2014 and a panel reviewed the proposals and made the following recommendations: managing underwriter for the Series 2014B bonds, Piper Jaffray (the "2014B Underwriter") with two co-managers, Stifel Nicolaus and Company and Stinson

Securities, LLC (collectively, the "2014B Co-Managers"); managing underwriter for the 2014C bonds, Backstrom McCarley Berry & Company (the "2014C Underwriter") with two co-managers Stifel Nicolaus and Company and Blaylock, Beal Van, LLC (collectively, the "2014C Co-Managers"); and,

WHEREAS, OCII staff recommends approval of the recommended underwriters and co-managers; and,

WHEREAS, Redevelopment Dissolution Law limits the authority of Successor Agencies to issue bonds but provides for refunding of preexisting debt to create savings in the use of tax increment to service debt. California Health and Safety Code Section 34177.5(a)(1); and,

WHEREAS, Appointment of underwriters is not a project, as defined by the California Environmental Quality Act ("CEQA") in CEQA Guidelines Section 15378(b)(5), will not independently result in a physical change in the environment and is not subject to environmental review under CEQA; now, therefore, be it

RESOLVED, That the Commission approves and authorizes the appointment of the 2014B Underwriter and 2014B Co-Managers and the 2014C Underwriter and 2014C Co-Managers and authorizes an Authorized Officer to execute the respective 2014 Bond Purchase Contracts, in the forms approved by Resolution 83-2014, with the 2014B Underwriter, and the 2014 C Underwriter; and be it further

RESOLVED, That the Commission authorizes the Executive Director of OCII to take such other actions as may be necessary or appropriate, to effectuate the purpose or intent of this resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of October 21, 2014.


Commission Secretary