



FINANCING AUTHORITY AGENDA REPORT



DEPARTMENT: Administrative Services

MEETING DATE: February 15, 2011

PREPARED BY: Mark Alvarado, Director

AGENDA LOCATION: MFA CC-1

TITLE: Issuance of 2011 Housing Tax Allocation Bonds in the amount of \$8,000,000; Resolution No. A2011-01

OBJECTIVE: To issue tax allocation bonds in order to generate financing proceeds. These proceeds will be used to assist in securing property for future housing development.

BACKGROUND: This staff report mirrors the February 15, 2011, Monrovia Redevelopment Agency Report MRA AR-1. For further information, please see the aforementioned report.

ANALYSIS: See MRA AR-1.

ENVIRONMENTAL IMPACT: None

FISCAL IMPACT: See MRA AR-1.

RECOMMENDATION: Staff recommends the Authority Commission approve issuance of the 2011 Housing Tax Allocation Bonds.

AUTHORITY ACTION REQUIRED: If the Authority Commission concurs, the appropriate action would be a motion to adopt Resolution No. A2011-01.

MFA CC-1

RESOLUTION NO. A2011-01

A RESOLUTION OF THE MONROVIA FINANCING AUTHORITY OF MONROVIA, CALIFORNIA, APPROVING THE FORMS OF AN INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION OF THE BOND PURCHASE CONTRACT RELATING TO THE ISSUANCE OF THE MONROVIA REDEVELOPMENT AGENCY'S HOUSING TAX ALLOCATION BONDS ISSUE OF 2011 FOR THE CENTRAL REDEVELOPMENT PROJECT, PROJECT AREA NO. 1 AND APPROVING CERTAIN ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Authority is a joint powers authority organized pursuant to Title 1, Division 7, Chapter 5 of the Government Code of the State of California; and

WHEREAS, for the corporate purposes of the Monrovia Redevelopment Agency (the "Agency"), the Agency deems it necessary to issue at this time its Central Redevelopment Project, Project Area No. 1 Housing Tax Allocation Bonds Issue of 2011 in a principal amount of not to exceed Eight Million Dollars (\$8,000,000) (the "2011 Bonds"), and to use the proceeds of such Bonds to provide moneys to finance low and moderate income housing projects pursuant to the Redevelopment Plan (as defined in the Indenture), and to pay costs in connection with the issuance of the 2011 Bonds and to make certain other deposits as required by the Indenture of Trust (the "Indenture"); and

WHEREAS, the purposes stated above will be accomplished by the Authority purchasing such 2011 Bonds from the Agency and selling such 2011 Bonds to Wedbush Securities Inc. (the "Underwriter"), pursuant to the Marks-Roos Local Bond Pooling Act of 1985 (Government Code Sections 6584, *et seq.*); and

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (1) a draft of the Indenture of the Agency;
- (2) a draft of the Preliminary Official Statement of the Agency to be used in connection with the sale of the Bonds (such Preliminary Official Statement in the form presented at this meeting with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as "Preliminary Official Statement");
- (3) a draft of the proposed Bond Purchase Contract among the Agency, the Authority and the Underwriter; and
- (4) a draft of the proposed Continuing Disclosure Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Monrovia Financing Authority, as follows:

Section 1. Subject to (i) the prior payment by the Agency of the 2009-10 SERAF Obligation and receipt by the City and the Agency of a copy of the County Auditor's certification pursuant to Health and Safety Code Section 33691(f) that the prohibitions in Section 33691(e) have been lifted (including, but not limited to, the prohibition from issuing new bonds, notes, or other obligations), or such other evidence of the County auditor's Section 33691(f) certification acceptable to, and approved by, the City Attorney and Agency Counsel, and (ii) the provisions

of the Indenture referred to in Section 2 hereof, the purchase of and simultaneous resale to the Underwriter of the 2011 Bonds in the aggregate principal amount of not to exceed Eight Million Dollars (\$8,000,000) on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture and the Bond Purchase Contract, is hereby authorized and approved. The 2011 Bonds will be dated, will bear interest at the rates, will mature on the dates, will be issued in the form, will be subject to redemption, and will be as otherwise provided in the Indenture, as the same will be completed as provided in this Resolution.

Section 2. The Indenture, in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved.

Section 3. The Bond Purchase Contract in substantially the form submitted at this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Executive Director of the Authority is hereby authorized and directed to execute the Bond Purchase Contract in the form presented at this meeting with such changes, insertions and omissions as may be approved by the Executive Director, said execution being conclusive evidence of such approval.

Section 4. The Preliminary Official Statement in substantially the form presented at this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved and the use of the Preliminary Official Statement in connection with the offering and sale of the 2011 Bonds is hereby authorized and approved.

Section 5. The preparation and delivery of an Official Statement, and its use by the Underwriter, in connection with the offering and sale of the 2011 Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be requested by Bond Counsel or the Underwriter and approved by the Chairman of the Agency, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The Chairman of the Authority, the Executive Director of the Authority, the Treasurer, the Secretary of the Authority, and any other proper officer of the Authority, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments, including any agreements with the Agency relating to the 2011 Bonds, and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Indenture, the Bond Purchase Contract, the Official Statement, this Resolution and any such agreements.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this 15th day of February, 2011, by the following vote:

**AYES:
NOES:
ABSTAIN:
EXCUSED:**

BY:

Mary Ann Lutz, President
Monrovia Financing Authority

ATTEST:

APPROVED AS TO FORM:

Alice D. Atkins, CMC, Secretary
Monrovia Financing Authority

Craig A. Steele, City Attorney
City of Monrovia

**STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) §
CITY OF MONROVIA)**

I, ALICE D. ATKINS, CMC, City Clerk of the City of Monrovia, California, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. A2011-01 duly adopted and passed at a regular meeting of the City Council on the 15th day of February, 2011, by the following vote and has not been amended or repealed:

**AYES:
NOES:
ABSTAIN:
EXCUSED:**

ATTEST:

Alice D. Atkins, CMC, City Clerk
City of Monrovia