

RESOLUTION NO. 133-08

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND
APPROVING THE FORMS OF A FACILITIES LEASE, A BOND PURCHASE
CONTRACT, A CONTINUING DISCLOSURE AGREEMENT, A REMARKETING
AGREEMENT, AN OFFICIAL STATEMENT, A REIMBURSEMENT AGREEMENT
AND CERTAIN OTHER ACTIONS**

WHEREAS, the City Council of the City of Richmond (the “City”), the Richmond Joint Powers Financing Authority (the “Authority”), and the Richmond Surplus Property Authority (the “SPA”) have agreed to enter into a leasing arrangement of certain real property located in the City (the “Demised Premises”) and improvements thereon commonly known as the Point Potrero Facilities (the “Facilities”) in order to raise funds for the construction of an automobile shipping and warehousing facility and certain rail facilities owned by the Burlington Northern Santa Fe Railroad necessary to serve such Facilities (the “Project”); and

WHEREAS, the Richmond Joint Powers Financing Authority (the “Authority”) has authorized the issuance of the Richmond Joint Powers Financing Authority Point Potrero Lease Revenue Bonds, Series 2009A (the “Tax-Exempt Bonds”) and the Richmond Joint Powers Financing Authority Point Potrero Taxable Lease Revenue Bonds, Series 2009B (the “Taxable Bonds” and, together with the Tax-Exempt Bonds, the “Bonds”) to assist with the financing of the Project; and

WHEREAS, pursuant to Section 6586.5 of the California Government Code (the “Code”), a notice of public hearing (the “Notice”) was duly published by the City as required by law in the *West County Times*, a newspaper of general circulation in the City and in the County of Contra Costa, to consider the proposed financing by issuance by the Authority of the Bonds, and whether there are any significant benefits to the City from such proposed financing, including demonstrable savings to the City such as savings in effective interest rate, preparation, or issuance costs (in accordance with Section 6586 of the Code). A proof of publication of the Notice is on file in the office of the City Clerk; and

WHEREAS, such public hearing was duly convened by the City Council on December 16, 2008 at the time and place as set forth in the Notice, and at such public hearing the City Council heard all interested persons desiring to be heard; and

WHEREAS, evidence of the public benefits to the City from the proposed financing was presented; and

WHEREAS, the City Council has considered the financing as presented and is fully advised regarding the Project; and

WHEREAS, there has been filed with the City Clerk for consideration and approval by this City Council the following documents:

1. A Facilities Lease under which the City will be obligated to make base rental payments to the Authority for the use of the Demised Premises;
2. A Bond Purchase Contract under the terms of which, among other things, the Authority agrees to sell and RBC Capital Markets Corporation (the “Underwriter”) agrees to purchase the Bonds;
3. A Continuing Disclosure Agreement;
4. A Remarketing Agreement; and
5. An Official Statement; and

WHEREAS, as the Tax-Exempt Bonds may be issued in a variable rate, the City may provide for the delivery by Union Bank of California, N.A. (the “Bank”) of an irrevocable direct-pay letter of credit pursuant to a Reimbursement Agreement (the “Reimbursement Agreement”), and related agreements, each by and between the City and the Bank to provide a source of payment for the purchase of the Tax-Exempt Bonds tendered by the owners thereof when such

purchase is required in accordance with the terms of the Trust Agreement related to the Bonds and to provide for the payment of principal of and interest on the Tax-Exempt Bonds as the same becomes due; and

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

Section 1. The foregoing recitals are true and correct, and this City Council so finds and determines.

Section 2. The City hereby approves the proposed financing and determines that there are significant public benefits to the City therefrom in that there will be demonstrable savings to the City from the issuance and delivery by the Authority of the Bonds, including savings in effective interest rate, preparation and issuance costs (in accordance with Section 6586 of the Code).

Section 3. Facilities Lease. The form and substance of the Facilities Lease are hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or City Finance Director and Treasurer or designee thereof are hereby authorized and directed to execute and deliver the Facilities Lease in substantially the form on file with the City Clerk and presented to this meeting, with such modification and revisions as may be approved in the interest of the City by the City Manager or any Assistant City Manager or City Finance Director and Treasurer or City Finance Director and Treasurer or designee thereof in consultation with the City Attorney, such approval to be conclusively evidenced by such execution and delivery of the Facilities Lease.

Section 4. Bond Purchase Contract. The form and substance of the Bond Purchase Contract are hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or designee thereof are hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Bond Purchase Contract in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Continuing Disclosure Agreement. The form and substance of the Continuing Disclosure Agreement are hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or designee thereof are hereby authorized and directed to execute and deliver said Continuing Disclosure Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. Remarketing Agreement. The form and substance of the Remarketing Agreement are hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or designee thereof are hereby authorized and directed to execute and deliver said Remarketing Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Official Statement. The form and substance of the Official Statement are hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or designee thereof are hereby authorized and directed to execute and deliver a certificate deeming the preliminary Official Statement ("POS") final within the meaning of Securities and Exchange Commission Rule 15c2-12 (the "Rule"). Such deemed final POS shall be in substantially the form presented to this meeting but with such changes as the City Manager of the City or City Finance Director and Treasurer or designee thereof in such individual's discretion shall determine are appropriate in the interests of the City. The circulation and use of said deemed final POS by the Underwriter is hereby approved. The City Manager of the City or City Finance Director and Treasurer or designee thereof is hereby authorized and directed to execute and deliver a final Official Statement after the sale of the Bonds, in substantially the form of said deemed final POS but with the inclusion of certain final pricing and related information permitted to be omitted from the deemed final POS under the Rule and other changes which are approved by the City Manager of the City or City Finance Director and

Treasurer or designee thereof executing the same in consultation with bond counsel, such approval to be conclusively evidenced by such execution and delivery of the Official Statement.

Section 8. Reimbursement Agreement. The Reimbursement Agreement in the form and substance of the reimbursement agreement entered into by the City and the Bank in relation to the City's issuance of its Variable Rate Wastewater Revenue Refunding Bonds, Series 2008A is hereby approved. The City Manager or any Assistant City Manager or City Finance Director and Treasurer or designee thereof are hereby authorized and directed to execute and deliver said Reimbursement Agreement in substantially said form, with such changes therein as such officer may require or approve, in consultation with bond counsel and financial advisor, such approval to be conclusively evidenced by such execution and delivery.

Section 9. The officers 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 may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution, including, but not limited to, the execution and delivery of a tax certificate, any documents or certificates necessary in connection with the remarketing of the Tax-Exempt Bonds in the weekly rate period, and any documents, document amendments, or certificates necessary in connection with the investment of proceeds of the Bonds. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 10. This resolution shall take effect immediately upon its adoption.

I hereby certify that the foregoing resolution of the City Council of the City of Richmond was duly passed and adopted at a meeting thereof held on December 16, 2008, by the following vote:

Ayes: Councilmembers Bates, Butt, Lopez, Sandhu, Vice Mayor Marquez, and Mayor McLaughlin

Noes: None

Abstentions: None

Absent: Councilmembers Rogers and Viramontes

DIANE HOLMES
Clerk of the City of Richmond

Approved:

GAYLE McLAUGHLIN
Mayor

Approved as to form:

RANDY RIDDLE
City Attorney

State of California }
County of Contra Costa : ss.
City of Richmond }

I certify that the foregoing is a true copy of **Resolution No. 133-08**, finally passed and adopted by the Council of the City of Richmond at a meeting held on December 16, 2008.