

**CITY COUNCIL RESOLUTION NO. 70-09**

**REDEVELOPMENT AGENCY RESOLUTION NO. 09-29**

**JOINT RESOLUTION OF THE MEMBERS OF THE RICHMOND CITY COUNCIL AND THE RICHMOND COMMUNITY REDEVELOPMENT AGENCY BOARD APPROVING A \$5,580,539 LOAN WITH MECHANICS BANK TO THE AGENCY AND THE DEPOSIT OF \$5,580,539 BY THE CITY IN A TWO-YEAR CERTIFICATE OF DEPOSIT TO COLLATERALIZE THE LOAN TO THE AGENCY**

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WHEREAS, the City of Richmond's ("City") General Fund advanced approximately \$5,580,539 to the Richmond Community Redevelopment Agency ("Agency") to satisfy the Bond Insurance Reserve requirement with Union Bank, the Agency's fiscal agent; and

WHEREAS, the City and the Agency desire to have the Agency repay the funds advanced by the City by borrowing funds in the same amount from a lending institution; and

WHEREAS, the City and the Agency have negotiated to have the Agency borrow these funds from Mechanics Bank, provided the City deposits approximately \$5,580,539 in a two-year certificate of deposit with Mechanics Bank and the Agency uses the loan proceeds to pay the City back its cash advance from the General Fund; and

WHEREAS, by the staff report accompanying this Resolution, the Agency Board and City Council have been provided with additional information upon which the findings and the actions set forth in this Resolution are based.

NOW, THEREFORE, BE IT RESOLVED, that the Agency Board of the Richmond Community Redevelopment Agency and the City Council of the City of Richmond find the above recitals true and accurate; and

BE IT FURTHER RESOLVED, that the Agency Board hereby approves a loan with Mechanics Bank in the approximate amount of \$5,580,539 to repay the advance from the City's General Fund and the City Council approves the City depositing approximately \$5,580,539 in a two-year certificate of deposit with Mechanics Bank to collateralize the bank's loan to the Agency; and

BE IT FURTHER RESOLVED, that the amount of loan closing costs may be paid directly or added to the amounts of the loan and the two-year certificate of deposit; and

BE IT FURTHER RESOLVED, that the City Manager and Agency Executive Director are authorized to execute all necessary documents to implement the intent of this Resolution.

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I hereby certify that the foregoing Resolution was passed and adopted by the Richmond Community Redevelopment Agency Board and the City Council of the City of Richmond at a special joint meeting held on July 21, 2009, by the following vote:

AYES: Councilmembers Bates, Butt, Rogers, Ritterman,  
Viramontes, Vice Mayor Lopez, and Mayor McLaughlin.

NOES: None.

ABSTENTIONS: None.

ABSENT: None.

DIANE HOLMES  
Clerk of the Richmond Community  
Redevelopment Agency and City of Richmond

(SEAL)

Approved:

GAYLE McLAUGHLIN  
Agency Chair/Mayor

Approved as to form:

RANDY RIDDLE  
Agency Attorney/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. 70-09, finally passed and adopted by the Richmond Community Redevelopment Agency Board and the City Council of the City of Richmond at a special joint meeting held on July 21, 2009.