

CITY COUNCIL RESOLUTION NO. 58-15

A RESOLUTION OF THE CITY COUNCIL APPROVING THE ISSUANCE OF NOT TO EXCEED \$[3,000,000] AGGREGATE PRINCIPAL AMOUNT OF SOCIAL IMPACT BONDS (RICHMOND HOUSING REHABILITATION PROJECT) TAXABLE 2015 SERIES A; AUTHORIZING THE FORMS OF AND DIRECTING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST, A LOAN AGREEMENT AND A BOND PURCHASE AGREEMENT; AND APPROVING THE TAKING OF ALL NECESSARY ACTIONS IN CONNECTION THEREWITH

WHEREAS, pursuant to Chapter 2.66 of the Richmond Municipal Code, the City is authorized to issue social impact bonds to finance various programs and projects that have social benefits for the City and its residents; and

WHEREAS, the Richmond Community Foundation, a non-profit public benefit corporation, has proposed that the City issue its Social Impact Bonds (Richmond Housing Rehabilitation Program) Taxable 2015 Series A (the "Bonds") to finance the acquisition, rehabilitation and sale of dilapidated housing units in the City in order to achieve the remediation of blight, improve the supply of clean, safe and affordable housing and provide opportunities to first-time homebuyers to become property owners in Richmond (the "Program"); and

WHEREAS, Backstrom, McCarley & Berry is serving as financial advisor (the "Financial Advisor") to the City, RBC Capital Markets, Inc. is serving as Placement Agent, to the City (the "Placement Agent") and Orrick, Herrington & Sutcliffe LLP is serving as bond counsel ("Bond Counsel") to the City in connection with the financing; and

WHEREAS, this Council has been presented with the form of each document referred to herein relating to the Program, and the Council has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, the City has full legal right, power and authority under its Municipal Code and the laws of the State of California to enter into the transactions hereinafter authorized; and

WHEREAS, being fully advised in the matter of the financing, this Council wishes to proceed with implementation of said financing; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize the execution and delivery of certain documents in order to further implement the financing in the manner and upon the terms herein provided;

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 Council hereby so finds and determines.

Section 2. The Council hereby approves the issuance of the Bonds, in an aggregate principal amount not to exceed \$[3,000,000], for the financing of the Program.

Section 3. The proposed forms of Indenture of Trust and Loan Agreement, on file with the City Clerk, are hereby approved. The City Manager and Director of Finance, or the designee thereof (each an "Authorized Officer") are each hereby authorized and directed, severally, for and on behalf of the City, to execute and deliver the Indenture of Trust and Loan Agreement in substantially said forms, with such changes therein as such officer may require or approve in consultation with the City Attorney and bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Bond Purchase Agreement on file with the City Clerk is hereby approved. The Authorized Officers are each hereby authorized and directed, severally, for and on behalf of the City, to accept the offer of the Purchasers solicited by the Placement Agent to purchase the Bonds as reflected in the Bond Purchase Agreement; and to execute and deliver the Bond Purchase Agreement in substantially the form on file with the City Clerk, with such additions, deletions or changes therein as such officer determines are necessary or appropriate and are approved by such officer, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, that (i) the interest rate on the Street Improvement Bonds shall not exceed twelve percent (12%) per annum, and (ii) the purchase price shall be at not less than par value of the Bonds sold.

Section 5. The officers and agents of the City are, and each of them hereby is, authorized and directed to do any and all things and to execute and deliver any and all documents which they or any of them deem necessary or advisable in order to consummate the sale of the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the City has approved in this Resolution. All actions heretofore taken by the officers and agents of the City with respect to the sale, execution and delivery of the Bonds, and the other transactions authorized and contemplated herein are hereby approved, confirmed and ratified. Notwithstanding any provision of this resolution authorizing an officer to take any action or execute any document to the contrary, in the absence of such officer or in lieu of such officer, the person designated in writing by such officer, may take such action or execute such document with like effect as fully as though named in this resolution instead of such officer.

Section 6. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale or issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents or additional confirmations, settlements or revisions, may be given or taken, without further authorization by this City Council, by the Authorized Officers and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action which such officers may deem necessary or desirable to further the purposes of this Resolution.

Section 7. This Resolution shall take effect from and after its adoption.

I CERTIFY that the foregoing resolution was adopted at a regular meeting of the City Council on June 2, 2015 by the following vote:

AYES: Councilmembers Bates, Beckles, Martinez, Pimplé, Vice Mayor Myrick, and Mayor Butt.

NOES: None.

ABSTENTIONS: None.

ABSENT: Councilmember McLaughlin.

PAMELA CHRISTIAN
CLERK OF THE CITY OF RICHMOND
(SEAL)

Approved:

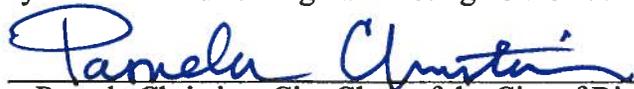
TOM BUTT
Mayor

Approved as to form:

BRUCE GOODMILLER
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. 58-15**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on June 2, 2015.



Pamela Christian, City Clerk of the City of Richmond