

RESOLUTION NO. 09-084

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
APPROVING THE ISSUANCE BY THE REDEVELOPMENT AGENCY OF THE
CITY OF EL PASO DE ROBLES OF ITS 2009 TAX ALLOCATION REFUNDING BONDS AND 2009
TAXABLE TAX ALLOCATION BONDS AND MAKING CERTAIN DETERMINATIONS IN CONNECTION
THEREWITH

WHEREAS, the Redevelopment Agency of the City of El Paso de Robles (the "Agency") has proposed to issue not to exceed \$16,000,000 combined aggregate principal amount of the Redevelopment Agency of the City of El Paso de Robles (Paso Robles Redevelopment Project) 2009 Tax Allocation Refunding Bonds and 2009 Taxable Tax Allocation Bonds (together, the "Bonds") to aid in the financing and refinancing of the Paso Robles Redevelopment Project; and

WHEREAS, the Agency intends to (i) refund and defease its Paso Robles Redevelopment Project 1996 Tax Allocation Refunding Bonds, (ii) finance certain redevelopment activities of the Agency within or of benefit to the Paso Robles Redevelopment Project (the "Financing Project"), (iii) to repay a portion of a loan from the City of El Paso de Robles, (iv) to repay the Low and Moderate Income Housing Fund for amounts past due and in turn finance eligible low and moderate income housing projects serving the City; (v) to fund the Reserve Account for the Bonds, and (vi) to pay certain costs relating to the issuance of the Bonds; and

WHEREAS, Section 33445 of the Community Redevelopment Law (being Part 1, commencing with Section 33000, of Division 24 of the Health and Safety Code of the State of California) (the "Law") provides that the Agency may pay or reimburse loans for all or part of the cost of construction or reconstruction of a publicly owned building, facility, structure or other improvement within a project area, so long as certain determinations are made by the Agency; and

WHEREAS, Section 33445 of the Law requires the City Council of the City of El Paso de Robles (the "City") to approve the financing of publicly owned improvements within a project area; and

WHEREAS, Section 33640 of the Law requires the City Council of the City to approve the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of El Paso de Robles as follows:

SECTION 1. Approval of the Issuance of Bonds. The issuance of the Bonds by the Agency is hereby approved by this City Council and this City Council does hereby consent to the application of the proceeds of the Bonds for the purposes contemplated by the Agency. This approval and consent is made pursuant to Section 33640 of the Law.

SECTION 2. Approval of the Financing of Improvements. The publicly owned improvements contemplated to be financed by the Agency, as set forth in the proceedings of the Agency through the application of the proceeds of the Bonds are hereby approved by this City Council.

SECTION 3. Determinations Regarding Project. The City Council hereby finds that: (1) the Financing Project is within the Paso Robles Project Area of the Agency; (2) the City General Fund loans and amounts due to the Low and Moderate Income Housing Fund were for public improvements to and within the Paso Robles Project area; and (3) it is not reasonable for the City to finance the Financing Project or repayment of the City General Fund loan or repayment of the Low and Moderate Income Housing Fund through: (i) the issuance of general obligation bonds, in addition to those that already have been approved and issued, due to the uncertainty of receiving a two-thirds affirmative vote of the voters; or (ii) certificates of participation payable from general fund revenues, as the City has concluded that (a) the general fund must be preserved for general operating expenses, as actions of the State of California and national economic factors have decreased the sources of revenue available to the City and (b) since the Financing Project will directly benefit the Paso Robles Project Area, it should be paid for from revenues generated within the Paso Robles Project Area rather than general fund revenues.

For the above reasons, the City Council determines that:

1. the Project is of substantial benefit to the Paso Robles Project Area and to inhabitants thereof; and
2. no reasonable means of financing the Project, other than the financing herein approved, are available to the City of El Paso de Robles.

SECTION 4. Effective Date. This Resolution shall take effect immediately upon its adoption.

I hereby certify that the foregoing resolution was duly and regularly adopted and passed by the City Council of the City of El Paso de Robles, California, at a regular meeting thereof held on the 7th day of July 2009, by the following vote of the members thereof:

AYES: Gilman, Hamon, Steinbeck, Strong and Picanco

NOES:

ABSENT:

ABSTAIN:

Approved: _____
Duane Picanco, Mayor

ATTEST:

Cathy M. David, Deputy City Clerk

SECTION 3. **Determinations Regarding Project.** The City Council hereby finds that: (1) the Financing Project is within the Paso Robles Project Area of the Agency; (2) the City General Fund loans and amounts due to the Low and Moderate Income Housing Fund were for public improvements to and within the Paso Robles Project area; and (3) it is not reasonable for the City to finance the Financing Project or repayment of the City General Fund loan or repayment of the Low and Moderate Income Housing Fund through: (i) the issuance of general obligation bonds, in addition to those that already have been approved and issued, due to the uncertainty of receiving a two-thirds affirmative vote of the voters; or (ii) certificates of participation payable from general fund revenues, as the City has concluded that (a) the general fund must be preserved for general operating expenses, as actions of the State of California and national economic factors have decreased the sources of revenue available to the City and (b) since the Financing Project will directly benefit the Paso Robles Project Area, it should be paid for from revenues generated within the Paso Robles Project Area rather than general fund revenues.

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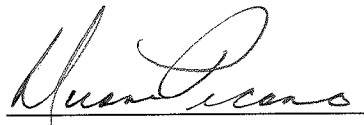
AYES: Gilman, Hamon, Steinbeck, Strong and Picanco

NOES:

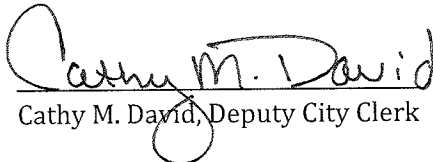
ABSENT:

ABSTAIN:

Approved:


Duane Picanco, Mayor

ATTEST:


Cathy M. David, Deputy City Clerk