



County of Santa Cruz

0291

REDEVELOPMENT AGENCY

701 OCEAN STREET, ROOM 510, SANTA CRUZ, CA 950604000

(631) 454-2280 FAX: (831) 454-3420 TDD: (831) 454-2123

TOM BURNS, AGENCY ADMINISTRATOR

October 5, 2000

Agenda: October 17, 2000

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

SUPPORT OF REDEVELOPMENT AGENCY BOND

Dear Members of the Board:

Elsewhere on this agenda your Board, as the Board of Directors for the Redevelopment Agency, is being asked to take actions to initiate the sale of a new Tax Increment Bond. The proceeds for such a sale will allow for continuation of the Agency's successful efforts to implement the Live Oak-Soquel Redevelopment Plan and provide housing assistance to low income residents throughout the unincorporated county. In order for the Agency to proceed with the bond sale, a number of parallel actions must be taken by your Board, as the Board of Supervisors.

In the past, in order to maximize the size and efficiency of the bond issue, the County has subordinated its pass-through payments from the Agency to the new debt service payments. Because of the very conservative financial assumptions which size this bond issue, such a subordination continues to be an extremely low risk for the County. Attachments 1 and 2 provide resolutions that formalize the subordination and establishes a process for the Agency to pay back any deferred payments to the County in the unlikely event that such a deferral is required.

Additionally, it is necessary for the Board of Supervisors to approve the Agency's issuance of debt. Resolutions are provided as Attachments 3 and 4 supporting the bond issue and authorizing the signing of all related documents.

Approval of the recommended actions will allow the Redevelopment Agency to proceed with implementation of the Live Oak-Soquel Redevelopment Plan. It is therefore **RECOMMENDED** that your Board take the following actions:

1. Approve the attached resolutions enabling subordination of the County's pass-through payments as part of the proposed 2000 A and B RDA new bond issues (Attachments 1 and 2); and

2. Approve the attached resolutions authorizing the issuance of the Agency's 2000 bonds (Series A and B) (Attachments 3 and 4).

Very truly yours,



Tom Burns
Redevelopment Agency Administrator

RECOMMENDED:



Susan A. Mauriello
County Administrative Officer

Attachments:

1. Resolution providing pass-through subordination for tax exempt issue
2. Resolution providing pass-through subordination for taxable issue
3. Resolution approving tax exempt bond issue
4. Resolution approving taxable bond issue
5. Preliminary Official Statement (on file with the Clerk)
6. Preliminary Indenture of Trust (on file with the Clerk)

cc. RDA
CAO
Auditor-Controller

UPON THE MOTION OF SUPERVISOR

 DULY SECONDED BY
 SUPERVISOR _____
 THE FOLLOWING RESOLUTION IS
 ADOPTED:

**BEFORE THE BOARD OF SUPERVISORS
 OF THE COUNTY OF SANTA CRUZ,
 STATE OF CALIFORNIA**

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ AMENDING RESOLUTION NO. 330-87 AND APPROVING THAT AGREEMENT ENTITLED "AN AGREEMENT BETWEEN THE COUNTY OF SANTA CRUZ AND THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY RELATING TO REIMBURSEMENT OF TAX ALLOCATION SUBORDINATED TO THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY SUBORDINATE TAX ALLOCATION BONDS, 2000 SERIES A (LIVE OAK/SOQUEL COMMUNITY IMPROVEMENT PROJECT AREA)

WHEREAS, the Board of Supervisors of the County of Santa Cruz adopted Resolution No. 330-87, as amended by Resolution No. 397-88, by which the Board of Supervisors of the County of Santa Cruz elected to receive the allocation of taxes pursuant to California Health and Safety Code Section 33676 from the Live Oak/Soquel Community Improvement Project Area; and

WHEREAS, the Board of Supervisors of the County of Santa Cruz has determined that it would be in the public interest to subordinate its claim to the available tax allocation referred to in that Resolution to the County of Santa Cruz Redevelopment Agency in order to make required interest and principal payments upon that bond issue known as the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Series A (Live Oak/Soquel Community Improvement Project Area).

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ AS FOLLOWS:

Section 1. Resolution No. 330-87, as amended by Resolution No. 397-88, is hereby amended to add a new Section 6 which reads as follows:

"If, based upon a determination by the County of Santa Cruz Redevelopment Agency, that the Agency does not possess sufficient available revenues to make all necessary interest and principal payments, as they become due, for that bond issue known as the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Series A (Live Oak/Soquel

Community Improvement Project Area) (the "Bonds"), the County of Santa Cruz shall subordinate its interest in the allocation granted to it pursuant to this Resolution to the extent necessary to pay the difference between total revenues available to the Agency for payment of interest and principal as they become due and interest and principal due and owing on the Bonds, or the Loan Agreements relating thereto."

Section 2. That Agreement entitled "An Agreement Between the County of Santa Cruz and the County of Santa Cruz Redevelopment Agency Relating to Reimbursement of Tax Allocation Subordinated to the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Series A (Live Oak/Soquel Community Improvement Project Area), which is attached as Exhibit 1 to this Resolution, is hereby approved and the County Administrative Officer or the Assistant County Administrative Officer are authorized and directed to execute said Agreement.

Section 3. Immediately after the adoption of this Resolution, the Clerk of the Board of Supervisors shall transmit a certified copy of this Resolution to the County of Santa Cruz Redevelopment Agency and to the Auditor-Controller and Tax Collector of the County of Santa Cruz.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California this 17th day of October, 2000, by the following vote:


AYES: Supervisors:
NOES: Supervisors:
ABSENT: Supervisors:
ABSTAIN: Supervisors:

Chairperson of the Board of Supervisors

Attest:

Clerk of Said Board

APPROVED AS TO FORM:



Special Counsel

UPON THE MOTION OF SUPERVISOR
_____ DULY SECONDED BY
SUPERVISOR _____
THE FOLLOWING RESOLUTION IS
ADOPTED:

**BEFORE THE BOARD OF SUPERVISORS
OF THE COUNTY OF SANTA CRUZ,
STATE OF CALIFORNIA**

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ AMENDING RESOLUTION NO. 330-87 AND APPROVING THAT AGREEMENT ENTITLED "AN AGREEMENT BETWEEN THE COUNTY OF SANTA CRUZ AND THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY RELATING TO REIMBURSEMENT OF TAX ALLOCATION SUBORDINATED TO THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY SUBORDINATE TAX ALLOCATION BONDS, 2000 TAXABLE SERIES B (LIVE OAK/SOQUEL COMMUNITY IMPROVEMENT PROJECT AREA)

WHEREAS, the Board of Supervisors of the County of Santa Cruz adopted Resolution No. 330-87, as amended by Resolution No. 397-88, by which the Board of Supervisors of the County of Santa Cruz elected to receive the allocation of taxes pursuant to California Health and Safety Code Section 33676 from the Live Oak/Soquel Community Improvement Project Area; and

WHEREAS, the Board of Supervisors of the County of Santa Cruz has determined that it would be in the public interest to subordinate its claim to the available tax allocation referred to in that Resolution to the County of Santa Cruz Redevelopment Agency in order to make required interest and principal payments upon that bond issue known as the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Taxable Series B (Live Oak/Soquel Community Improvement Project Area).

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ AS FOLLOWS:

Section 1. Resolution No. 330-87, as amended by Resolution No. 397-88, is hereby amended to add a new Section 6 which reads as follows:

"If, based upon a determination by the County of Santa Cruz Redevelopment Agency, that the Agency does not possess sufficient available revenues to make all necessary interest and principal payments, as they become due, for that bond issue known as the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Taxable Series B (Live Oak/Soquel

Community Improvement Project Area) (the "Bonds"), the County of Santa Cruz shall subordinate its interest in the allocation granted to it pursuant to this Resolution to the extent necessary to pay the difference between total revenues available to the Agency for payment of interest and principal as they become due and interest and principal due and owing on the Bonds, or the Loan Agreements relating thereto."

Section 2. That Agreement entitled "An Agreement Between the County of Santa Cruz and the County of Santa Cruz Redevelopment Agency Relating to Reimbursement of Tax Allocation Subordinated to the County of Santa Cruz Redevelopment Agency Subordinate Tax Allocation Bonds, 2000 Taxable Series B (Live Oak/Soquel Community Improvement Project Area), which is attached as Exhibit 1 to this Resolution, is hereby approved and the County Administrative Officer or the Assistant County Administrative Officer are authorized and directed to execute said Agreement.

Section 3. Immediately after the adoption of this Resolution, the Clerk of the Board of Supervisors shall transmit a certified copy of this Resolution to the County of Santa Cruz Redevelopment Agency and to the Auditor-Controller and Tax Collector of the County of Santa Cruz.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California this 17th day of October, 2000, by the following vote:

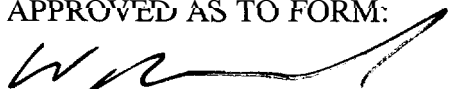
AYES: Supervisors:
NOES: Supervisors:
ABSENT: Supervisors:
ABSTAIN: Supervisors:

Chairperson of the Board of Supervisors

Attest:

Clerk of Said Board

APPROVED AS TO FORM:



Special Counsel

0297

Upon the motion of Supervisor _____ duly seconded by Supervisor _____ the following resolution is adopted:

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ APPROVING THE ISSUANCE OF THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY SUBORDINATE TAX ALLOCATION BONDS, 2000 SERIES A (LIVE OAK/SOQUEL COMMUNITY IMPROVEMENT PROJECT AREA)

WHEREAS, the County of Santa Cruz Redevelopment Agency (the "Agency") proposes to issue its Subordinate Tax Allocation Bonds, 2000 Series A (Live Oak/Soquel Community Improvement Project Area) (the "Bonds") in an aggregate principal amount of not to exceed \$35,000,000.00 (the "Bonds") for the purpose of providing funds to (i) pay the costs of redevelopment of the project (ii) to establish a reserve fund, and (iii) to pay the costs of issuance for the Bonds; and

WHEREAS, there has been presented to the Board of Supervisors of the County of Santa Cruz for approval the Indenture of Trust, dated as of October 1, 2000, by and between the Agency and BNY Western Trust Company (the "Indenture").

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The issuance of the Bonds by the Agency and the entering into of the Indenture by the Agency are hereby approved.

Section 2. The Chairperson, Clerk, County Administrative Officer, the Assistant County Administrative Officer, their designees, or other appropriate officers of the County are hereby authorized to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this resolution.

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 17th day of October, 2000, by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS

Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board

Approved as to form:



Bond Counsel

CERTIFICATION

State of California)
County of Santa Cruz) SS
City of Santa Cruz)

I, _____ Clerk of the Board of Supervisors of the County of Santa Cruz hereby certify that the attached copies of Resolution No. _____ are full, true and correct copies of that now on file in the records of Clerk of the Board of Supervisors.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of October, 2000.

Clerk of the Board of Supervisors of the County of Santa Cruz

0300

Upon the motion of Supervisor _____ duly seconded by Supervisor _____ the following resolution is adopted:

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ APPROVING THE ISSUANCE OF THE COUNTY OF SANTA CRUZ REDEVELOPMENT AGENCY SUBORDINATE TAX ALLOCATION BONDS, 2000 TAXABLE SERIES B (LIVE OAK/SOQUEL COMMUNITY IMPROVEMENT PROJECT AREA)

WHEREAS, the County of Santa Cruz Redevelopment Agency (the "Agency") proposes to issue its Subordinate Tax Allocation Bonds, 2000 Taxable Series B (Live Oak/Soquel Community Improvement Project Area) (the "Bonds") in an aggregate principal amount of not to exceed Ten Million Dollars (\$10,000,000.00) (the "Bonds") for the purpose of providing funds to (i) pay the costs of redevelopment of the project (ii) to establish a reserve fund, and (iii) to pay the costs of issuance for the Bonds; and

WHEREAS, there has been presented to the Board of Supervisors of the County of Santa Cruz for approval the Indenture of Trust, dated as of October 1, 2000, by and between the Agency and BNY Western Trust Company (the "Indenture").

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF SANTA CRUZ DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The issuance of the Bonds by the Agency and the entering into of the Indenture by the Agency are hereby approved.

Section 2. The Chairperson, Clerk, County Administrative Officer, the Assistant County Administrative Officer, their designees, or other appropriate officers of the County are hereby authorized to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this resolution.

53 :

PASSED AND ADOPTED by the Board of Supervisors of the County of Santa Cruz, State of California, this 17th day of October, 2000, by the following vote:

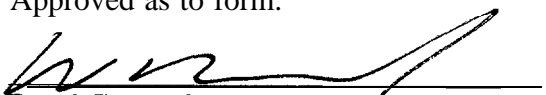
AYES: SUPERVISORS
NOES: SUPERVISORS
ABSENT: SUPERVISORS

Chairperson of the Board of Supervisors

ATTEST:

Clerk of the Board

Approved as to form:



Bond Counsel

CERTIFICATION

State of California)
County of Santa Cruz) SS
City of Santa Cruz)

I, _____ Clerk of the Board of Supervisors of the County of Santa Cruz, hereby certify that the attached copies of Resolution No. _____ are full, true and correct copies of that now on file in the records of Clerk of the Board of Supervisors.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of October, 2000.

Clerk of the Board of Supervisors of the County of Santa Cruz