

RESOLUTION NO. _____

A RESOLUTION OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE DISSOLVED REDEVELOPMENT AGENCY OF THE CITY OF RIVERSIDE, APPROVING THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENT TO INDENTURE OF TRUST, A THIRD SUPPLEMENT TO INDENTURE OF TRUST AND OTHER DOCUMENTS RELATING THERETO, REQUESTING OVERSIGHT BOARD APPROVAL OF THE ISSUANCE OF THE REFUNDING BONDS, REQUESTING CERTAIN DETERMINATIONS BY THE OVERSIGHT BOARD, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the Redevelopment Agency of the City of Riverside (the "Former Agency") was a public body, corporate and politic, duly established and authorized to transact business and exercise powers under and pursuant to the provisions of the Community Redevelopment Law of the State of California, constituting Part 1 of Division 24 of the Health and Safety Code of the State (as amended, the "Redevelopment Law");

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code, the Former Agency has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173 of the California Health and Safety Code, the City of Riverside has become the successor entity to the Agency (the "Successor Agency");

WHEREAS, prior to the dissolution of the Former Agency, the Former Agency issued, among other bonds, the bonds listed on Exhibit A for the purpose of financing and refinancing redevelopment activities (the "Prior Agency Bonds"), and the Prior Agency Bonds were purchased with proceeds of the bonds issued by the Riverside Public Financing Authority (the "Authority") listed on Exhibit B (the "Prior Authority Bonds") by U.S. Bank National Association, as trustee for the Prior Authority Bonds;

WHEREAS, Section 34177.5 of the California Health and Safety Code authorizes the Successor Agency to issue refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law") for the purpose of achieving debt service savings within the parameters set forth in Section 34177.5(a)(1) (the "Savings Parameters");

WHEREAS, to determine compliance with the Savings Parameters for purposes of the issuance by the Successor Agency of refunding bonds for the purpose of defeasing and redemption of all or a portion of the Prior Agency Bonds and causing defeasance and redemption of all or a portion of the Prior Authority Bonds, the Successor Agency has caused its municipal advisor, CSG Advisors Incorporated (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to defease and redeem all or a portion of the Prior Agency Bonds (the "Municipal Advisor Work Product");

WHEREAS, on the date hereof, this Successor Agency Board held a public hearing, following notice published in The Press-Enterprise at least 15 days prior to the date hereof, at which all interested persons were afforded the opportunity to be heard on the subject of the issuance of the Refunding Bonds;

WHEREAS, the Successor Agency wishes at this time to approve the issuance of the following bonds (the “Refunding Bonds”):

(a) Successor Agency to the Redevelopment Agency of the City of Riverside 2018 Tax Allocation Refunding Bonds, Series A (the “2018A Bonds”) and

(b) Successor Agency to the Redevelopment Agency of the City of Riverside 2018 Tax Allocation Refunding Bonds, Taxable Series B (the “2018B Bonds”; together with the 2018A Bonds, the “2018 Bonds”);

WHEREAS, the Successor Agency further wishes at this time to approve the form of and authorize the execution and delivery of the following supplements (together, the “2018 Supplements to Indenture”) to that certain Indenture of Trust, dated as of October 1, 2014 (the “Master Indenture”), by and between the Successor Agency and U.S. Bank National Association, as trustee (the “Trustee”), as previously supplemented by a First Supplement to Indenture of Trust, dated as of October 1, 2014 (the “First Supplement”; together with the Master Indenture, the “Existing Indenture”):

(a) Second Supplement to Indenture of Trust related to the 2018A Bonds and

(b) Third Supplement to Indenture of Trust related to the 2018B Bonds;

WHEREAS, as provided in the 2018 Supplements to Indenture, the 2018 Bonds will be payable from Tax Revenues (as defined in the Master Indenture) on a parity basis with the following outstanding bonds, which were issued by the Successor Agency pursuant to the Existing Indenture:

(a) \$61,250,000 aggregate principal amount of Successor Agency to the Redevelopment Agency of the City of Riverside 2014 Subordinate Tax Allocation Refunding Bonds, Series A and

(b) \$1,730,000 Successor Agency to the Redevelopment Agency of the City of Riverside 2014 Subordinate Tax Allocation Refunding Bonds, Taxable Series B;

WHEREAS, the Successor Agency further wishes at this time to approve the form of and authorize the execution and delivery of one or more Escrow Deposit and Trust Agreements, by and among the Successor Agency, the Authority and the trustee for the Prior Agency Bonds and the Prior Authority Bonds (collectively, the “Escrow Agreement”);

WHEREAS, pursuant to Section 34179 of the California Health and Safety Code, an oversight board (the “Oversight Board”) has been established for the Successor Agency;

WHEREAS, the Successor Agency wishes to request that the Oversight Board approve and direct the issuance of the Refunding Bonds pursuant to this Resolution and the Existing Indenture, as supplemented by the 2018 Supplements to Indenture;

WHEREAS, the Successor Agency further wishes to request that the Oversight Board make certain determinations described in paragraph 6 below on which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds;

WHEREAS, the Agency has determined to sell the Refunding Bonds to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”);

WHEREAS, pursuant to Government Code Section 5852.1, which became effective on January 1, 2018 by the enactment of Senate Bill 450, the following good faith estimates relating to the Refunding Bonds must be disclosed and made public, and such information is set forth in the staff report for this resolution on file with the City Clerk: (i) the true interest cost of the Refunding Bonds, (ii) the finance charge of the Refunding Bonds, which means the sum of all fees and charges paid to third parties, (iii) the amount of proceeds received by the Successor Agency for sale of the Refunding Bonds less the finance charge of the Refunding Bonds and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds and (iv) the total payment amount calculated to the final maturity of the Refunding Bonds, which means the sum total of all payments the Successor Agency will make to pay debt service on the Refunding Bonds plus the finance charge of the Refunding Bonds not paid with the proceeds of the Refunding Bonds; and

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its Disclosure Counsel (defined below), cause to be prepared a form of Official Statement describing the Refunding Bonds and containing material information relating to the Successor Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Underwriter to persons and institutions interested in purchasing the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside, as Successor Agency to the Redevelopment Agency of the City of Riverside, as follows:

1. Determination of Savings. The Successor Agency has determined that there are significant potential savings available to the Successor Agency and to applicable taxing entities in compliance with the Savings Parameters by the issuance by the Successor Agency of the Refunding Bonds to provide funds to defease and redeem all or a portion of the Prior Agency Bonds, all as evidenced by the Municipal Advisor Work Product on file with the City Clerk, as the secretary (the “Secretary”) of the Successor Agency, which Municipal Advisor Work Product is hereby approved.

2. Approval of Issuance of the Refunding Bonds. The Successor Agency hereby authorizes and approves the issuance of the Refunding Bonds under Section 34177.5(a)(1) and 34177.5(f) of the California Health and Safety Code and the Refunding Law in the aggregate principal amount of not to exceed \$135,000,000, provided that (i) the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery, and (ii) the Underwriter’s discount does not exceed 1.0%, not including original issue discount, if any.

3. Approval of 2018 Supplements to Indenture. The Successor Agency hereby approves the 2018 Supplements to Indenture prescribing the terms and provisions of the 2018 Bonds and the application of the proceeds of the 2018 Bonds. Each of the Mayor, as the Chair and presiding officer of the Successor Agency, the City Manager of the City of Riverside, as the chief administrative officer of the Successor Agency, the Finance Director of the City of Riverside, as the chief financial officer of the Successor Agency (each, an “Authorized Officer”) or a designee of an Authorized Officer, is hereby authorized and directed to execute and deliver,

and the Secretary of the Successor Agency, is hereby authorized and directed to attest to, the 2018 Supplements to Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the 2018 Supplements to Indenture. The Successor Agency hereby authorizes the delivery and performance of the 2018 Supplements to Indenture.

4. Approval of Escrow Agreement. The form of the Escrow Agreement on file with the Secretary is hereby approved and the Authorized Officers are, each acting alone hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to execute and deliver one or more Escrow Agreements to provide for the redemption and defeasance in whole or in part of the Prior Agency Bonds and the Prior Authority Bonds. The Successor Agency hereby authorizes the delivery and performance of its obligations under one or more Escrow Agreements.

5. Oversight Board Approval of the Issuance of the Bonds. The Successor Agency hereby requests that the Oversight Board, as authorized by Section 34177.5(f) and Section 34180 of the California Health and Safety Code, approve and direct the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1) and this Resolution and the Indenture.

6. Determinations by the Oversight Board. The Successor Agency requests that the Oversight Board make the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is directed to undertake the proposed refunding of the Prior Agency Bonds and is authorized, as provided in Section 34177.5(f) of the California Health and Safety Code, to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing the City for administrative staff time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of all or a portion of the Prior Agency Bonds, as well as the payment by the Successor Agency of costs of issuance of the Refunding Bonds, as provided in Section 34177.5(a)(1) of the California Health and Safety Code, shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, without the approval of the Oversight Board, the California Department of Finance, the Riverside County Auditor-Controller or any other person or entity other than the Successor Agency; and

(c) The Successor Agency shall be entitled to receive its full Administrative Cost Allowance under Section 34181(a)(3) of the California Health and Safety Code without any deductions with respect to continuing costs related to the Refunding Bonds, such as trustee's fees, auditing and fiscal consultant fees and continuing disclosure and rating agency costs (collectively, "Continuing Costs of Issuance"), and such Continuing Costs of Issuance shall be payable from property tax revenues pursuant to Section 34183 of the California Health and Safety Code. In addition and as provided by Section 34177.5(f) of the California Health and Safety Code, if the Successor Agency is unable to complete the issuance of the Refunding Bonds for any reason, the Successor Agency shall, nevertheless, be entitled to recover its costs incurred with respect to the refunding proceedings from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

7. Filing of Municipal Advisor Work Product and Resolution. The Secretary of the Successor Agency is hereby authorized and directed to file the Municipal Advisor Work Product, together with a certified copy of this Resolution, with the Oversight Board, and, as provided in Section 34180(j) of the California Health and Safety Code with the Riverside County Administrative Officer, the Riverside County Auditor-Controller and the California Department of Finance.

8. Sale of Refunding Bonds. The Successor Agency hereby approves the sale of the Refunding Bonds to the Underwriter pursuant to the Bond Purchase Agreement. The Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with the Secretary of the Successor Agency, with such changes therein, deletions therefrom and additions thereto as the Authorized Officer executing the same shall approve, such approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement. The Successor Agency hereby authorizes the delivery and performance of its obligations under the Bond Purchase Agreement.

9. Refunding of Prior Agency Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds to refund the Prior Agency Bonds in whole, provided that there is compliance with the Savings Parameters. If such Savings Parameters cannot be met with respect to the Prior Agency Bonds in whole, then the Refunding Bonds shall be sold to refund the Prior Agency Bonds in part to the extent that the refunding of the Prior Agency Bonds in part can satisfy the Savings Parameters. In the event the Refunding Bonds are issued to refund the Prior Agency Bonds in part, the Successor Agency intends to sell and deliver additional bonds to refund the unrefunded Prior Agency Bonds pursuant to a supplement to the Master Indenture without the prior approval of the Oversight Board provided that in each such instance the bonds so sold and delivered in part are in compliance with the Savings Parameters.

10. Approval of Municipal Advisor, Bond Counsel, Disclosure Counsel and Fiscal Consultant. The Successor Agency hereby approves the engagement of the Municipal Advisor, Jones Hall, A Professional Law Corporation, as bond counsel, Stradling, Yocca Carlson & Rauth, a Professional Corporation, as disclosure counsel, and DHA Consulting, LLC, as Fiscal Consultant, and approves and directs execution by an Authorized Officer or designee thereof and performance by the Successor Agency of professional services agreements with these firms.

11. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain one or more municipal bond insurance policies for the Refunding Bonds and reserve account surety bonds for the Refunding Bonds from a municipal bond insurance company if it is determined, upon consultation with the Municipal Advisor and the Underwriter, that such municipal bond insurance policy and/or surety bonds will reduce the true interest costs of the Refunding Bonds.

12. Approval of Official Statement. Following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of Disclosure Counsel, cause to be prepared a form of Official Statement describing the Refunding Bonds and containing material information relating to the Successor

Agency and the Refunding Bonds, the preliminary form of which will be submitted to the Successor Agency for approval for distribution by the Underwriter.

13. Official Actions. The Authorized Officers and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, which they, or any of them, may deem necessary or advisable in obtaining the requested approvals by the Oversight Board and the California Department of Finance and in the issuance, sale and delivery of the Refunding Bonds. Whenever in this Resolution any officer of the Successor Agency is directed to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated by such officer to act on his or her behalf in the case such officer is absent or unavailable.

14. Transmittal. Staff is hereby directed to transmit this Resolution to the Oversight Board for approval, and to the County of Riverside Executive Officer, the County Auditor-Controller and the Department of Finance.

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

ADOPTED by the City Council as the Successor Agency, this 8th day of May, 2018.

Mayor of the City of Riverside

EXHIBIT A

PRIOR AGENCY BONDS

\$9,620,000 Redevelopment Agency of the City of Riverside University Corridor/Sycamore Canyon Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series A-1 (the "2007 A-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the "2007A Indenture")

\$15,380,000 Redevelopment Agency of the City of Riverside University Corridor/Sycamore Canyon Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series A-2 (the "2007A-2 Bonds") pursuant to the 2007A Indenture

\$1,030,000 Redevelopment Agency of the City of Riverside Downtown/Airport Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series B-1 (the "2007 B-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the "2007B Indenture")

\$9,110,000 Redevelopment Agency of the City of Riverside Downtown/Airport Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series B-2 (the "2007B-2 Bonds") pursuant to the 2007B Indenture

\$7,310,000 Redevelopment Agency of the City of Riverside Casa Blanca Redevelopment Project Area 2007 Tax Allocation Bonds, Series C-1 (the "2007 C-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the "2007C Indenture")

\$5,740,000 Redevelopment Agency of the City of Riverside Casa Blanca Redevelopment Project Area 2007 Tax Allocation Bonds, Series C-2 (the "2007C-2 Bonds") pursuant to the 2007C Indenture

\$11,910,000 Redevelopment Agency of the City of Riverside Arlington Redevelopment Project Area 2007 Tax Allocation Bonds, Series D-1 (the "2007 D-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the "2007D Indenture")

\$7,140,000 Redevelopment Agency of the City of Riverside Arlington Redevelopment Project Area 2007 Tax Allocation Bonds, Series D-2 (the "2007D-2 Bonds") pursuant to the 2007D Indenture

\$23,500,000 Redevelopment Agency of the City of Riverside Hunter Park/Northside Redevelopment Project Area 2007 Tax Allocation Bonds, Series E-1 (the "2007 E-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the "2007E Indenture")

\$5,070,000 Redevelopment Agency of the City of Riverside Magnolia Center Redevelopment Project Area 2007 Tax Allocation Bonds, Series F-1 (the "2007 F-1 Bonds") pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank

National Association (the “2007F Indenture”)

\$12,375,000 Redevelopment Agency of the City of Riverside Magnolia Center Redevelopment Project Area 2007 Tax Allocation Bonds, Series F-2 (the “2007 F-2 Bonds”) pursuant to the 2007F Indenture

\$39,105,000 Redevelopment Agency of the City of Riverside La Sierra/Arlanza Redevelopment Project Area 2007 Tax Allocation Bonds, Series G-1 (the “2007 G-1 Bonds”) pursuant to an Indenture of Trust, dated as of April 1, 2007, by and between the Former Agency and U.S. Bank National Association (the “2007G Indenture”)

EXHIBIT B

PRIOR AUTHORITY BONDS

Name of Prior Authority Bonds	Taxable/Tax-Exempt	Related Prior Agency Bonds
\$8,340,000 Riverside Public Financing Authority 2007 Series A Tax Allocation Revenue Bonds (Downtown/Airport Merged Redevelopment Project and Casa Blanca Redevelopment Project) (Tax-Exempt)	Tax-Exempt	<ul style="list-style-type: none"> • Downtown/Airport Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series B-1. • Casa Blanca Redevelopment Project Area 2007 Tax Allocation Bonds, Series C-1.
\$14,850,000 Riverside Public Financing Authority 2007 Series B Tax Allocation Revenue Bonds (Downtown/Airport Merged Redevelopment Project and Casa Blanca Redevelopment Project) (Taxable)	Taxable	<ul style="list-style-type: none"> • Downtown/Airport Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series B-2. • Casa Blanca Redevelopment Project Area 2007 Tax Allocation Bonds, Series C-2.

<p>\$89,205,000 Riverside Public Financing Authority 2007 Series C Tax Allocation Revenue Bonds (University Corridor/Sycamore Canyon Merged Redevelopment Project, Arlington Redevelopment Project, Hunter Park/Northside Redevelopment Project, Magnolia Center Redevelopment Project and La Sierra/Arlanza Redevelopment Project) (Tax-Exempt)</p>	<p>Tax-exempt</p>	<ul style="list-style-type: none"> • University Corridor/Sycamore Canyon Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series A-1 • Arlington Redevelopment Project Area 2007 Tax Allocation Bonds, Series D-1 • Hunter Park/Northside Redevelopment Project Area 2007 Tax Allocation Bonds, Series E-1 • Magnolia Center Redevelopment Project Area 2007 Tax Allocation Bonds, Series F-1. • La Sierra/Arlanza Redevelopment Project Area 2007 Tax Allocation Bonds, Series G-1.
<p>\$43,875,000 Riverside Public Financing Authority 2007 Series D Tax Allocation Revenue Bonds (University Corridor/Sycamore Canyon Merged Redevelopment Project, Arlington Redevelopment Project, Hunter Park/Northside Redevelopment Project, Magnolia Center Redevelopment Project and La Sierra/Arlanza Redevelopment Project) (Taxable)</p>	<p>Taxable</p>	<ul style="list-style-type: none"> • University Corridor/Sycamore Canyon Merged Redevelopment Project Area 2007 Tax Allocation Bonds, Series A-2 • Arlington Redevelopment Project Area 2007 Tax Allocation Bonds, Series D-2. • Magnolia Center Redevelopment Project Area 2007 Tax Allocation Bonds, Series F-2.