1	BEFORE THE BOARD OF SUPERVISORS, COUNTY OF SAN BENITO
2	A RESOLUTION OF THE SAN BENITO COUNTY) Resolution No. 2019
3	BOARD OF SUPERVISORS SUBORDINATING SAN BENITO COUNTY'S INTEREST IN TAX REVENUES TO PROPOSED BONDED INDEBTEDNESS OF THE SUCCESSOR AGENCY OF THE REDEVELOPMENT AGENCY OF THE CITY OF HOLLISTER
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7 8	WHEREAS, the Redevelopment Agency of the City of Hollister (the "Former Agency" and the County of San Benito (the "County") entered into an Agreement (the "Agreement"), dated December 10, 1984, with respect to the sharing of tax increment revenues generated within the Hollister Community Development Project Area (the "Project Area"); and WHEREAS, Assembly Bill 26, enacted on June 29, 2011 ("ABx1-26"), amended the Community Redevelopment Law and added Part 1.85 to Division 24 of the Health and Safety; and
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13	WHEREAS, ABx1-26 ordered the dissolution of all California redevelopment agencies including the Former Agency, and the vesting of all authority, rights, powers, duties, and obligations of redevelopment agencies in successor agencies as therein defined; and
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15	WHEREAS, pursuant to ABx1-26, the City of Hollister (the "City") thereafter designate itself as the Successor Agency to the Redevelopment Agency of the City of Hollister (the "Successor Agency"); and
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	WHEREAS, Section 2 of the Agreement provides that the Former Agency, which is now succeeded by the Successor Agency, may request the County to subordinate its interest in the tax increment revenues payable to the County under the Agreement in order to allow the Former Agency or Successor Agency to pledge those tax increment revenues to, and secure payment of, bonded indebtedness of the Former Agency, which is now succeeded by the Successor Agency; and
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22	WHEREAS, for each of the several series of bonds previously issued by the Forme Agency or Successor Agency that are secured by tax revenues, the County has, pursuant to the Agreement, subordinated its interests in the tax revenues payable to the County unde section 2 of the Agreement to the payment of the bonds, including the Successor Agency's Series 2014 Bonds; and
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26	WHEREAS, the Successor Agency is proposing to issue a series of refunding bonds, being the Successor Agency's 2019 Subordinate Tax Allocation Refunding Bonds (the "Series 2019 Bonds"), which are secured by tax revenues, on a basis subordinate to the Series 2014 Bonds previously issued by the Successor Agency, in order to provide debt service savings that will accrue to the taxing entities via the refunding of the Series 2009 Bonds previously issued by the Former Agency; and
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WHEREAS, section 2 of the Agreement provides that, in the event of any tax revenues otherwise payable to the County under the Agreement are needed by Successor Agency in order to pay the Series 2019 Bonds or meet any reserve fund requirements related thereto, it shall be treated as an advance by this County and be repaid by the Successor Agency with interest and upon such other terms as are agreed upon by the parties at the time such tax revenues are first advanced by the County to the Successor Agency for such purpose; and

WHEREAS, accompanying the request by the Successor Agency is documentation of the Successor Agency's ability to pay the bonded indebtedness without demand anticipated to be made on the tax revenues payable to this County under the terms of the Agreement; and

WHEREAS, it is in the public interest that the Successor Agency issue the Series 2019 Bonds in order to provide debt service savings to accrue through the refunding of the existing Series 2009 Bonds.

NOW, THEREFORE, BE IT RESOLVED, that the San Benito County Board of Supervisors hereby finds, determines and orders as follows:

- 1. In order to provide debt service savings to accrue through the refunding of the Former Agency's Series 2009 Bonds, the Board of Supervisors of the County of San Benito hereby subordinates its interests to the tax revenues payable to this County under the Agreement to the pledge of those tax revenues to the Series 2019 Bonds to be secured by tax increment revenues; the Series 2019 Bonds being in an amount not to exceed \$6,000,000;
- 2. The subordination is approved with the understanding that any tax revenues otherwise payable to the County under the Agreement that are used by the Successor Agency to pay the bonded indebtedness, or meet the reserve fund requirements related thereto, shall be treated as an advance by the County and shall be repaid by the Successor Agency with interest and upon such other terms as are agreed upon by the parties as the time such tax revenues are first advanced by the County to the Successor Agency for such purpose, pursuant to section 2 of the Agreement; and
- 3. The Clerk of this Board is directed to transmit a certified copy of this Resolution to the Successor Agency.

1	PASSED AND ADOPTED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN BENITO THIS <u>25th</u> DAY OF JUNE, 2019 BY THE FOLLOWING VOTE:
2	Ayes: Supervisor(s):
3	Noes: Supervisor(s): Absent: Supervisor(s):
4	Absent: Supervisor(s): Abstain: Supervisor(s)
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6	By: Mark Medina, Chair
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8	ATTEST: APPROVED AS TO LEGAL FORM: Janet Slibsager, Clerk of the Board San Benito County Counsel's Office
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10	By: By: Shirley L. Murphy, Deputy County Counsel Date: Date: Date: Date: Date: Date:
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