

**RESOLUTION NUMBER RDA 292**

**RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF PERRIS AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT RELATED TO BONDS TO BE ISSUED BY THE PERRIS PUBLIC FINANCING AUTHORITY TO FINANCE HOUSING ACTIVITIES OF BENEFIT TO THE REDEVELOPMENT PROJECT-1987, THE REDEVELOPMENT PROJECT 1994 AND THE CENTRAL PERRIS AND NORTH PERRIS REDEVELOPMENT PROJECTS AND TAKING CERTAIN ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, the Redevelopment Agency of the City of Perris (the “Agency”) is authorized pursuant to the Community Redevelopment Law, being Part 1 of Division 24 (commencing with Section 33000) of the Health and Safety Code of the State of California (the “Law”) to issue its tax allocation bonds or loans for the purpose of financing housing activities of benefit to the Redevelopment Project-1994, the Redevelopment Project-1987 and the Central Perris and North Perris Redevelopment Project (collectively, the “Redevelopment Projects”); and

**WHEREAS**, in connection with its Redevelopment Projects, the Agency has previously cooperated with the Perris Public Financing Authority (the “Authority”) in connection with the issuance of the Perris Public Financing Authority Tax Allocation Revenue Bonds, 2001 Series A in the initial principal amount of \$10,745,000 (the “2001 Bonds”), a portion of the proceeds of which were used for the purpose of funding a loan to the Agency under that certain Housing Fund Loan Agreement, dated as of June 1, 2001, by and between the Authority and the Agency related to the Low and Moderate Income Housing Fund for the Redevelopment Projects (the “2001 Loan”); and

**WHEREAS**, in connection with its Redevelopment Projects, the Agency has previously cooperated with the Perris Public Financing Authority (the “Authority”) in connection with the issuance of the Perris Public Financing Authority 2006 Tax Allocation Revenue Bonds in the initial principal amount of \$31,005,000 (the “2006 Bonds”), a portion of the proceeds of which were used for the purpose of funding a loan to the Agency under that certain Housing Fund Loan Agreement, dated as of May 1, 2006, by and between the Authority and the Agency (the “2006 Loan”); and

**WHEREAS**, the 2006 Loan is secured on a subordinate basis to the 2001 Loan by certain housing-set-aside revenues; and

**WHEREAS**, in order to finance additional housing activities and public improvements associated therewith of benefit to the Redevelopment Projects and the City, the Agency has requested that the Authority make a loan to the Agency on a parity basis with its obligations under the 2006 Loan and subordinate to the 2001 Loan, pursuant to the Housing Fund Loan Agreement (the “Loan Agreement”), between the Agency and the Authority in an aggregate principal amount not to exceed \$8,000,000 (the “Housing Loan”); and

**WHEREAS**, in order to finance the Housing Loan, the Authority is determined to issue not to exceed \$8,000,000 aggregate principal amount of Perris Public Financing Authority Tax allocation Revenue Bonds (Housing Loan), 2010 Series A (the "2010 Bonds") pursuant to the terms of the Indenture of Trust, by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"); and

**WHEREAS**, a portion of the proceeds of the 2010 Bonds will be used to make the Housing Loan to the Agency; and

**WHEREAS**, the Authority proposes to sell the 2010 Bonds to O'Connor & Company Securities, as purchaser of the 2010 Bonds (the "Underwriter"), all on the terms and conditions provided in the form of Purchase Contract, by and among the Agency, the Authority and the Underwriter (the "Purchase Contract"), the form of which is on file with the Secretary; and

**WHEREAS**, the Agency and the Authority, with the assistance of Rod Gunn Associates, Inc. (the "Financing Consultant"), and Fulbright & Jaworski L.L.P., Disclosure Counsel, has caused to be prepared an Official Statement describing the 2010 Bonds, the preliminary form of which is on file with the Secretary (the "Official Statement"); and

**WHEREAS**, the Agency will enter into a continuing disclosure agreement with Willdan Financial Services and the Trustee (the "Continuing Disclosure Agreement") for the purpose of assisting the Underwriter in complying with Rule 15c2-12 of the Securities Exchange Act of 1934; and

**WHEREAS**, the Agency, with the aid of its staff has reviewed the Housing Loan, the Purchase Contract, the Indenture, the Continuing Disclosure Agreement and the Official Statement and the Agency wishes at this time to approve the foregoing in the public interests of the Agency; and

**WHEREAS**, the Agency approves of the Housing Loan and the issuance of the 2010 Bonds by the Authority to provide proceeds to make the Housing Loan to finance housing projects, and has found that significant public benefits will occur as a result of the financing, including but not limited to demonstrable savings in effective interest rate, bond preparation, bond underwriting and financing costs, employment benefits from undertaking the projects and providing affordable housing to employees of the Redevelopment Projects, user charge reductions and efficient delivery of local services associated with the projects; and

**WHEREAS**, the Fiscal Consultant's Report prepared by HdL Coren & Cone to be attached as an exhibit to the Official Statement and on file with the City Clerk demonstrates that there will be funds available to pay debt service on the 2010 Bonds and any outstanding indebtedness;

**NOW, THEREFORE, BE IT RESOLVED** by the Redevelopment Agency of the City of Perris, as follows:

**Section 1. Recitals.** The above Recitals are true and correct and incorporated herein by reference. The Agency hereby finds that the financing is required and feasible and that

sufficient funds will be available to repay the Housing Loan and the 2010 Bonds associated therewith, together with any other outstanding indebtedness of the Agency related to the Low and Moderate Income Housing Fund of the Redevelopment Projects.

***Section 2.***     Issuance of Housing Loan; Approval of Housing Loan Agreement.

The Agency hereby authorizes the entering into of the Housing Loan under and pursuant to the Law and the Loan Agreement in the aggregate principal amount of not to exceed \$8,000,000. The Agency hereby approves the Loan Agreement in substantially the form thereof on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Chair, Executive Director or Treasurer, including, without limitation, the addition to the Loan Agreement of the final interest rates payable with respect to the Housing Loan and the final principal amount and annual maturities of the Housing Loan, the execution thereof to be deemed conclusive evidence of the Agency's approval of such additions or changes. The Chair, Executive Director or Treasurer of the Agency is hereby authorized and directed to execute the Loan Agreement, and the Secretary, Assistant or any Deputy Secretary (the "Secretary") of the Agency is authorized to attest to the Loan Agreement for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Loan Agreement.

***Section 3.***     Sale of the 2010 Bonds.

The Agency hereby authorizes the sale of the 2010 Bonds to the Underwriter pursuant to and in accordance with the Purchase Contract in substantially the form on file with the Secretary together with any additions thereto or changes therein approved by the Chair, Executive Director or Treasurer of the Agency. The Agency hereby delegates to the Executive Director or the Treasurer (or his written designee) the authority to accept an offer from the Underwriter to purchase the 2010 Bonds from the Authority and to execute the Purchase Contract for and in the name and on behalf of the Agency; provided, however, that the true interest cost with respect to the 2010 Bonds shall not exceed six and one-half percent (6.5%) per annum, and the Underwriter's discount for the purchase of the 2010 Bonds shall not exceed one and one-half percent (1.5%) of the par amount thereof, excluding any original issue discount on the 2010 Bonds.

***Section 4.***     Approval of the Continuing Disclosure Agreement.

The Agency hereby approves the Continuing Disclosure Agreement in substantially the form thereof on file with the Secretary together with any additions thereto or changes therein deemed necessary or advisable by the Chair, Executive Director or Treasurer of the Agency, the execution thereof to be deemed conclusive evidence of the Agency's approval of such additions and changes. The Chair, Executive Director or Treasurer is hereby authorized and directed to execute the Continuing Disclosure Agreement for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Continuing Disclosure Agreement.

***Section 5.***     Approval of the Preliminary Official Statement.

The form of the Preliminary Official Statement relating to the 2010 Bonds (the "Preliminary Official Statement"), on file with the Secretary, is approved for distribution by the Underwriter to municipal bond broker-dealers, to banking institutions and to members of the general public who may be interested in purchasing the 2010 Bonds. The Chair, Executive Director or Treasurer of the Agency is authorized to approve changes in the Preliminary Official Statement, from time to

time, pending such distribution as shall be required to cause the Preliminary Official Statement to contain any further information necessary to accurately describe the 2010 Bonds and the Agency. With respect to the distribution of the Preliminary Official Statement, the Chair, Executive Director or Treasurer of the Agency is authorized and directed, on behalf of the Agency, if required, to deem the Preliminary Official Statement “final” pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”).

**Section 6.** Approval of Official Statement. The Official Statement, which shall include such changes and additions thereto deemed advisable by the Executive Director or Treasurer of the Agency and such information permitted to be excluded from the Preliminary Official Statement pursuant to the Rule, is hereby approved for delivery to the purchasers of the 2010 Bonds, and the Executive Director or Treasurer of the Agency, is authorized and directed to execute and deliver such documents or certificates as may be requested to effect the distribution thereof.

**Section 7.** Official Action. The Chair, the Vice-Chair, the Executive Director, the Agency Treasurer and the Secretary and any and all other officers of the Agency are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, tax-certifications, requisitions, including, without limitation, requisitions for the payment of costs of issuance of the 2010 Bonds and the Housing Loan, including, without limitation, agreements providing for investment of proceeds of the aforementioned bonds or loans, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the Housing Loan and the issuance, sale and delivery of the 2010 Bonds. Any officer of the Agency herein authorized or directed to take any action may designate another officer of the Agency to take such action on his or her behalf, such designation to be approved or ratified in writing with respect to the taking of the applicable action.

**Section 8.** Effective Date. This Resolution shall take effect from and after its passage and adoption.

**ADOPTED, SIGNED** and **APPROVED** this 30th day of March, 2010.

---

Chairman, Daryl R. Busch

ATTEST:

---

Judy L. Haughney, C.M.C., Agency Secretary

STATE OF CALIFORNIA            )  
COUNTY OF RIVERSIDE        ) §  
CITY OF PERRIS                 )

I, Judy L. Haughney, SECRETARY OF THE REDEVELOPMENT AGENCY OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number RDA 292 was duly and regularly adopted by the Redevelopment Agency of the City of Perris at a regular meeting held on the 30th day of March, 2010, by the following called vote:

AYES:            COUNCILMEMBERS:       Landers, Yarbrough, Evans, Rogers, Busch  
NOES:            COUNCILMEMBERS:       None  
ABSENT:         COUNCILMEMBERS:       None  
ABSTAIN:        COUNCILMEMBERS:       None  
:

---

Judy L. Haughney, C.M.C., Agency Secretary