



# City of Woodland

City Hall  
300 First Street  
Woodland, CA 95695

## Meeting Agenda

## Oversight Board

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Thursday, June 8, 2017

8:30 AM

Council Chambers

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### SPECIAL MEETING

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. COMMUNICATIONS - PUBLIC COMMENT

This is an opportunity for the public to speak to the Board on any item other than those listed for public hearing on this agenda. Speakers are requested to use the microphone in front of the Board and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Chair may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.

- E. COMMUNICATIONS - OVERSIGHT BOARD/STAFF STATEMENTS AND REQUESTS

- F. REPORTS

- 1. [17-0509](#) SUBJECT: Refunding of the 2007 Tax Allocation Bonds

Recommendation for Action: Staff recommends that the Oversight Board approve Resolution No. \_\_\_\_\_, Directing the Successor Agency to Refund Bonds of the Redevelopment Agency.

**Attachments:** [Woodland Oversight Board Resolution](#)

[Successor Agency to the Woodland Redevelopment Agency 2017 Tax Allocatio](#)

- G. ADJOURN

*I declare under penalty of perjury that the foregoing Agenda for the Special Meeting of the Oversight Board of the City of Woodland scheduled for June 8, 2017 was posted on June 5, 2017 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.*

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*Ana B. Gonzalez, City Clerk*

## Legislation Details (With Text)

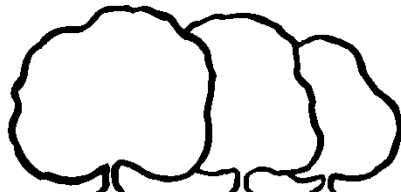
**File #:** 17-0509      **Version:** 1      **Name:**  
**Type:** Staff Report      **Status:** Agenda Ready  
**File created:** 6/5/2017      **In control:** Oversight Board  
**On agenda:** 6/8/2017      **Final action:**  
**Title:** SUBJECT: Refunding of the 2007 Tax Allocation Bonds

Recommendation for Action: Staff recommends that the Oversight Board approve Resolution No. \_\_\_\_\_, Directing the Successor Agency to Refund Bonds of the Redevelopment Agency.

**Sponsors:****Indexes:****Code sections:**

**Attachments:** [Woodland Oversight Board Resolution](#)  
[Successor Agency to the Woodland Redevelopment Agency 2017 Tax Allocation Refunding Bonds](#)

Date	Ver.	Action By	Action	Result
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City of Woodland

**STAFF REPORT**

**SUBJECT:** Refunding of the 2007 Tax Allocation Bonds

**Recommendation for Action:** Staff recommends that the Oversight Board approve Resolution No. \_\_\_\_\_, Directing the Successor Agency to Refund Bonds of the Redevelopment Agency.

**Background**

In 2007, the Redevelopment Agency of the City of Woodland (RDA) issued \$8,975,000 in Tax Allocation Bonds. Conditions in the municipal market are favorable to the completion of a refunding on the remaining bonds.

**Discussion**

Brandis Tallman, a bond underwrite involved in the original issuance of the 2007 Bonds, provided staff with an analysis that identifies the potential savings from refunding the 2007 Bonds at today's interest rates. Staff discussed and reviewed the option of pursuing a refunding via a public offering or a private placement. Based on the review, the net present value savings between the two options is not significant, and the timeline and predictability of a private placement option was determined to be the preferred option for refunding.

For purposes of the analysis, a total interest cost of 4.139% is assumed and all costs to issue the bonds are included in the calculation of savings.

Total issuance amount:	\$6,362,000
Total savings:	\$761,641
Net Present Value Savings:	\$488,863
Net Present Value % Savings:	6.98% of the refunded bonds
Term:	10.145 years (one year shorter than remaining bonds)
Annual savings:	\$20,000 to \$40,000

Based on these assumptions, the NPV savings would amount to \$488,863. These savings would be used to address ongoing obligations for the Successor Agency that cannot be met with current financial resources. When these other obligations are paid off, the savings realized from the refunding would become available for distribution to the various taxing entities.

To pursue the opportunity to refund the bonds, the City has convened a finance team consisting of Del Rio Advisors, LLC (Financial Advisor to the City), Brandis Tallman (Bond Underwriter), Kronick Moskowitz Tiedemann & Girard (Bond Counsel) and Fraser and Associates (Fiscal Consultant).

Pursuant to Health & Safety Code Sections 34177.5(f) and 34180, further Successor Agency and state Department of Finance (DOF) approvals will be required to authorize the refunding of the bonds. Staff anticipates requesting the approval of bond documents from the Successor Agency on June 20 and sending the information to DOF shortly thereafter to seek approval. DOF approval can take up to two months, and assuming the approval of DOF, the refunding would be complete in September.

### **Fiscal Impact**

Based on current assumptions, net present value savings would be \$488,863, with annual savings ranging from \$20,000 to \$40,000. These savings would allow the Successor Agency to meet other recognized financial obligations not currently being paid.

### **Recommendation for Action**

Staff recommends that the Oversight Board approve Resolution No. \_\_\_\_\_, Directing the Successor Agency to Refund Bonds of the Redevelopment Agency.

Prepared by: Kim McKinney  
Finance Officer

Paul Navazio, City Manager

Attachments: Resolution  
Debt Service Analysis

**RESOLUTION NO. \_\_\_\_\_ - OB**

**A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WOODLAND REDEVELOPMENT AGENCY DIRECTING THE SUCCESSOR AGENCY TO REFUND BONDS OF THE WOODLAND REDEVELOPMENT AGENCY**

**WHEREAS**, pursuant to California Health and Safety Code section 34172 (d), the Successor Agency to the former Woodland Redevelopment Agency (“RDA Successor Agency”) is the successor agency to the dissolved Woodland Redevelopment Agency (“Redevelopment Agency”);

**WHEREAS**, the Oversight Board is the RDA Successor Agency’s Oversight Board pursuant to California Health and Safety Code section 34179;

**WHEREAS**; prior to its dissolution, the Redevelopment Agency issued its Redevelopment Agency of the City of Woodland, Woodland Redevelopment Project Tax Allocation Bonds, Series 2007A and Series 2007B (Federally Taxable) in the aggregate principal amount of \$8,975,000 (the “Prior Bonds”), for the purpose of financing and refinancing redevelopment activities;

**WHEREAS**, the Prior Bonds have an outstanding principal amount of \$7,005,000;

**WHEREAS**, Del Rio Advisors, LLC, has prepared an analysis, dated March 23, 2017, of the potential savings that will accrue to the RDA Successor Agency and to applicable taxing entities as a result of such refunding (the “Debt Service Savings Analysis”), a copy of which is included as Exhibit “A” to this resolution;

**WHEREAS**, Section 34177.5(f) authorizes the Oversight Board to direct the RDA Successor Agency to commence a bond refunding transaction, so long as the RDA Successor Agency is able to recover its related costs in connection with the transaction; and

**WHEREAS**, the Debt Service Savings Analysis has been presented to the Oversight Board for its evaluation at this meeting;

**NOW, THEREFORE, THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED WOODLAND REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:**

**Section 1. Determination of Savings.** The Oversight Board has determined that there are significant potential savings available to the RDA Successor Agency and to applicable taxing entities by refunding the Prior Bonds, as evidenced by the Debt Service Savings Analysis.

**Section 2. Filing of Debt Service Savings Analysis.** The Secretary to the RDA Successor Agency is hereby authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution of the Oversight Board, as provided in Sections 34179(h) and 34180(j) with the Yolo County Administrative Officer and Auditor-Controller and the State Department of Finance.

**Section 3. Direction to Undertake Refunding.** The Oversight Board hereby directs the RDA Successor Agency to undertake the refunding of the Prior Bonds.

**Section 4. Preparation for Proceedings.** The Oversight Board further directs the RDA Successor Agency to cause the preparation of appropriate documentation for the issuance of bonds to refund the Prior Bonds and to submit such documentation to the Oversight Board for approval in accordance with the provisions of Section 34177.5 and 34180.

**Section 5. Appointments.** The RDA Successor Agency is hereby authorized to appoint Del Rio Advisors, LLC, as financial advisor, Brandis Tallman LLC as placement agent, Kronick Moskowitz Tiedemann & Girard as bond counsel, and Fraser and Associates as fiscal consultant to act on behalf of the RDA Successor Agency in the preparation of the bond refunding transaction.

**Section 6. Additional Authorizations.** The Oversight Board further authorizes its staff and the RDA Successor Agency to take such other actions as they deem necessary or convenient to expedite the process of review of the refunding transaction by the California Department of Finance.

**PASSED, APPROVED, AND ADOPTED** on \_\_\_\_\_, 2017, by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

\_\_\_\_\_  
Angel Barajas, Oversight Board Chair

ATTEST:

\_\_\_\_\_  
Ana B. Gonzalez, Oversight Board Secretary

Sources and Uses of Funds  
Successor Agency to the Woodland Redevelopment Agency  
2017 Tax Allocation Refunding Bonds (Private Placement)

Sources:

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Bond Proceeds:		
	Par Amount	6,362,000.00
Other Sources of Funds:		
	12-1-17 Debt Service Contribution	420,582.50
	Prior Reserve Fund	483,126.00
		<hr/>
		903,708.50
		<hr/>
		7,265,708.50
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Uses:

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Refunding Escrow Deposits:		
	Cash Deposit	0.18
	SLGS Purchases	7,147,899.00
		<hr/>
		7,147,899.18
Delivery Date Expenses:		
	Cost of Issuance	116,954.30
Other Uses of Funds:		
	Additional Proceeds	855.02
		<hr/>
		7,265,708.50
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Escrow Requirements  
Successor Agency to the Woodland Redevelopment Agency  
2017 Tax Allocation Refunding Bonds (Private Placement)

Period Ending	Principal	Interest	Principal Redeemed	Total
12/1/2017	255,000.00	165,582.50	6,750,000.00	7,170,582.50
	255,000.00	165,582.50	6,750,000.00	7,170,582.50

Cost of Issuance  
Successor Agency to the Woodland Redevelopment Agency  
2017 Tax Allocation Refunding Bonds (Private Placement)

<u>Cost of Issuance</u>	<u>Amount</u>
Bond Counsel	35,000.00
Placement Agent	27,500.00
Municipal Advisor	27,500.00
Fiscal Consultant	15,000.00
Escrow Agent/COI Custodian	3,500.00
Verification	2,500.00
CDIAC	954.30
Miscellaneous	5,000.00
	<u>116,954.30</u>

Bond Summary Statistics

Successor Agency to the Woodland Redevelopment Agency  
 2017 Tax Allocation Refunding Bonds (Private Placement)

Dated Date	7/11/2017
Delivery Date	7/11/2017
Last Maturity	12/1/2033
Arbitrage Yield	3.896699%
True Interest Cost (TIC)	3.896699%
Net Interest Cost (NIC)	3.900000%
All-In TIC	4.139028%
Average Coupon	3.900000%
Weighted Average Maturity (years)	9.605
Par Amount	6,362,000.00
Bond Proceeds	6,362,000.00
Total Interest	2,383,079.83
Net Interest	2,383,079.83
Total Debt Service	8,745,079.83
Maximum Annual Debt Service	550,919.00
Average Annual Debt Service	533,598.09

Underwriter's Fees (per \$1000)  
 Average Takedown  
 Other Fee

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 Total Underwriter's Discount

Bid Price 100.000000

Bond Component	Par Value	Price	Average Coupon	Average Life
Bond Component	6,362,000.00	100.000	3.900%	9.605
	6,362,000.00			9.605

	TIC	All-In TIC	Arbitrage Yield
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Par Value	6,362,000.00	6,362,000.00	6,362,000.00
+ Accrued Interest			
+ Premium (Discount)			
- Underwriter's Discount			
- Cost of Issuance Expense		(116,954.30)	
- Other Amounts			
Target Value	6,362,000.00	6,245,045.70	6,362,000.00
Target Date	7/11/2017	7/11/2017	7/11/2017
Yield	3.896699%	4.139028%	3.896699%

Prior Bond Debt Service  
 Successor Agency to the Woodland Redevelopment Agency  
 2017 Tax Allocation Refunding Bonds (Private Placement)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/1/2017	255,000	4.375%	165,582.50	420,582.50	420,582.50
6/1/2018			160,004.38	160,004.38	
12/1/2018	265,000	4.375%	160,004.38	425,004.38	585,008.75
6/1/2019			154,207.50	154,207.50	
12/1/2019	280,000	4.500%	154,207.50	434,207.50	588,415.00
6/1/2020			147,907.50	147,907.50	
12/1/2020	290,000	4.600%	147,907.50	437,907.50	585,815.00
6/1/2021			141,237.50	141,237.50	
12/1/2021	305,000	4.600%	141,237.50	446,237.50	587,475.00
6/1/2022			134,222.50	134,222.50	
12/1/2022	320,000	4.600%	134,222.50	454,222.50	588,445.00
6/1/2023			126,862.50	126,862.50	
12/1/2023	335,000	4.625%	126,862.50	461,862.50	588,725.00
6/1/2024			119,115.63	119,115.63	
12/1/2024	350,000	4.650%	119,115.63	469,115.63	588,231.25
6/1/2025			110,978.13	110,978.13	
12/1/2025	370,000	4.750%	110,978.13	480,978.13	591,956.25
6/1/2026			102,190.63	102,190.63	
12/1/2026	385,000	4.750%	102,190.63	487,190.63	589,381.25
6/1/2027			93,046.88	93,046.88	
12/1/2027	405,000	4.750%	93,046.88	498,046.88	591,093.75
6/1/2028			83,428.13	83,428.13	
12/1/2028	425,000	4.750%	83,428.13	508,428.13	591,856.25
6/1/2029			73,334.38	73,334.38	
12/1/2029	445,000	4.750%	73,334.38	518,334.38	591,668.75
6/1/2030			62,765.63	62,765.63	
12/1/2030	465,000	4.875%	62,765.63	527,765.63	590,531.25
6/1/2031			51,431.25	51,431.25	
12/1/2031	490,000	4.875%	51,431.25	541,431.25	592,862.50
6/1/2032			39,487.50	39,487.50	
12/1/2032	515,000	4.875%	39,487.50	554,487.50	593,975.00
6/1/2033			26,934.38	26,934.38	
12/1/2033	540,000	4.875%	26,934.38	566,934.38	593,868.75
6/1/2034			13,771.88	13,771.88	
12/1/2034	565,000	4.875%	13,771.88	578,771.88	592,543.75
	7,005,000		3,447,435.00	10,452,435.00	10,452,435.00

Bond Debt Service  
 Successor Agency to the Woodland Redevelopment Agency  
 2017 Tax Allocation Refunding Bonds (Private Placement)  
 Dated Date 7/11/2017

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
6/1/2018	99,000	3.900%	220,549.33	319,549.33	
12/1/2018	100,000	3.900%	122,128.50	222,128.50	541,677.83
6/1/2019	154,000	3.900%	120,178.50	274,178.50	
12/1/2019	154,000	3.900%	117,175.50	271,175.50	545,354.00
6/1/2020	158,000	3.900%	114,172.50	272,172.50	
12/1/2020	159,000	3.900%	111,091.50	270,091.50	542,264.00
6/1/2021	165,000	3.900%	107,991.00	272,991.00	
12/1/2021	166,000	3.900%	104,773.50	270,773.50	543,764.50
6/1/2022	173,000	3.900%	101,536.50	274,536.50	
12/1/2022	173,000	3.900%	98,163.00	271,163.00	545,699.50
6/1/2023	179,000	3.900%	94,789.50	273,789.50	
12/1/2023	180,000	3.900%	91,299.00	271,299.00	545,088.50
6/1/2024	187,000	3.900%	87,789.00	274,789.00	
12/1/2024	186,000	3.900%	84,142.50	270,142.50	544,931.50
6/1/2025	195,000	3.900%	80,515.50	275,515.50	
12/1/2025	196,000	3.900%	76,713.00	272,713.00	548,228.50
6/1/2026	202,000	3.900%	72,891.00	274,891.00	
12/1/2026	202,000	3.900%	68,952.00	270,952.00	545,843.00
6/1/2027	211,000	3.900%	65,013.00	276,013.00	
12/1/2027	211,000	3.900%	60,898.50	271,898.50	547,911.50
6/1/2028	219,000	3.900%	56,784.00	275,784.00	
12/1/2028	220,000	3.900%	52,513.50	272,513.50	548,297.50
6/1/2029	228,000	3.900%	48,223.50	276,223.50	
12/1/2029	228,000	3.900%	43,777.50	271,777.50	548,001.00
6/1/2030	236,000	3.900%	39,331.50	275,331.50	
12/1/2030	237,000	3.900%	34,729.50	271,729.50	547,061.00
6/1/2031	247,000	3.900%	30,108.00	277,108.00	
12/1/2031	247,000	3.900%	25,291.50	272,291.50	549,399.50
6/1/2032	258,000	3.900%	20,475.00	278,475.00	
12/1/2032	257,000	3.900%	15,444.00	272,444.00	550,919.00
6/1/2033	268,000	3.900%	10,432.50	278,432.50	
12/1/2033	267,000	3.900%	5,206.50	272,206.50	550,639.00
	6,362,000		2,383,079.83	8,745,079.83	8,745,079.83

Savings  
 Successor Agency to the Woodland Redevelopment Agency  
 2017 Tax Allocation Refunding Bonds (Private Placement)

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Savings	Annual Savings	Present Value to 07/11/2017 @ 3.8966991%
12/1/2017	420,582.50	421,521.91	(939.41)		(939.41)	(939.41)	(925.42)
6/1/2018	160,004.38	1,207.82	158,796.56	319,549.33	(160,752.78)		(155,331.79)
12/1/2018	425,004.38	1,207.82	423,796.56	222,128.50	201,668.06	40,915.28	191,143.17
6/1/2019	154,207.50	1,207.82	152,999.68	274,178.50	(121,178.82)		(112,659.60)
12/1/2019	434,207.50	1,207.82	432,999.68	271,175.50	161,824.18	40,645.36	147,572.25
6/1/2020	147,907.50	1,207.82	146,699.68	272,172.50	(125,472.82)		(112,235.63)
12/1/2020	437,907.50	1,207.82	436,699.68	270,091.50	166,608.18	41,135.36	146,183.11
6/1/2021	141,237.50	1,207.82	140,029.68	272,991.00	(132,961.32)		(114,431.61)
12/1/2021	446,237.50	1,207.82	445,029.68	270,773.50	174,256.18	41,294.86	147,105.42
6/1/2022	134,222.50	1,207.82	133,014.68	274,536.50	(141,521.82)		(117,188.14)
12/1/2022	454,222.50	1,207.82	453,014.68	271,163.00	181,851.68	40,329.86	147,705.75
6/1/2023	126,862.50	1,207.82	125,654.68	273,789.50	(148,134.82)		(118,020.39)
12/1/2023	461,862.50	1,207.82	460,654.68	271,299.00	189,355.68	41,220.86	147,978.29
6/1/2024	119,115.63	1,207.82	117,907.81	274,789.00	(156,881.20)		(120,257.00)
12/1/2024	469,115.63	1,207.82	467,907.81	270,142.50	197,765.31	40,884.11	148,699.46
6/1/2025	110,978.13	1,207.82	109,770.31	275,515.50	(165,745.20)		(122,241.88)
12/1/2025	480,978.13	1,207.82	479,770.31	272,713.00	207,057.31	41,312.11	149,792.28
6/1/2026	102,190.63	1,207.82	100,982.81	274,891.00	(173,908.20)		(123,406.70)
12/1/2026	487,190.63	1,207.82	485,982.81	270,952.00	215,030.81	41,122.61	149,671.52
6/1/2027	93,046.88	1,207.82	91,839.06	276,013.00	(184,173.95)		(125,743.77)
12/1/2027	498,046.88	1,207.82	496,839.06	271,898.50	224,940.56	40,766.61	150,641.92
6/1/2028	83,428.13	1,207.82	82,220.31	275,784.00	(193,563.70)		(127,151.59)
12/1/2028	508,428.13	1,207.82	507,220.31	272,513.50	234,706.81	41,143.11	151,231.88
6/1/2029	73,334.38	1,207.82	72,126.56	276,223.50	(204,096.95)		(128,995.33)
12/1/2029	518,334.38	1,207.82	517,126.56	271,777.50	245,349.06	41,252.11	152,104.36
6/1/2030	62,765.63	1,207.82	61,557.81	275,331.50	(213,773.70)		(129,996.41)
12/1/2030	527,765.63	1,207.82	526,557.81	271,729.50	254,828.31	41,054.61	152,000.34
6/1/2031	51,431.25	1,207.82	50,223.43	277,108.00	(226,884.57)		(132,746.06)
12/1/2031	541,431.25	1,207.82	540,223.43	272,291.50	267,931.93	41,047.36	153,766.23
6/1/2032	39,487.50	1,207.82	38,279.68	278,475.00	(240,195.32)		(135,213.74)
12/1/2032	554,487.50	1,207.82	553,279.68	272,444.00	280,835.68	40,640.36	155,070.21
6/1/2033	26,934.38	1,207.82	25,726.56	278,432.50	(252,705.95)		(136,870.97)
12/1/2033	566,934.38	1,207.82	565,726.56	272,206.50	293,520.06	40,814.11	155,938.54
6/1/2034	13,771.88	1,207.82	12,564.06		12,564.06		6,547.35
12/1/2034	578,771.88	484,333.82	94,438.06		94,438.06	107,002.11	48,272.78
	10,452,435.00	945,713.79	9,506,721.21	8,745,079.83	761,641.38	761,641.38	488,008.83

Savings Summary

PV of savings from cash flow	488,008.83
Plus: Refunding funds on hand	855.02
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Net PV Savings	488,863.85

Summary of Refunding Results  
Successor Agency to the Woodland Redevelopment Agency  
2017 Tax Allocation Refunding Bonds (Private Placement)

Dated Date	7/11/2017
Delivery Date	7/11/2017
Arbitrage yield	3.896699%
Escrow yield	0.816393%
Value of Negative Arbitrage	84,129.92
Bond Par Amount	6,362,000.00
True Interest Cost	3.896699%
Net Interest Cost	3.900000%
All-In TIC	4.139028%
Average Coupon	3.900000%
Average Life	9.605
Weighted Average Maturity	9.605
Par amount of refunded bonds	7,005,000.00
Average coupon of refunded bonds	4.799379%
Average life of refunded bonds	10.145
Remaining weighted average maturity of refunded bonds	10.145
PV of prior debt to 07/11/2017 @ 3.896699%	7,541,586.36
Net PV Savings	488,863.85
Percentage savings of refunded bonds	6.978784%
Percentage savings of refunding bonds	7.684122%

Summary of Bonds Refunded  
 Successor Agency to the Woodland Redevelopment Agency  
 2017 Tax Allocation Refunding Bonds (Private Placement)

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
2007 TABS (ACTUAL), 2007TABS:					
BOND	12/1/2017	4.375%	255,000.00		
	12/1/2018	4.375%	265,000.00	12/1/2017	100.000
	12/1/2019	4.500%	280,000.00	12/1/2017	100.000
	12/1/2020	4.600%	290,000.00	12/1/2017	100.000
	12/1/2021	4.600%	305,000.00	12/1/2017	100.000
	12/1/2022	4.600%	320,000.00	12/1/2017	100.000
	12/1/2023	4.625%	335,000.00	12/1/2017	100.000
	12/1/2024	4.650%	350,000.00	12/1/2017	100.000
BOND02	12/1/2029	4.750%	2,030,000.00	12/1/2017	100.000
BOND03	12/1/2034	4.875%	2,575,000.00	12/1/2017	100.000
			7,005,000.00		