

RESOLUTION NO. 50

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS, MAKING CERTAIN DETERMINATIONS WITH RESPECT TO THE REFUNDING BONDS AND PROVIDING OTHER MATTERS RELATING THERETO

WHEREAS, the Milpitas Redevelopment Agency (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 (the "Law");

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Former Agency has been dissolved and no longer exists, and pursuant to Section 34173, the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, pursuant to Section 34179, this Oversight Board has been established for the Successor Agency;

WHEREAS, the Oversight Board is informed by the Successor Agency that, prior to dissolution of the Former Agency, the Former Agency issued its Milpitas Redevelopment Agency Redevelopment Project Area No. 1, 2003 Tax Allocation Bonds (the "2003 Bonds"), in the initial principal amount of \$200,000,000, for the purpose of refinancing and financing redevelopment activities of the Former Agency;

WHEREAS, Section 34177.5 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 its Successor Agency to the Former Milpitas Redevelopment Agency Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the "Refunding Bonds"), the Successor Agency has caused its financial advisor, Fieldman, Rolapp & Associates, Inc. (the "Financial 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 refund the 2003 Bonds (the "Debt Service Savings Analysis");

WHEREAS, the Successor Agency will consider adopting, on December 2, 2014, a resolution (the "Successor Agency Resolution") approving the issuance of the Refunding Bonds pursuant to Section 34177.5(a)(1);

WHEREAS, the Successor Agency has provided the final version of the Successor Agency Resolution to the Oversight Board;

WHEREAS, in the Successor Agency Resolution, the Successor Agency will approve the issuance of the Refunding Bonds and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and U.S. Bank National Association, as trustee, providing for the issuance of the Refunding Bonds (the "Indenture");

WHEREAS, the Successor Agency proposes to sell the Refunding Bonds to one or more municipal underwriting firms to be selected by the Successor Agency, as set forth in the Successor Agency Resolution (collectively, the "Original Purchaser"), pursuant to the terms of the Bond Purchase Agreement (the "Purchase Agreement") to be entered into by the Successor Agency and the Original Purchaser;

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, Jones Hall, A Professional Law Corporation, the Financial Advisor, and its fiscal consultant, Fraser & Associates, cause to be prepared a form of Official Statement for the Refunding Bonds 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 Original Purchaser, as underwriter of the Refunding Bonds, to persons and institutions interested in purchasing the Refunding Bonds; and

WHEREAS, this Oversight Board has completed its review of the refunding proceedings and the Debt Service Savings Analysis and wishes at this time to give its approval to the foregoing;

NOW THEREFORE, THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Determination of Savings. This Oversight Board 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 refund and defease the 2003 Bonds, all as evidenced by the Debt Service Savings Analysis, attached hereto as Exhibit A, which Debt Service Savings Analysis is hereby approved.

Section 3. Direction and Approval of Issuance of the Bonds. As authorized by Section 34177.5(f), the Oversight Board hereby directs the Successor Agency to undertake the refunding proceedings, and as authorized by Section 34177.5(f) and Section 34180, this Oversight Board hereby directs and approves the issuance by the Successor Agency of the Refunding Bonds pursuant to Section 34177.5(a)(1) and under other applicable provisions of the Law and the Refunding Law and as provided in the Successor Agency Resolution (attached hereto as Exhibit B) and the Indenture in the aggregate principal amount of not to exceed \$150,000,000, provided that the principal and interest payable with respect to the Refunding Bonds complies in all respects with the requirements of the Savings Parameters with respect thereto, as shall be certified to by the Financial Advisor upon delivery of the Refunding Bonds or any part thereof.

In connection with the sale and issuance of the Refunding Bonds, the Successor Agency is authorized to purchase a municipal bond insurance policy or a reserve account surety bond for the Refunding Bonds if the Successor Agency determines that the purchase of either or both reduces the true interest cost of the Refunding Bonds thereby increasing the savings obtained through the issuance of the Refunding Bonds and the refunding of the 2003 Bonds.

Section 4. Sale and Delivery of Refunding Bonds in Whole or in Part. The Oversight Board hereby approves the sale and delivery of the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, if such Savings Parameters cannot be met with respect to the whole of the Refunding Bonds, then the Oversight Board approves the sale and delivery of the Refunding Bonds from time to time in part. In the event the Refunding Bonds are initially sold in part, the Successor Agency is hereby authorized to sell and deliver additional parts of the Refunding Bonds without the prior approval of this Oversight Board provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

Section 5. Determinations by the Oversight Board. Based upon the full record before it, which includes but is not limited to staff reports, testimony, and other materials and evidence provided, the Oversight Board makes the following determinations upon which the Successor Agency shall rely in undertaking the refunding proceedings and the issuance of the Refunding Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f), to recover its costs related to the issuance of the Refunding Bonds from the proceeds of the Refunding Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the Refunding Bonds, as set forth in Oversight Board Resolution No. 48, approved November 3, 2014;

(b) The application of proceeds of the Refunding Bonds by the Successor Agency to the refunding and defeasance of the 2003 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), shall be implemented by the Successor Agency promptly upon sale and delivery of the Refunding Bonds, notwithstanding Section 34177.3 or any other provision of law to the contrary, without the approval of the Oversight Board, the California Department of Finance, the Santa Clara 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) 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. In addition and as provided by Section 34177.5(f), if the Successor Agency is unable to complete the issuance of any 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 with respect to the Refunding Bonds from such property tax revenues pursuant to Section 34183 without reduction in its Administrative Cost Allowance.

that: (a) the Successor Agency has made, and will continue to make, diligent efforts to assure that the lowest long-term cost financing is obtained with the Refunding Bonds; (b) the Refunding Bonds will not provide for any bullets or spikes and shall not use variable rates of interest; and (c) the Successor Agency has made, and will continue to make, use of an independent financial advisor in issuing the Refunding Bonds.

Section 7. Effective Date. Pursuant to Health and Safety Code Section 34177(f) and Section 34179(h), this Resolution shall be effective five (5) business days after proper notification hereof is given to the California Department of Finance unless the California Department of Finance requests a review of the actions taken in this Resolution, in which case this Resolution will be effective upon approval by the California Department of Finance.

PASSED AND ADOPTED this 2nd day of December, 2014, by the following vote:

AYES: Karlen, Knopf, McInerney, Medina, Mendizabal, Reliford, Williams

NOES:

ABSENT:

ABSTAIN:

ATTEST:



Barbara Crump
Oversight Board Secretary

APPROVED:



Maribel S. Medina
Oversight Board Chair

EXHIBIT A
DEBT SERVICE SAVINGS ANALYSIS REPORT
SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY

Bond Refunding Financing Plan

Refunding of Milpitas RDA 2003 TABs	
Insurance and Reserve Surety	
Refunding Bond Amount	\$131,065,000
Refunded Par Amount	\$145,990,000
Final Maturity	9/1/2032
Average Coupon of Refunding Bonds	4.96%
True Interest Cost	3.06%
Net Present Value Savings	\$18,287,847
Present Value Savings	12.53%
Nominal Savings	\$23,429,286
Average Annual Savings	\$1,301,627

SOURCES AND USES OF FUNDS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Dated Date 03/25/2015
 Delivery Date 03/25/2015

Sources:

Bond Proceeds:	
Par Amount	131,065,000.00
Premium	18,639,076.35
	<u>149,704,076.35</u>

Uses:

Refunding Escrow Deposits:	
Cash Deposit	146,574,962.93
Excess Transferred Proceeds Penalty	<u>1,285,887.99</u>
	147,860,850.92

Delivery Date Expenses:	
Cost of Issuance	350,000.00
Underwriter's Discount	655,325.00
Reserve Surety @ 180 bps	221,575.50
Bond Insurance at 58 bps	<u>613,260.15</u>
	1,840,160.65

Other Uses of Funds:	
Additional Proceeds	3,064.78
	<u>149,704,076.35</u>

Notes:

Assumes Successor Agency to the Emeryville Redevelopment Agency 'A+' insured scale as of 7-24-14
 Assumes a conditional call notice mailed to bondholders day after pricing and a 4-week closing period
 Assumes all maturities 2024-2032 are insured. For uninsured maturities 2022-2023, assumes Emeryville SA yields in 2022-23 plus 10 basis points
 Assumes Costs of Issuance of \$350,000
 Assumes Underwriter's Discount of \$5/Bond
 Reserve surety assumes 1.80% of Reserve Requirement
 Assumes bond insurance costs at 58 basis points of total debt service

SUMMARY OF REFUNDING RESULTS

MILPITAS REDEVELOPMENT AGENCY
Current Refunding of the 2003 Tax Allocation Bonds
Current Underlying Rating of 'A/A+'

Dated Date	03/25/2015
Delivery Date	03/25/2015
Arbitrage yield	2.767620%
Escrow yield	
Value of Negative Arbitrage	-1,285,887.99
Bond Par Amount	131,065,000.00
True Interest Cost	3.061767%
Net Interest Cost	3.363668%
Average Coupon	4.961315%
Average Life	8.588
Par amount of refunded bonds	145,990,000.00
Average coupon of refunded bonds	4.934623%
Average life of refunded bonds	8.865
PV of prior debt to 03/25/2015 @ 2.767620%	170,459,398.64
Net PV Savings	18,287,846.97
Percentage savings of refunded bonds	12.526781%
Percentage savings of refunding bonds	13.953265%

SUMMARY OF BONDS REFUNDED

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Redevelopment Project Area No. 1 2003 Tax Allocation Bonds, 2003TABS:					
SERIAL	09/01/2015	5.000%	6,425,000.00	03/30/2015	100.000
	09/01/2016	5.000%	6,745,000.00	03/30/2015	100.000
	09/01/2017	5.250%	7,080,000.00	03/30/2015	100.000
	09/01/2018	5.250%	7,455,000.00	03/30/2015	100.000
	09/01/2019	5.125%	7,845,000.00	03/30/2015	100.000
	09/01/2020	5.000%	8,245,000.00	03/30/2015	100.000
	09/01/2021	5.250%	8,660,000.00	03/30/2015	100.000
	09/01/2022	5.000%	9,115,000.00	03/30/2015	100.000
	09/01/2023	4.800%	9,570,000.00	03/30/2015	100.000
	09/01/2024	4.625%	10,030,000.00	03/30/2015	100.000
TERM27	09/01/2027	4.900%	33,045,000.00	03/30/2015	100.000
TERM32	09/01/2032	4.950%	31,775,000.00	03/30/2015	100.000
			145,990,000.00		

SAVINGS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 03/25/2015 @ 2.7676199%
09/01/2015	10,055,804.38	10,055,688.33	116.04	114.67
09/01/2016	13,685,358.75	12,307,150.00	1,378,208.75	1,331,274.05
09/01/2017	13,683,108.75	12,307,700.00	1,375,408.75	1,291,605.04
09/01/2018	13,686,408.75	12,307,500.00	1,378,908.75	1,259,069.67
09/01/2019	13,685,021.25	12,309,250.00	1,375,771.25	1,221,830.57
09/01/2020	13,682,965.00	12,304,000.00	1,378,965.00	1,191,175.89
09/01/2021	13,685,715.00	12,306,250.00	1,379,465.00	1,159,070.52
09/01/2022	13,686,065.00	12,309,750.00	1,376,315.00	1,124,721.55
09/01/2023	13,685,315.00	12,308,500.00	1,376,815.00	1,094,380.30
09/01/2024	13,685,955.00	12,306,750.00	1,379,205.00	1,066,406.03
09/01/2025	13,687,067.50	12,308,500.00	1,378,567.50	1,036,959.67
09/01/2026	13,682,812.50	12,302,500.00	1,380,312.50	1,009,926.59
09/01/2027	13,683,567.50	12,308,000.00	1,375,567.50	978,978.47
09/01/2028	8,827,862.50	7,448,250.00	1,379,612.50	955,036.55
09/01/2029	8,828,740.00	7,450,250.00	1,378,490.00	928,150.68
09/01/2030	8,826,797.50	7,446,750.00	1,380,047.50	903,763.64
09/01/2031	4,791,292.50	3,412,250.00	1,379,042.50	878,374.28
09/01/2032	4,790,967.50	3,412,500.00	1,378,467.50	853,944.03
	210,340,824.38	186,911,538.33	23,429,286.04	18,284,782.19

Savings Summary

PV of savings from cash flow	18,284,782.19
Plus: Refunding funds on hand	3,064.78
Net PV Savings	18,287,846.97

SAVINGS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 03/25/2015 @ 2.7676199%
09/01/2015	10,055,804.38	10,055,688.33	116.04	116.04	114.67
03/01/2016	3,470,179.38	2,996,075.00	474,104.38		462,096.38
09/01/2016	10,215,179.38	9,311,075.00	904,104.38	1,378,208.75	869,177.67
03/01/2017	3,301,554.38	2,901,350.00	400,204.38		379,492.52
09/01/2017	10,381,554.38	9,406,350.00	975,204.38	1,375,408.75	912,112.52
03/01/2018	3,115,704.38	2,771,250.00	344,454.38		317,772.18
09/01/2018	10,570,704.38	9,536,250.00	1,034,454.38	1,378,908.75	941,297.49
03/01/2019	2,920,010.63	2,602,125.00	317,885.63		285,310.56
09/01/2019	10,765,010.63	9,707,125.00	1,057,885.63	1,375,771.25	936,520.01
03/01/2020	2,718,982.50	2,424,500.00	294,482.50		257,139.76
09/01/2020	10,963,982.50	9,879,500.00	1,084,482.50	1,378,965.00	934,036.13
03/01/2021	2,512,857.50	2,238,125.00	274,732.50		233,390.17
09/01/2021	11,172,857.50	10,068,125.00	1,104,732.50	1,379,465.00	925,680.35
03/01/2022	2,285,532.50	2,042,375.00	243,157.50		200,966.18
09/01/2022	11,400,532.50	10,267,375.00	1,133,157.50	1,376,315.00	923,755.37
03/01/2023	2,057,657.50	1,836,750.00	220,907.50		177,626.82
09/01/2023	11,627,657.50	10,471,750.00	1,155,907.50	1,376,815.00	916,753.47
03/01/2024	1,827,977.50	1,620,875.00	207,102.50		162,011.64
09/01/2024	11,857,977.50	10,685,875.00	1,172,102.50	1,379,205.00	904,394.39
03/01/2025	1,596,033.75	1,394,250.00	201,783.75		153,571.23
09/01/2025	12,091,033.75	10,914,250.00	1,176,783.75	1,378,567.50	883,388.45
03/01/2026	1,338,906.25	1,156,250.00	182,656.25		135,244.93
09/01/2026	12,343,906.25	11,146,250.00	1,197,656.25	1,380,312.50	874,681.66
03/01/2027	1,069,283.75	906,500.00	162,783.75		117,262.80
09/01/2027	12,614,283.75	11,401,500.00	1,212,783.75	1,375,567.50	861,715.67
03/01/2028	786,431.25	644,125.00	142,306.25		99,732.34
09/01/2028	8,041,431.25	6,804,125.00	1,237,306.25	1,379,612.50	855,304.22
03/01/2029	606,870.00	490,125.00	116,745.00		79,600.00
09/01/2029	8,221,870.00	6,960,125.00	1,261,745.00	1,378,490.00	848,550.67
03/01/2030	418,398.75	328,375.00	90,023.75		59,716.55
09/01/2030	8,408,398.75	7,118,375.00	1,290,023.75	1,380,047.50	844,047.10
03/01/2031	220,646.25	158,625.00	62,021.25		40,025.88
09/01/2031	4,570,646.25	3,253,625.00	1,317,021.25	1,379,042.50	838,348.40
03/01/2032	112,983.75	81,250.00	31,733.75		19,924.37
09/01/2032	4,677,983.75	3,331,250.00	1,346,733.75	1,378,467.50	834,019.66
	210,340,824.38	186,911,538.33	23,429,286.04	23,429,286.04	18,284,782.19

Savings Summary

PV of savings from cash flow	18,284,782.19
Plus: Refunding funds on hand	3,064.78
Net PV Savings	18,287,846.97

SAVINGS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 03/25/2015 @ 2.7676199%
09/01/2015	10,055,804.38	10,055,688.33	116.04	116.04	114.67
03/01/2016	3,470,179.38	2,996,075.00	474,104.38		462,096.38
09/01/2016	10,215,179.38	9,311,075.00	904,104.38	1,378,208.75	869,177.67
03/01/2017	3,301,554.38	2,901,350.00	400,204.38		379,492.52
09/01/2017	10,381,554.38	9,406,350.00	975,204.38	1,375,408.75	912,112.52
03/01/2018	3,115,704.38	2,771,250.00	344,454.38		317,772.18
09/01/2018	10,570,704.38	9,536,250.00	1,034,454.38	1,378,908.75	941,297.49
03/01/2019	2,920,010.63	2,602,125.00	317,885.63		285,310.56
09/01/2019	10,765,010.63	9,707,125.00	1,057,885.63	1,375,771.25	936,520.01
03/01/2020	2,718,982.50	2,424,500.00	294,482.50		257,139.76
09/01/2020	10,963,982.50	9,879,500.00	1,084,482.50	1,378,965.00	934,036.13
03/01/2021	2,512,857.50	2,238,125.00	274,732.50		233,390.17
09/01/2021	11,172,857.50	10,068,125.00	1,104,732.50	1,379,465.00	925,680.35
03/01/2022	2,285,532.50	2,042,375.00	243,157.50		200,966.18
09/01/2022	11,400,532.50	10,267,375.00	1,133,157.50	1,376,315.00	923,755.37
03/01/2023	2,057,657.50	1,836,750.00	220,907.50		177,626.82
09/01/2023	11,627,657.50	10,471,750.00	1,155,907.50	1,376,815.00	916,753.47
03/01/2024	1,827,977.50	1,620,875.00	207,102.50		162,011.64
09/01/2024	11,857,977.50	10,685,875.00	1,172,102.50	1,379,205.00	904,394.39
03/01/2025	1,596,033.75	1,394,250.00	201,783.75		153,571.23
09/01/2025	12,091,033.75	10,914,250.00	1,176,783.75	1,378,567.50	883,388.45
03/01/2026	1,338,906.25	1,156,250.00	182,656.25		135,244.93
09/01/2026	12,343,906.25	11,146,250.00	1,197,656.25	1,380,312.50	874,681.66
03/01/2027	1,069,283.75	906,500.00	162,783.75		117,262.80
09/01/2027	12,614,283.75	11,401,500.00	1,212,783.75	1,375,567.50	861,715.67
03/01/2028	786,431.25	644,125.00	142,306.25		99,732.34
09/01/2028	8,041,431.25	6,804,125.00	1,237,306.25	1,379,612.50	855,304.22
03/01/2029	606,870.00	490,125.00	116,745.00		79,600.00
09/01/2029	8,221,870.00	6,960,125.00	1,261,745.00	1,378,490.00	848,550.67
03/01/2030	418,398.75	328,375.00	90,023.75		59,716.55
09/01/2030	8,408,398.75	7,118,375.00	1,290,023.75	1,380,047.50	844,047.10
03/01/2031	220,646.25	158,625.00	62,021.25		40,025.88
09/01/2031	4,570,646.25	3,253,625.00	1,317,021.25	1,379,042.50	838,348.40
03/01/2032	112,983.75	81,250.00	31,733.75		19,924.37
09/01/2032	4,677,983.75	3,331,250.00	1,346,733.75	1,378,467.50	834,019.66
	210,340,824.38	186,911,538.33	23,429,286.04	23,429,286.04	18,284,782.19

Savings Summary

PV of savings from cash flow	18,284,782.19
Plus: Refunding funds on hand	3,064.78
Net PV Savings	18,287,846.97

BOND SUMMARY STATISTICS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 Current Underlying Rating of 'A/A+'

Dated Date	03/25/2015
Delivery Date	03/25/2015
Last Maturity	09/01/2032
Arbitrage Yield	2.767620%
True Interest Cost (TIC)	3.061767%
Net Interest Cost (NIC)	3.363668%
All-In TIC	3.175659%
Average Coupon	4.961315%
Average Life (years)	8.588
Duration of Issue (years)	7.129
Par Amount	131,065,000.00
Bond Proceeds	149,704,076.35
Total Interest	55,846,538.33
Net Interest	37,862,786.98
Total Debt Service	186,911,538.33
Maximum Annual Debt Service	12,309,750.00
Average Annual Debt Service	10,721,503.15
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	113.721246

Bond Component	Par Value	Price	Average Coupon	Average Life
Uninsured Serial Bonds	66,230,000.00	112.827	4.858%	4.645
Insured Serial Bonds	64,835,000.00	115.646	5.000%	12.616
	131,065,000.00			8.588

	TIC	All-In TIC	Arbitrage Yield
Par Value	131,065,000.00	131,065,000.00	131,065,000.00
+ Accrued Interest			
+ Premium (Discount)	18,639,076.35	18,639,076.35	18,639,076.35
- Underwriter's Discount	-655,325.00	-655,325.00	
- Cost of Issuance Expense		-350,000.00	
- Other Amounts		-834,835.65	-834,835.65
Target Value	149,048,751.35	147,863,915.70	148,869,240.70
Target Date	03/25/2015	03/25/2015	03/25/2015
Yield	3.061767%	3.175659%	2.767620%

BOND PRICING

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity
Uninsured Serial Bonds:						
	09/01/2015	7,395,000	2.000%	0.190%	100.783	
	09/01/2016	6,315,000	3.000%	0.460%	103.624	
	09/01/2017	6,505,000	4.000%	0.700%	107.947	
	09/01/2018	6,765,000	5.000%	1.050%	113.285	
	09/01/2019	7,105,000	5.000%	1.430%	115.281	
	09/01/2020	7,455,000	5.000%	1.760%	116.717	
	09/01/2021	7,830,000	5.000%	2.050%	117.693	
	09/01/2022	8,225,000	5.000%	2.360%	117.900	
	09/01/2023	8,635,000	5.000%	2.540%	118.567	
		<u>66,230,000</u>				
Insured Serial Bonds:						
	09/01/2024	9,065,000	5.000%	2.620%	119.776	
	09/01/2025	9,520,000	5.000%	2.820%	117.944 C	2.985%
	09/01/2026	9,990,000	5.000%	2.970%	116.592 C	3.251%
	09/01/2027	10,495,000	5.000%	3.150%	114.994 C	3.502%
	09/01/2028	6,160,000	5.000%	3.230%	114.292 C	3.645%
	09/01/2029	6,470,000	5.000%	3.310%	113.595 C	3.770%
	09/01/2030	6,790,000	5.000%	3.360%	113.162 C	3.860%
	09/01/2031	3,095,000	5.000%	3.420%	112.645 C	3.947%
	09/01/2032	3,250,000	5.000%	3.580%	111.280 C	4.089%
		<u>64,835,000</u>				
		131,065,000				

Dated Date	03/25/2015	
Delivery Date	03/25/2015	
First Coupon	09/01/2015	
Par Amount	131,065,000.00	
Premium	18,639,076.35	
Production	149,704,076.35	114.221246%
Underwriter's Discount	-655,325.00	-0.500000%
Purchase Price	149,048,751.35	113.721246%
Accrued Interest		
Net Proceeds	149,048,751.35	

BOND DEBT SERVICE

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Period Ending	Principal	Coupon	Interest	Debt Service
09/01/2015	7,395,000	2.000%	2,660,688.33	10,055,688.33
09/01/2016	6,315,000	3.000%	5,992,150.00	12,307,150.00
09/01/2017	6,505,000	4.000%	5,802,700.00	12,307,700.00
09/01/2018	6,765,000	5.000%	5,542,500.00	12,307,500.00
09/01/2019	7,105,000	5.000%	5,204,250.00	12,309,250.00
09/01/2020	7,455,000	5.000%	4,849,000.00	12,304,000.00
09/01/2021	7,830,000	5.000%	4,476,250.00	12,306,250.00
09/01/2022	8,225,000	5.000%	4,084,750.00	12,309,750.00
09/01/2023	8,635,000	5.000%	3,673,500.00	12,308,500.00
09/01/2024	9,065,000	5.000%	3,241,750.00	12,306,750.00
09/01/2025	9,520,000	5.000%	2,788,500.00	12,308,500.00
09/01/2026	9,990,000	5.000%	2,312,500.00	12,302,500.00
09/01/2027	10,495,000	5.000%	1,813,000.00	12,308,000.00
09/01/2028	6,160,000	5.000%	1,288,250.00	7,448,250.00
09/01/2029	6,470,000	5.000%	980,250.00	7,450,250.00
09/01/2030	6,790,000	5.000%	656,750.00	7,446,750.00
09/01/2031	3,095,000	5.000%	317,250.00	3,412,250.00
09/01/2032	3,250,000	5.000%	162,500.00	3,412,500.00
	131,065,000		55,846,538.33	186,911,538.33

BOND DEBT SERVICE

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015	7,395,000	2.000%	2,660,688.33	10,055,688.33	10,055,688.33
03/01/2016			2,996,075.00	2,996,075.00	
09/01/2016	6,315,000	3.000%	2,996,075.00	9,311,075.00	12,307,150.00
03/01/2017			2,901,350.00	2,901,350.00	
09/01/2017	6,505,000	4.000%	2,901,350.00	9,406,350.00	12,307,700.00
03/01/2018			2,771,250.00	2,771,250.00	
09/01/2018	6,765,000	5.000%	2,771,250.00	9,536,250.00	12,307,500.00
03/01/2019			2,602,125.00	2,602,125.00	
09/01/2019	7,105,000	5.000%	2,602,125.00	9,707,125.00	12,309,250.00
03/01/2020			2,424,500.00	2,424,500.00	
09/01/2020	7,455,000	5.000%	2,424,500.00	9,879,500.00	12,304,000.00
03/01/2021			2,238,125.00	2,238,125.00	
09/01/2021	7,830,000	5.000%	2,238,125.00	10,068,125.00	12,306,250.00
03/01/2022			2,042,375.00	2,042,375.00	
09/01/2022	8,225,000	5.000%	2,042,375.00	10,267,375.00	12,309,750.00
03/01/2023			1,836,750.00	1,836,750.00	
09/01/2023	8,635,000	5.000%	1,836,750.00	10,471,750.00	12,308,500.00
03/01/2024			1,620,875.00	1,620,875.00	
09/01/2024	9,065,000	5.000%	1,620,875.00	10,685,875.00	12,306,750.00
03/01/2025			1,394,250.00	1,394,250.00	
09/01/2025	9,520,000	5.000%	1,394,250.00	10,914,250.00	12,308,500.00
03/01/2026			1,156,250.00	1,156,250.00	
09/01/2026	9,990,000	5.000%	1,156,250.00	11,146,250.00	12,302,500.00
03/01/2027			906,500.00	906,500.00	
09/01/2027	10,495,000	5.000%	906,500.00	11,401,500.00	12,308,000.00
03/01/2028			644,125.00	644,125.00	
09/01/2028	6,160,000	5.000%	644,125.00	6,804,125.00	7,448,250.00
03/01/2029			490,125.00	490,125.00	
09/01/2029	6,470,000	5.000%	490,125.00	6,960,125.00	7,450,250.00
03/01/2030			328,375.00	328,375.00	
09/01/2030	6,790,000	5.000%	328,375.00	7,118,375.00	7,446,750.00
03/01/2031			158,625.00	158,625.00	
09/01/2031	3,095,000	5.000%	158,625.00	3,253,625.00	3,412,250.00
03/01/2032			81,250.00	81,250.00	
09/01/2032	3,250,000	5.000%	81,250.00	3,331,250.00	3,412,500.00
	131,065,000		55,846,538.33	186,911,538.33	186,911,538.33

ESCROW REQUIREMENTS

MILPITAS REDEVELOPMENT AGENCY
Current Refunding of the 2003 Tax Allocation Bonds
***Current Underlying Rating of 'A/A+' ***

Period Ending	Interest	Principal Redeemed	Total
03/30/2015	584,962.93	145,990,000.00	146,574,962.93
	584,962.93	145,990,000.00	146,574,962.93

ESCROW COST

MILPITAS REDEVELOPMENT AGENCY
Current Refunding of the 2003 Tax Allocation Bonds
***Current Underlying Rating of 'A/A+' ***

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
03/25/2015		146,574,962.93	146,574,962.93
	0	146,574,962.93	146,574,962.93

ESCROW SUFFICIENCY

MILPITAS REDEVELOPMENT AGENCY
Current Refunding of the 2003 Tax Allocation Bonds
Current Underlying Rating of 'A/A+'

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
03/25/2015		146,574,962.93	146,574,962.93	146,574,962.93
03/30/2015	146,574,962.93		-146,574,962.93	0.00
	146,574,962.93	146,574,962.93	0.00	

ESCROW STATISTICS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Global Proceeds Escrow:						
146,574,962.93				147,804,905.68	-1,285,887.99	55,945.24
146,574,962.93				147,804,905.68	-1,285,887.99	55,945.24

Delivery date 03/25/2015
 Arbitrage yield 2.767620%

TRANSFERRED PROCEEDS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Prior Bonds (PRIOR)

Date	Prior Principal Paid by Bond Proceeds	Prior Principal Value	Transfer Factor	Adjusted Difference	PV of Diff. to 03/25/2015 @ 2.767620%
03/30/2015	145,834,866.14	145,834,866.14	100.000000%	1,286,378.98	-1,285,887.99
	145,834,866.14				-1,285,887.99

TRANSFERRED PROCEEDS PRINCIPAL DEFEASANCE

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Prior Bonds (PRIOR)

Date	Escrow Requirement	Prior Principal Defeasance	Paid by Bond Proceeds
03/30/2015	146,574,962.93	145,834,866.14	145,834,866.14
	146,574,962.93	145,834,866.14	145,834,866.14

TRANSFERRED ESCROWS

MILPITAS REDEVELOPMENT AGENCY
 Current Refunding of the 2003 Tax Allocation Bonds
 ***Current Underlying Rating of 'A/A+' ***

Prior Bonds (PRIOR) - Refund Escrow (REF)

Date	Prior Escrow Receipts Subject to Transfer	PV of Prior Escrow @ Escrow Yield of 4.401990%	PV of Prior Escrow @ Refund Yield of 2.767620%	Difference	Transfer Factor	Cumulative Transfer Factor	Percent of Escrow to Transfer	Adjusted Difference
03/30/2015		15,789,317.75	17,075,696.72	1,286,378.98	100.000000%	100.000000%	100.000000%	1,286,378.98
07/15/2015	31,107.00							
01/15/2016	1,751,817.00							
07/15/2016	26,457.00							
01/15/2017	1,842,078.00							
07/15/2017	22,374.00							
01/15/2018	1,932,913.00							
07/15/2018	17,937.00							
01/15/2019	2,033,379.00							
07/15/2019	14,003.00							
01/15/2020	2,139,356.00							
07/15/2020	10,578.00							
01/15/2021	2,255,849.00							
07/15/2021	7,650.00							
01/15/2022	2,372,849.00							
07/15/2022	5,098.00							
01/15/2023	2,500,233.00							
07/15/2023	2,626.00							
01/15/2024	2,637,695.00							
	19,603,999.00							

EXHIBIT B

RESOLUTION NO. 2015-_____

A RESOLUTION OF THE BOARD OF THE SUCCESSOR AGENCY TO THE FORMER MILPITAS REDEVELOPMENT AGENCY APPROVING THE ISSUANCE OF REFUNDING BONDS IN ORDER TO REFUND CERTAIN OUTSTANDING BONDS OF THE FORMER MILPITAS REDEVELOPMENT AGENCY, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE OF TRUST RELATING THERETO, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, pursuant to Section 34172(a) of the California Health and Safety Code (unless otherwise noted, all Section references hereinafter being to such Code), the Milpitas Redevelopment Agency (the "Former Agency") has been dissolved and no longer exists as a public body, corporate and politic, and pursuant to Section 34173, the Successor Agency to the Former Milpitas Redevelopment Agency (the "Successor Agency") has become the successor entity to the Former Agency;

WHEREAS, prior to dissolution of the Former Agency, the Former Agency issued its Milpitas Redevelopment Agency Redevelopment Project Area No. 1, 2003 Tax Allocation Bonds (the "2003 Bonds"), in the initial principal amount of \$200,000,000, for the purpose of refinancing and financing redevelopment activities of the Former Agency;

WHEREAS, Section 34177.5 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 its Successor Agency to the Former Milpitas Redevelopment Agency Tax Allocation Refunding Bonds (Redevelopment Project Area No. 1) (the "Refunding Bonds"), the Successor Agency has caused its financial advisor, Fieldman, Rolapp & Associates, Inc. (the "Financial 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 refund the 2003 Bonds (the "Debt Service Savings Analysis");

WHEREAS, the Successor Agency desires at this time to approve the issuance of the Refunding Bonds and to approve the form of and authorize the execution and delivery of the Indenture of Trust, by and between the Successor Agency and U.S. Bank National Association, as trustee, providing for the issuance of the Refunding Bonds (the "Indenture"), the Irrevocable Refunding Instructions to be delivered to U.S. Bank National Association, as trustee of the 2003 Bonds, to be dated as of the date of the issuance and delivery of the Refunding Bonds (the "2003 Refunding Instructions") ;

WHEREAS, pursuant to Section 34179, an oversight board (the "Oversight Board") has been established for the Successor Agency;

WHEREAS, the Oversight Board has heretofore approved the issuance of the Refunding Bonds and the other actions of the Successor Agency that are set forth in and contemplated by this Resolution;

WHEREAS, the Successor Agency has determined to sell the Refunding Bonds to one or more municipal underwriting firms to be selected by the Successor Agency, as provided below (collectively, the “Original Purchaser”), pursuant to the terms of the Bond Purchase Agreement (the “Purchase Agreement”) to be entered into by the Successor Agency and the Original Purchaser;

WHEREAS, following approval by the Oversight Board of the issuance of the Refunding Bonds by the Successor Agency and upon submission of this Resolution and the Oversight Board Resolution to the California Department of Finance, the Successor Agency will, with the assistance of its disclosure counsel, Jones Hall, A Professional Law Corporation (the “Disclosure Counsel”), the Financial Advisor and its fiscal consultant, Fraser & Associates (the “Fiscal Consultant”), cause to be prepared a form of Official Statement for the Refunding Bonds 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 Original Purchaser, as underwriter of the Refunding Bonds, to persons and institutions interested in purchasing the Refunding Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Successor Agency to the Former Milpitas Redevelopment Agency, 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 refund and defease the 2003 Bonds, all as evidenced by the Debt Service Savings Analysis on file with the Successor Agency and attached hereto as Exhibit A, which Debt Service Savings Analysis 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 the Law and the Refunding Law in the aggregate principal amount of not to exceed \$150,000,000, provided that the Refunding Bonds are in compliance with the Savings Parameters at the time of sale and delivery.

3. Approval of Indenture. The Successor Agency hereby approves the Indenture prescribing the terms and provisions of the Refunding Bonds and the application of the proceeds of the Refunding Bonds. Each of the Chair, the Executive Director or the Assistant Executive Director of the Successor Agency (each, an “Authorized Officer”), is hereby authorized and directed to execute and deliver, and the Successor Agency Secretary is hereby authorized and directed to attest to, the Indenture for and in the name and on behalf of the Successor Agency, in substantially the form on file with 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 Indenture. The Successor Agency hereby authorizes the delivery and performance of the Indenture.

4. Approval of Refunding Instructions. The form of the 2003 Refunding Instructions on file with the Successor Agency are 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 the 2003 Refunding Instructions. The Successor Agency hereby authorizes the delivery and performance of its obligations under the 2003 Refunding Instructions.

5. Filing of Debt Service Savings Analysis and Resolution. The Successor Agency has heretofore provided the Debt Service Savings analysis to the Oversight Board, and is hereby directed to provide a final copy of this Resolution to the Oversight Board. The Successor Agency is hereby further authorized and directed to file the Debt Service Savings Analysis, together with a certified copy of this Resolution, as provided in Section 34180(j), with the Santa Clara County Administrative Officer, the Santa Clara County Auditor-Controller and the California Department of Finance.

6. Sale of Refunding Bonds. The Successor Agency authorizes and directs the Authorized Officers, upon consultation with the Financial Advisor, to select one or more municipal underwriting firms to serve as the Original Purchaser of the Refunding Bonds.

The Successor Agency hereby approves the Purchase Agreement to be entered into with the Original Purchaser. The Authorized Officers, each acting alone, are hereby authorized and directed to execute and deliver the Purchase Agreement for and in the name and on behalf of the Successor Agency, in substantially the form on file with 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 Purchase Agreement.

7. Issuance of Refunding Bonds in Whole or in Part. It is the intent of the Successor Agency to sell and deliver the Refunding Bonds in whole, provided that there is compliance with the Savings Parameters. However, the Successor Agency will initially authorize the sale and delivery of the Refunding Bonds in whole or, if such Savings Parameters cannot be met with respect to the whole, then in part; provided that the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters. The sale and delivery of the Refunding Bonds in part will in each instance provide sufficient funds only for the refunding of that portion of the 2003 Bonds that meet the Savings Parameters. In the event the Refunding Bonds are initially sold in part, the Successor Agency intends to sell and deliver additional parts of the Refunding Bonds without the further approval of the Successor Agency or the Oversight Board, provided that in each such instance the Refunding Bonds so sold and delivered in part are in compliance with the Savings Parameters.

8. Municipal Bond Insurance and Surety Bonds. The Authorized Officers, each acting alone, are hereby authorized and directed to take all actions necessary to obtain a municipal bond insurance policy 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 Financial Advisor and the Original Purchaser, that such municipal bond insurance policy and/or surety bonds will reduce the true interest costs with respect to the Refunding Bonds.

9. 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 its Disclosure Counsel, Fiscal Consultant and Financial Advisor, cause to be prepared a form of Official Statement for the Refunding Bonds 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 Original Purchaser to persons and institutions interested in purchasing the Refunding Bonds.

10. 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 approval by 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.

11. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED AND ADOPTED this 2nd day of December, 2014, by the following vote:

AYES:

NOES:

ABSENT:

Attest:

Successor Agency Chair

Successor Agency Secretary

Approved As To Form:

Successor Agency General Counsel