

RESOLUTION NO. 2014 – 12

RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO
THE COMMUNITY DEVELOPMENT COMMISSION AS
THE NATIONAL CITY REDEVELOPMENT AGENCY
AUTHORIZING THE CHAIRMAN TO EXECUTE
THE AGREEMENT OF RESIGNATION, APPOINTMENT, AND ACCEPTANCE BY AND
BETWEEN THE SUCCESSOR AGENCY, DEUTSCHE BANK NATIONAL TRUST
COMPANY, US BANK NATIONAL ASSOCIATION, AND AMBAC ASSURANCE
CORPORATION ACCEPTING THE RESIGNATION OF DEUTSCHE BANK AS
TRUSTEE FOR THE 2004 SERIES A, 2005 SERIES A AND B, AND 2011
TAX ALLOCATION BONDS, AND APPOINTING
US BANK AS TRUSTEE

WHEREAS, Deutsche Bank National Trust Company (“Deutsche Bank”) and the Community Development Commission as the National City Redevelopment Agency (“CDC”) entered into indentures of trust dated June 1, 2004, pursuant to which the CDC’s *(i)* 2004 Tax Allocation Bonds, Series A, *(ii)* 2005 Tax Allocation Bonds, Series A, *(iii)* 2005 Tax Allocation Refunding Bonds, Series B, and *(iv)* 2011 Tax Allocation Bonds (in the aggregate, the “Bonds”) were issued, with Deutsche Bank acting as trustee of the Bonds; and

WHEREAS, pursuant to Assembly Bill 26 as amended in Assembly Bill 1484, all redevelopment agencies in the State of California were dissolved as of February 1, 2012, and upon dissolution of the CDC, the City of National City (“City”) assumed the role of Successor Agency to the CDC (“Successor Agency”); and

WHEREAS, on March 18, 2013, Deutsche Bank sold its municipal bond trustee business to US Bank National Association (“US Bank”), and in connection with the sale, Deutsche Bank desires to resign as the trustee under the trust indenture, and US Bank desires to be appointed as the successor trustee, and further, the Bonds’ issuer, Ambac Assurance Corporation, agrees to such resignation and appointment (the “Resignation and Appointment”); and

WHEREAS, the Oversight Board of the Successor Agency (“Oversight Board”), at its regular meeting taking place on December 17, 2014 considered the authorization of the Successor Agency’s Chairman to execute all documents related to the Resignation and Appointment (“Authorization”), said Authorization having been approved by the Successor Agency on December 16, 2014, and recommended for Oversight Board approval by staff, along with all evidence presented, both in favor and against the Authorization, if any; and

WHEREAS, approval of the Authorization is not a “Project” under section 15378 of the California Environmental Quality Act (“CEQA”) Guidelines because the proposed action consists of administrative activity that will not result in direct or indirect physical changes to the environment and, as such, pursuant to section 15061(b)(3) of the CEQA Guidelines is not subject to CEQA.

NOW, THEREFORE, BE IT RESOLVED by the Oversight Board of the Successor Agency to the Community Development Commission as the National City Redevelopment Agency as follows:

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

SECTION 2. The Oversight Board hereby authorizes the Chairman of the Successor Agency to the the Community Development Commission as the National City Redevelopment Agency ("Successor Agency") and his designee(s) to execute the "Agreement of Resignation, Appointment, and Acceptance" ("Agreement") by and between the Successor Agency, Deutsche Bank National Trust Company, US Bank National Association, and Ambac Assurance Corporation, accepting the resignation of Deutsche Bank as Trustee for bonds issued by the Community Development Commission as the National City Redevelopment Agency pursuant to indentures of trust dated June 1, 2004, and identified as (i) 2004 Tax Allocation Bonds, Series A, (ii) 2005 Tax Allocation Bonds, Series A, (iii) 2005 Tax Allocation Refunding Bonds, Series B, and (iv) 2011 Tax Allocation Bonds (in the aggregate, the "Bonds"), and appointing US Bank as trustee for the Bonds.

SECTION 3. A true, correct and complete copy of the Agreement shall be maintained on file in the office of the City Clerk.

SECTION 4. Pursuant to Health and Safety Code Section 34179(h), all Oversight Board actions may be reviewed by the Department of Finance; therefore, this Resolution shall not be effective for five (5) business days, pending a request for review by the State Department of Finance.

SECTION 5. The Oversight Board Secretary and/or Successor Agency Secretary shall certify to the adoption of this Resolution.

PASSED and ADOPTED this 17th day of December, 2014.

--- Signature on next page ---

Resolution No. 2014- 12
December 17, 2014
Page Three

NOW, THEREFORE, BE IT RESOLVED that the foregoing resolution was duly and regularly adopted at a regular meeting of the Oversight Board for the Successor Agency to the Community Development Commission as the National City Redevelopment Agency held on the 17th day of December, 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:




Ron Morrison, Chairman

ATTEST:



Brad Raulston, Executive Director
Secretary to the Oversight Board

APPROVED AS TO FORM:



Oversight Board Counsel
Edward Z. Kotkin, Esq.
Law Offices of Edward Z Kotkin, Esq.

AGREEMENT OF RESIGNATION, APPOINTMENT AND ACCEPTANCE

THIS AGREEMENT OF RESIGNATION, APPOINTMENT AND ACCEPTANCE (this "Agreement") dated as of December 16, 2014 by and among Deutsche Bank National Trust Company, a national banking association organized and existing under the laws of the United States of America (the "Resigning Trustee"), Successor Agency to the Community Development Commission as the National City Redevelopment Agency (the "Successor Agency" and "Issuer"), Ambac Assurance Corporation (the "Bond Insurer") and U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America (the "Successor").

WHEREAS, the Resigning Trustee, or its predecessor in interest, and the Issuer entered into the Indentures of Trust dated as of June 1, 2004, as supplemented as well as any and all ancillary agreements (together to be known as the "Governing Instruments") pursuant to which the Issuer's bonds, as set forth on the attached Schedule 1 (the "Bonds"), were issued; and the Resigning Trustee has been acting in the capacities assigned to it by the Governing Instruments (all such applicable roles being hereinafter included in the term the "Trustee");

WHEREAS, the purchase agreement, dated as of March 14, 2013 as the same may be amended from time to time by and among Deutsche Bank Trust Company Americas, Deutsche Bank National Trust Company, Deutsche Bank AG and U.S. Bank National Association provides for the sale of the Resigning Trustee's portfolio (the "Portfolio") of specified securities including the Governing Instruments to the Successor, subject to receipt of all required consents.

WHEREAS, pursuant to the Governing Instruments, the Resigning Trustee desires to resign as the Trustee, the Successor Agency desires to appoint the Successor as Trustee and the Successor desires to accept appointment as Trustee.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

ARTICLE I SUCCESSION

Section 1.1 Resignation of Resigning Trustee. The Resigning Trustee resigns as the Trustee as of the close of business August 23, 2013 (the "Effective Date"). The Successor Agency with the approval of the Bond Insurer, accepts such resignation and waives any required notice thereof.

Section 1.2 Appointment of Successor. The Successor Agency with the approval of the Bond Insurer appoints the Successor to serve as Trustee, with all the authority, rights, powers and immunities vested in, and all duties and obligations binding on, the Trustee, on the Effective Date. All rights, powers, duties, immunities and obligations of the Trustee shall be vested in and undertaken by the Successor on and from the Effective Date.

Section 1.3 Acceptance of Appointment; Notice to Bondholders. The Successor accepts its appointment as Trustee by the Successor Agency with all the authority, rights, powers and immunities vested in the Trustee and agrees to serve as Trustee and to perform the duties and obligations of the Trustee, on and from the Effective Date. The Successor agrees to notify the registered holders of the Bonds of the resignation of the Resigning Trustee and its appointment as Trustee to the extent, if any, and

in the manner, if any, required by the relevant Governing Instruments. The Successor also agrees to notify the Successor Agency and Bond Insurer in the event of a change in the Effective Date.

Section 1.4 Assignment of Powers and Property; Delivery of Documents. The Resigning Trustee, hereby confirms and assigns to the Successor, in trust under the Governing Instruments, all property, rights, powers, duties, trusts, immunities and obligations of the Resigning Trustee as Trustee. The Resigning Trustee confirms that it has transferred to the Successor (a) all moneys, securities and other assets held under the relevant Governing Instruments, (b) all documents relating to the trust created by the relevant Governing Instruments.

Section 1.5 Further Assurances. The Resigning Trustee agrees, upon reasonable request of the Successor, to execute, acknowledge and deliver such further instruments of transfer and further assurances and to do such other things as may reasonably be required for more fully and certainly vesting and confirming in Successor all the property, rights, powers, duties, trusts, immunities and obligations of the Resigning Trustee as Trustee.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of the Issuer. The Issuer hereby represents and warrants to the Successor as follows:

- (a) the relevant Governing Instruments and the Bonds were validly and lawfully executed and delivered by the Issuer and constitute obligations of the Issuer enforceable as provided therein by the Successor, subject to laws affecting creditors' rights and equitable principles;
- (b) the Issuer has performed or fulfilled each covenant, agreement and condition on its part to be performed or fulfilled under the Governing Instruments on or prior to the date hereof; and
- (c) to its knowledge, no event of default under the Governing Instruments has occurred and is continuing.

Section 2.2 Representations and Warranties of Resigning Trustee. Resigning Trustee hereby represents and warrants to Successor as follows:

- (a) resigning Trustee is a national banking association, and is duly organized and existing under the laws of the United States of America;
- (b) from March 14, 2013 until the date hereof, the Governing Instruments have not been amended or supplemented;
- (c) from March 14, 2013 until the date hereof, Resigning Trustee has received no written notice of any event of default under the terms of the Governing Instruments; and
- (d) to the knowledge of the officer of the Resigning Trustee who is responsible for the administration of the Governing Instruments, there is no suit, action, claim or proceeding pending or threatened against the Resigning Trustee related to the Bonds, the relevant Governing Instruments, or Resigning Trustee's administration of the trusts created under the Governing Instruments.

Section 2.3 Representations of Successor. The Successor hereby represents and warrants to Resigning Trustee and the Issuer as follows:

(a) The Successor is a national banking association, and is duly organized and existing under the laws of the United States of America; and

(b) The Successor is qualified and eligible to serve as Trustee under the Governing Instruments.

ARTICLE III MISCELLANEOUS

Section 3.1 Applicable Law. This Agreement shall be governed by the laws of the State of California without regard to its conflict of laws provisions; provided, however, that as between the Resigning Trustee and the Successor, this Agreement shall be governed by the laws of the State of New York, without regard to its conflict of laws provisions, PROVIDED, FURTHER, THAT IN NO EVENT SHALL ANY CONTROVERSY, CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THIS AGREEMENT TO WHICH THE ISSUER IS MADE A PARTY BE ADJUDICATED OUTSIDE OF THE STATE OF CALIFORNIA, AND FOR THE PURPOSES OF SUCH CONTROVERSY, CLAIM OR DISPUTE TO WHICH THE ISSUER IS A PARTY, THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

Section 3.2 Counterparts. This Agreement may be executed in a number of counterparts, each of which shall constitute an original, but such counterparts shall together constitute but one and the same instrument.

Section 3.3 Preservation of Rights. Except as expressly provided herein, nothing contained in this Agreement shall in any way affect the obligations or rights of the Issuer, the Resigning Trustee, the Successor or any holder of the Bonds under the Governing Instruments. As between the Resigning Trustee and the Successor, nothing in this Agreement, express or implied, is intended or shall be construed to modify, expand or limit in any way the rights or obligations of the parties under, and the terms of, the Purchase Agreement.

Section 3.4 Severability. In the event any provisions of this Agreement shall be held invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 3.5 Survival of Obligations. Notwithstanding the resignation of the Resigning Trustee under the Governing Instruments, the Issuer shall remain obligated under the Governing Instruments to compensate, reimburse and indemnify the Resigning Trustee as provided in the Governing Instruments, and nothing contained in this Agreement shall in any way abrogate the obligations of the issuer to the Resigning Trustee under the Governing Instruments or any lien created in favor of the Resigning Trustee thereunder.

Section 3.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Resigning Trustee, the Successor, and the Issuer and their respective successors and assigns.

Section 3.7 Amendments. This Agreement shall be amended only in a writing signed by the parties hereto.

Section 3.8 Approval. This Agreement shall require the approval of the Successor Agency, Oversight Board, to the Successor Agency, and the California Department of Finance prior to being effective.

IN WITNESS WHEREOF, intending to be legally bound, the parties hereto have executed this Agreement by their duly authorized corporate officers as of the date first above written.

AMBAC ASSURANCE CORPORATION
as Bond Insurer

**SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT COMMISSION AS THE
NATIONAL CITY REDEVELOPMENT
AGENCY**
as Successor Agency and Issuer

By _____

(print name and title above)

By _____

(print name and title above)

**DEUTSCHE BANK NATIONAL TRUST
COMPANY**
as Resigning Trustee

U.S. BANK NATIONAL ASSOCIATION
as Successor

By *Debra A. Schwalb*
Debra A. Schwalb
Its Vice President

By *Terry McRoberts*
Terry McRoberts
Its Executive Vice President

**DEUTSCHE BANK NATIONAL TRUST
COMPANY**
as Resigning Trustee

By *Kenneth R. King*
Kenneth R. King
Its Vice President

SCHEDULE 1

Community Development Commission of the City of National City, National City Redevelopment Project, 2004 Tax Allocation Bonds, Series A

Community Development Commission of the City of National City, National City Redevelopment Project, 2005 Tax Allocation Bonds, Series A

Community Development Commission of the City of National City, National City Redevelopment Project, 2005 Tax Allocation Refunding Bonds, Series B

Community Development Commission of the City of National City, National City Redevelopment Project, 2011 Tax Allocation Bonds

Ambac Assurance Corporation
Attn: Stephen Ksenak
One State Street Plaza
New York, NY 10004

Role: Insurer

Standard & Poor's
Attn:
55 Water Street 38th Floor
New York, NY 10041

Role: Rating Agency

Deutsche Bank Trust Company Americas
60 Wall Street, 27th Floor
New York, NY 10005

Deutsche Bank National Trust Company
60 Wall Street, 27th Floor
New York, NY 10005

U.S. Bank National Association
100 Wall Street, Suite 1600
New York, NY 10005

June 2nd, 2014

Ladies and Gentlemen:

We understand that on March 18, 2013, Deutsche Bank Trust Company Americas, Deutsche Bank National Trust Company and Deutsche Bank AG (collectively, "Deutsche Bank") sold its Municipal Bond Trustee Business to U.S. Bank National Association ("U.S. Bank"), including those bond issues listed on the attached Schedule I, for which we are the bond insurer.

In accordance with the terms and conditions of the agreements pursuant to which the securities listed on the attached Schedule I were issued, Ambac Assurance Corporation hereby consents to the appointment of U.S. Bank as the successor trustee under the governing instruments (as well as under all ancillary agreements related to such issues to which Deutsche Bank is party or under which it has rights) pursuant to which the securities listed on the attached Schedule I were issued other than any such duties, obligations or responsibilities that Deutsche Bank had, or has, as auction agent with respect to such issues (which auction agent duties, obligations or responsibilities are being retained by Deutsche Bank).

Ambac Assurance Corporation
as Bond Insurer

By: 

Name: NAA A&U NARTEY

Title: FIRST VICE PRESIDENT