

RESOLUTION NO. RDA-08-03

**RESOLUTION OF THE BOARD OF THE YUCCA VALLEY
REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE
AND SALE OF TAX ALLOCATION BONDS TO FINANCE AND
REFINANCE REDEVELOPMENT ACTIVITIES WITHIN OR
FOR THE BENEFIT OF THE AGENCY'S YUCCA VALLEY
REDEVELOPMENT PROJECT NO. 1 AND APPROVING
RELATED DOCUMENTS AND ACTIONS**

THE FOREGOING INSTRUMENT IS A
CORRECT COPY OF THE ORIGINAL
ON FILE IN THIS OFFICE.

ATTEST

TOWN CLERK

TOWN OF YUCCA VALLEY, CALIFORNIA
April 15, 2008

RESOLVED, by the Yucca Valley Redevelopment Agency (the "Agency") as follows:

WHEREAS, the Agency is 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 California Health and Safety Code (the "Law"), including the power to issue bonds for any of its corporate purposes;

WHEREAS, a redevelopment plan for the Yucca Valley Redevelopment Project No. 1 (the "Redevelopment Project") in the Town of Yucca Valley has been adopted in compliance with all requirements of the Law;

WHEREAS, the Agency has determined that, due to prevailing financial market conditions, it is in the best interests of the Agency at this time to finance and refinance redevelopment activities within or for the benefit of the Redevelopment Project, including to (a) finance new development activities, (b) refund the Agency's Yucca Valley Redevelopment Agency, Yucca Valley Redevelopment Project Area, Tax Allocation Bonds, Series 1995 (the "1995 Bonds"), and (c) refund the Agency's Yucca Valley Redevelopment Agency (Yucca Valley Redevelopment Project No. 1) Tax Allocation Bonds, Series 2004 (the "2004 Bonds");

WHEREAS, to provide moneys for such purposes, the Agency has determined to issue its Yucca Valley Redevelopment Agency (Yucca Valley Redevelopment Project No. 1) Tax Allocation Bonds, Series 2008, in the aggregate principal amount of not to exceed \$12,500,000 (the "Bonds"), under the provisions of Part 1 of Division 24 of the California Health and Safety Code, commencing with section 33640 of said Code (the "Bond Law"); and

WHEREAS, the Agency has duly considered such transactions and wishes at this time to authorize proceedings for the issuance and sale of the Bonds;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

SECTION 1. Authorization. The Agency hereby authorizes the issuance of the Bonds to finance and refinance redevelopment activities within or for the benefit of the Redevelopment Project.

SECTION 2. Issuance of the Bonds; Approval of the Indenture. The Bonds shall be issued pursuant to the Bond Law and pursuant to an indenture of trust, by and between the Agency and The Bank of New York Trust Company, N.A., as trustee (the "Indenture"). The Agency hereby approves the Indenture in substantially the form on file with the Secretary, together with such additions thereto and changes therein as the Chair or the Executive Director shall deem necessary, desirable or appropriate, and the

execution thereof by the Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Executive Director or the Treasurer is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the Indenture for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Indenture.

SECTION 3. Approval of the Escrow Agreements.

(a) The Agency hereby approves an escrow deposit and trust agreement, by and between the Agency and The Bank of New York Trust Company, N.A., as escrow bank (the "Escrow Bank"), providing for the defeasance of the 1995 Bonds (the "1995 Escrow Agreement"), in substantially the form on file with the Secretary, together with such additions thereto and changes therein as the Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Executive Director or the Treasurer shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Executive Director or the Treasurer is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the 1995 Escrow Agreement for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the 1995 Escrow Agreement.

(b) The Agency hereby approves an escrow deposit and trust agreement, by and between the Agency and the Escrow Bank, providing for the defeasance of the 2004 Bonds (the "2004 Escrow Agreement"), in substantially the form on file with the Secretary, together with such additions thereto and changes therein as the Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair or the Executive Director shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Executive Director or the Treasurer is hereby authorized and directed to execute, and the Secretary is hereby authorized and directed to attest to, the final form of the 2004 Escrow Agreement for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the 2004 Escrow Agreement.

SECTION 4. Sale of the Bonds. The Agency hereby authorizes the sale of the Bonds to the Yucca Valley Public Financing Authority (the "Authority") for concurrent re-sale to Wulff, Hansen & Co. (the "Underwriter"), so long as the total Underwriter's discount, excluding original issue discount which does not constitute compensation to the Underwriter, does not exceed 2% of the principal amount of the Bonds and so long as the refunding of the 1995 Bonds and the 2004 Bonds provides net present value savings to the Agency. The Agency hereby approves the bond purchase agreement, by and among the Underwriter, the Agency and the Authority, in substantially the form on file with the Secretary (the "Bond Purchase Agreement"), together with such additions thereto and changes therein as the Chair or the Executive Director shall deem necessary, desirable or appropriate, and the execution thereof by the Chair, the Executive Director or the Treasurer shall be conclusive evidence of the approval of any such additions and changes. The Chair, the Executive Director or the Treasurer is hereby authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the Agency.

SECTION 5. Approval of the Preliminary Official Statement. The preliminary official statement describing the Bonds on file with the Secretary (the "Preliminary Official Statement") is hereby 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 Bonds. The Chair or Executive Director is authorized to approve, upon advice of the Agency's Disclosure Counsel,

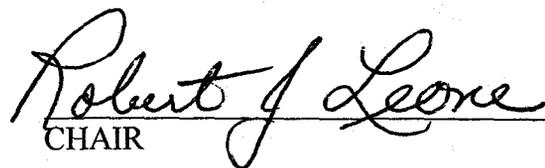
modifications to the Preliminary Official Statement, from time to time, pending such distribution as shall be required to cause the Preliminary Official Statement to contain any further information necessary to accurately describe the Bonds. With respect to the distribution of the Preliminary Official Statement, the Chair or Executive Director is authorized and directed, on behalf of the Agency, 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 the Final Official Statement. A final official statement, which shall include such changes and additions thereto deemed advisable by the Chair or Executive Director and upon advice of the Agency's Disclosure Counsel (the "Final Official Statement"), is hereby approved for delivery to the purchasers of the Bonds, and the Chair, the Executive Director or the Treasurer is authorized and directed to execute the Final Official Statement for and on behalf of the Agency. The Chair the Executive Director or the Treasurer is authorized and directed to deliver (i) a certificate with respect to the information set forth therein, and (ii) a continuing disclosure certificate substantially in the form appended to the Final Official Statement.

SECTION 7. Official Actions. The Chair, the Executive Director, the 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, requisitions, agreements, 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 lawful issuance and sale of the Bonds as described herein. Whenever in this resolution any officer of the Agency is authorized 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 shall be absent or unavailable.

SECTION 8. Effect. This Resolution shall take effect from and after the date of its passage and adoption.

DATED this 10th day of April, 2008.


CHAIR

ATTEST:


AGENCY SECRETARY

STATE OF CALIFORNIA)

COUNTY OF SAN BERNARDINO) ss.

TOWN OF YUCCA VALLEY)

I, Janet M. Anderson, Town Clerk of the Town of Yucca Valley, acting as the Secretary of the Community Redevelopment Agency of the Town of Yucca Valley, DO HEREBY CERTIFY that the foregoing Resolution was duly adopted at a regular meeting of said Agency held on the 10th day of April, 2008, by the following vote:

AYES: Agency Members Herbel, Huntington, Luckino, Mayes, and Chair Leone

NOES: None

ABSENT: None



Town Clerk, Town of Yucca Valley, acting
as the Secretary of the Community
Redevelopment Agency of the Town of
Yucca Valley

(SEAL)

STATE OF CALIFORNIA)

) ss.

COUNTY OF SAN BERNARDINO)

I, Janet M. Anderson, Town Clerk of the Town of Yucca Valley, acting as the Secretary of the Community Redevelopment Agency of the Town of Yucca Valley, DO HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. RDA 08-03, of the Agency, and that the same has not been amended or repealed.

DATED: April 10, 2008



Town Clerk, Town of Yucca Valley, acting
as the Secretary of the Community
Redevelopment Agency of the Town of
Yucca Valley

\$10,625,000
YUCCA VALLEY REDEVELOPMENT AGENCY
(Yucca Valley Redevelopment Project No. 1)
Tax Allocation Bonds, Series 2008

CERTIFICATE REGARDING AGENCY RESOLUTION

The undersigned hereby states and certifies:

(i) that the undersigned is the duly appointed, qualified and acting Secretary of the Yucca Valley Redevelopment Agency, a public body, corporate and politic duly organized and existing under the laws of the State of California (the "Agency"), and as such, is familiar with the facts herein certified and is authorized and qualified to certify the same on behalf of the Agency; and

(ii) that on April 10, 2008, the governing board of the Agency duly adopted Resolution No. RDA-08-03, entitled "RESOLUTION OF THE BOARD OF THE YUCCA VALLEY REDEVELOPMENT AGENCY AUTHORIZING THE ISSUANCE AND SALE OF TAX ALLOCATION BONDS TO FINANCE AND REFINANCE REDEVELOPMENT ACTIVITIES WITHIN OR FOR THE BENEFIT OF THE AGENCY'S YUCCA VALLEY REDEVELOPMENT PROJECT NO. 1 AND APPROVING RELATED DOCUMENTS AND ACTIONS," (the "Resolution") which Resolution has not been amended, supplemented, modified, rescinded or repealed and remains in full force and effect as of the date hereof.

Dated: May 8, 2008

YUCCA VALLEY REDEVELOPMENT
AGENCY

By _____



Janet M. Anderson,
Secretary