

(RA-2003-19 COR.COPY)

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03497

ADOPTED ON JULY 19, 2002

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE AND DELIVERY OF AN AMOUNT NOT TO EXCEED \$4,000,000 AGGREGATE PRINCIPAL OF THE AGENCY'S MOUNT HOPE REDEVELOPMENT PROJECT TAX ALLOCATION REFUNDING BONDS, APPROVING THE PUBLICATION OF A NOTICE INVITING BIDS AND A NOTICE OF INTENTION TO SELL BONDS, APPROVING THE EXECUTION AND DELIVERY OF A THIRD SUPPLEMENTAL TRUST AGREEMENT, A CONTINUING DISCLOSURE AGREEMENT AND AN OFFICIAL STATEMENT AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Redevelopment Agency of the City of San Diego, California [Agency] is a redevelopment agency (a public body, corporate and politic) duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law, constituting Part 1 of Division 24 of the Health and Safety Code of the State of California [Law] and the powers of the Agency include the power to issue bonds for any of its corporate purposes; and

WHEREAS, a redevelopment plan for a redevelopment project known and designated as the "Mount Hope Redevelopment Project" has heretofore been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of said plan have been duly complied with; and

WHEREAS, the Mount Hope Redevelopment Plan contemplates that the Agency will issue its bonds to finance and refinance a portion of the cost of the Mount Hope Redevelopment Project; and

WHEREAS, the Agency previously issued its \$1,200,000 aggregate original principal amount of Mount Hope Redevelopment Project Tax Allocation Bonds, Series 1995A (Tax Exempt) and its \$3,955,000 aggregate original principal amount of Mount Hope Redevelopment Project Tax Allocation Bonds, Series 1995B (Taxable) [collectively, the "Prior Bonds] for the purpose of providing funds to finance a portion of the cost of the Mount Hope Redevelopment Project; and

WHEREAS, said Prior Bonds were issued under a Master Trust Agreement (Mount Hope Redevelopment Project) dated as of May 1, 1995, by and between the Agency and First Interstate Bank of California, the predecessor to BNY Western Trust Company, as trustee (the "Trustee") and a First and a Second Supplemental Trust Agreement (Mount Hope Redevelopment Project) each dated as of May 1, 1995 by and between the Agency and the Trustee;

WHEREAS, the City has previously loaned the Agency \$18,000,000 to finance a portion of the cost of the public improvements in the Mount Hope Redevelopment Project [Mount Hope City Loans]; and

WHEREAS, the Agency intends to provide for the issuance of a series of its Mount Hope

Redevelopment Project Tax Allocation Refunding Bonds in an aggregate original principal an amount not to exceed \$4,000,000 [Bonds] for the purpose of providing funds to refund, and repay a portion of the Mount Hope City Loans; and

WHEREAS, there has been presented to the Agency at this meeting forms of the following documents:

1. Third Supplemental Trust Agreement;
2. Notice of Intention to Sell Bonds;
3. Notice Inviting Bids;
4. Preliminary Official Statement; and
5. Continuing Disclosure Agreement;

NOW, THEREFORE,

BE IT RESOLVED, by the Redevelopment Agency of the City of San Diego as follows:

1. That the foregoing recitals are true and correct and this Agency hereby so finds and determines.
2. That the issuance by the Agency of an amount not to exceed \$4,000,000 aggregate principal of the tax allocation refunding bonds for the Mount Hope Redevelopment Project is hereby approved. The Bonds shall mature no later than October 1, 2032, and shall be sold at a true interest cost not in excess of 7.00% per annum. The true interest cost is the annual discount rate which, when used to discount all debt service payments on the Bonds to the date of initial delivery of the Bonds, compounded semiannually, results in the aggregate present value of such debt service payments being equal to the original purchase price. The terms and provisions of the Master Trust Agreement (Mount Hope Redevelopment Project) previously

approved by this Agency is hereby reaffirmed for the Bonds. The form of the Third Supplemental Trust Agreement presented at this meeting is hereby approved. The Chair, the Executive Director, any Deputy Executive Director of the Agency, the President of Southeastern Economic Development Corporation [SEDC] and any designee of the Chair or the Executive Director of the Agency, or any of them [each a "Designated Officer"], are hereby authorized and directed to execute and deliver the Third Supplemental Trust Agreement in substantially the form on file with the Secretary and presented to this meeting, with such changes as may be approved by the Designated Officer executing the same in consultation with the Agency's counsel and Bond Counsel (such approval to be conclusively evidenced by such execution and delivery).

3. The Bonds shall be sold at a public sale by competitive bid, said public sale to be at the time and place and upon the terms provided in the Notice Inviting Bids, a form of which has been presented at this meeting, and which is hereby approved. The Designated Officers or anyone of them, may make such changes and modifications in the Notice Inviting Bids, including to the date, time and place for receiving bids, as may be deemed advisable to said Designated Officer; provided that such changes and modifications shall not be inconsistent with the parameters for the Bonds set out in this resolution. Said Notice Inviting Bids shall be published no later than 10 days prior to the date of sale of the Bonds in the *San Diego Transcript*, a newspaper of general circulation in the City of San Diego. The Designated Officers or anyone of them, is hereby authorized to accept the best bid in accordance with the Notice Inviting Bids and to adjust the maturity amounts of the Bonds as set forth in the Notice Inviting Bids.

4. Pursuant to section 53692 of the California Government Code, the Agency hereby authorizes the publication in THE BOND BUYER of the Notice of Intention To Sell Bonds in substantially the form presented at this meeting at least 15 days prior to the award of the Bonds.

5. The form of preliminary official statement describing the Bonds, on file with the Secretary of the Agency and incorporated into this resolution by reference, is hereby approved. The execution by a Designated Officer of a certificate deeming said preliminary official statement to be substantially "final" within the meaning of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, is hereby authorized. The Agency is hereby authorized to distribute said preliminary official statement as so deemed final to prospective purchasers of the Bonds. The Designated Officers, or any of them, are hereby authorized and directed, for and in the name and on behalf of the Agency, to execute a final official statement in substantially the form of such preliminary official statement, including such final pricing and related information and with such additions thereto or changes therein as hereafter become necessary or desirable and which are approved by the Designated Officer executing the same, such approval to be conclusively evidenced by the execution and delivery of such official statement. The winning bidder(s) are hereby authorized to distribute copies of said final official statement to all actual purchasers of the Bonds and to other interested persons.

6. The Agency is further authorized and directed to cause written notice to be provided to the California Debt and Investment Advisory Commission of the proposed sale of the Bonds, said notice to be provided not later than 30 days prior to the sale of the Bonds as provided in section 8855 *et seq.* of the California Government Code, to file the notice of final sale with said Commission, to file the written statement required by section 53583 of the California Government Code, and to file such additional notices and reports as are deemed

necessary or desirable by any of such persons in connection with the Bonds, and any prior such notices are hereby ratified, confirmed and approved.

7. The Agency hereby approves the form and content of the Continuing Disclosure Agreement. The Designated Officers, or any one of them, are hereby authorized and directed, for and on behalf of and in the name of the Agency, jointly and severally, to circulate, execute, acknowledge and attest under seal where necessary or appropriate, and deliver the Continuing Disclosure Agreement in substantially the form presented at this meeting, with such changes therein as such persons executing the same, with the advice of counsel, may require or approve, and such approval to be conclusively evidenced by the execution and delivery thereof. The Agency covenants and agrees to provide such information as shall be necessary to comply with the applicable provisions of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934, as amended, with respect to continuing disclosure obligations of issuers of municipal obligations for so long as any Bonds are outstanding.

8. The limitation imposed by section 620.6 of the Redevelopment Plan for the Mount Hope Redevelopment Project is applicable to bonded indebtedness of the Mount Hope Redevelopment Project including the hereinabove approved Bonds, but does not impose a limitation on the amount of Mount Hope City Loans or other indebtedness.

9. The Agency hereby consents a) to the selection of RBC Dain Rauscher Inc. as financial advisor for the Bonds, b) to the selection of BNY Western Trust Company [BNY] as Trustee for the Bonds with the duties set forth in the Master Trust Agreement and the Third Supplemental Trust Agreement hereinbefore approved, c) to the selection of Robinson & Pearman LLP as bond counsel and disclosure counsel for the Bonds, and d) to the selection of Keyser Marston Associates as fiscal consultant for the Bonds, all upon such terms as shall be

acceptable to the SEDC.

10. In connection with the sale of the Bonds, the Designated Officers or any one of them are hereby authorized to purchase on behalf of the Agency one or more policies of municipal bond insurance for some or all of the Bonds or to permit the best bidder to purchase municipal bond insurance for some or all of such Bonds, said insurance to contain such terms and conditions as shall be acceptable to said Designated Officer(s).

11. Pursuant to section 33445(a) of the Law, the Agency hereby a) determines that should a portion of the proceeds be used to repay any Mount Hope City Loan and thereafter subsequent new loans are made to the Agency in order to finance publicly owned public improvements in the Southcrest, Central Imperial and Mount Hope Redevelopment Projects, that such public improvements are all of benefit to the Mount Hope Redevelopment Project or the immediate neighborhood in which the Mount Hope Redevelopment Project is located, b) that no other reasonable means of financing such public improvements are currently available to the community and c) that such improvements will assist in the elimination of one or more blighted conditions inside the Mount Hope Redevelopment Project area or provide housing for low- and moderate-income person and are consistent with the implementation plan adopted for the Mount Hope Redevelopment Project area.

12. The officers of the Agency are hereby authorized to do any and all things to execute any and all documents, notices and certificates which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds, or otherwise to effectuate the purposes of this Resolution, the Master Trust Agreement, the Third Supplemental Trust Agreement, and the Official Statement, including, but not limited to, the filing of notices and payment of rebates, if any, required under Sections 148(f) and 149(e) of the Internal Revenue

Code of 1986, as amended.

13. This Resolution shall become effective immediately upon adoption.

APPROVED: CASEY GWINN, General Counsel

By:

Douglas K. Humphreys  
Deputy General Counsel

DKH:ai

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Or.Dept:SEDC

Aud.Cert: n/a

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