

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03134

ADOPTED ON APRIL 11, 2000

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$2,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE AGENCY'S SOUTHCREST REDEVELOPMENT PROJECT TAX ALLOCATION BONDS, THE EXECUTION AND DELIVERY OF A SECOND SUPPLEMENTAL TRUST AGREEMENT, A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT AND APPROVING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

RECITALS

WHEREAS, the Redevelopment Agency of The City of San Diego, California (the "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 (Part 1 of Division 24 of the Health and Safety Code of the State of California) 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 "Southcrest 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 Southcrest Redevelopment Plan contemplates that the Agency will issue its bonds to finance and refinance a portion of the cost of the Southcrest Redevelopment Project; and

WHEREAS, the Agency previously issued its Southcrest Redevelopment Project Tax Allocation Bonds, Series 1995 (Tax Exempt) (the "Prior Bonds") in an aggregate original principal amount of \$3,750,000 for the purpose of providing funds to finance a portion of the costs of the Southcrest Redevelopment Project; and

WHEREAS, said Prior Bonds were issued under a Master Trust Agreement (Southcrest 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 Supplemental Trust Agreement (Southcrest Redevelopment Project) dated as of May 1, 1995 by and between the Agency and the Trustee; and

WHEREAS, the Agency intends to provide for the issuance of an additional series of its Southcrest Redevelopment Project Tax Allocation Bonds in an aggregate original principal amount not to exceed \$2,000,000 (the "Bonds") for the purpose of providing funds to finance an additional portion of the costs of the Southcrest Redevelopment Project; and

WHEREAS, the Agency desires (i) to enter into a Second Supplemental Trust Agreement (Southcrest Redevelopment Project) by and between the Agency and the Trustee, (ii) to enter into a Bond Purchase Agreement among the Agency, the Public Facilities Financing Authority of the City of San Diego (the "Authority") and Prudential Securities Incorporated and The Chapman Company (the "Underwriters") and (iii) to deliver a Preliminary Official Statement and a final Official Statement with respect to the Bonds.

NOW, THEREFORE, THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO HEREBY FINDS, DETERMINES, RESOLVES AND ORDERS AS FOLLOWS:

1. The foregoing recitals are true and correct and this Agency hereby so finds and determines.

2. The issuance by the Agency of not to exceed \$2,000,000 aggregate principal amount of the tax allocation bonds for the Southcrest Redevelopment Project is hereby approved. The Bonds shall mature no later than [October 1, 2025] and shall be sold at a true interest cost not in excess of 7.50% 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 actual true interest cost for the Bonds, within the guidelines set forth herein, shall be approved by the Board of Directors of the Southeastern Economic Development Corporation (or a written designee thereof if deemed desirable by the Board) and shall be set forth in the Bond Purchase Agreement. The terms and provisions of the Master Trust Agreement (Southcrest Redevelopment Project) previously approved by this Agency is hereby reaffirmed for the Bonds. The form of the Second Supplemental Trust Agreement presented to this meeting is hereby approved. The Chair, the Executive Director, any Deputy Executive Director of the Agency and any designee of the Chair or the Executive Director, or any of them (each a "Designated Officer"), are hereby authorized and directed to execute and deliver the Second 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 form of Bond Purchase Agreement relating to the Bonds (and covering certain other bonds to be sold by the Agency simultaneously with the Bonds) on file with the Secretary of the Agency and incorporated into this Resolution by reference, is hereby approved. The Designated Officers, or any of them, are hereby authorized and directed, for and in the name and on behalf of the Agency, to accept the offer of the Authority and the Underwriters to purchase the Bonds as reflected in the Bond Purchase Agreement and to execute and deliver the Bond Purchase Agreement in substantially the form on file with the Secretary of the Agency, with such additions thereto or changes or insertions that 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 the Bond Purchase Agreement;

provided, however, that such additions, changes or insertions in the Bond Purchase Agreement shall not specify a true interest cost for the Bonds in excess of 7.50 % per annum, an underwriters' discount for the Bonds in excess of ten dollars per one thousand dollars of Bonds issued or a final maturity later than October 1, 2025.

4. The form of preliminary official statement describing the Bonds (and describing certain other bonds to be sold by the Agency simultaneously with 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 Underwriters are 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 deemed final 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 Underwriters are hereby authorized to distribute copies of said final official statement to all actual purchasers of the Bonds and to other interested persons.

5. The Secretary 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.

6. The Agency hereby consents a) to the selection of Prudential Securities Incorporated and The Chapman Company as Underwriters for the Bonds under the terms of the Bond Purchase Agreement hereinbefore approved, 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 First Supplemental Trust Agreement hereinbefore approved, c) to the selection of Robinson & Pearman LLP as bond counsel for the Bonds, and d) to the selection of Public Resources Advisory Group as pricing agent, all upon such terms as shall be acceptable to the Southeastern Economic Development Corporation.

7. 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 Underwriters 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).

8. 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.

9. 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 First Supplemental Trust Agreement, the Second Supplemental Trust Agreement, the Bond Purchase 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.

10. This Resolution shall become effective immediately upon adoption.

APPROVED: CASEY GWINN, General Counsel

By

Douglas K. Humphreys
Deputy Counsel

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Or.Dept:SEDC

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