

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NO. R-03692

ADOPTED ON NOVEMBER 18, 2003

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO APPROVING THE ISSUANCE OF ITS CITY HEIGHTS REDEVELOPMENT PROJECT 2003 TAX ALLOCATION BONDS, SERIES A (TAXABLE) AND SERIES B (TAX-EXEMPT), APPROVING A TRUST INDENTURE, AN OFFICIAL STATEMENT, SETTING THE MAXIMUM FINAL TERMS OF THE SALE OF THE BONDS, AUTHORIZING THE PUBLICATION OF A NOTICE TO SELL THE BONDS AND MAKING CERTAIN DETERMINATIONS RELATING THERETO.

WHEREAS, the Redevelopment Agency of the City of San Diego [Agency] is a redevelopment agency duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law, being section 33000 and following 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, the City Council of the City of San Diego has heretofore adopted Ordinance No. O-18386, approving a Redevelopment Plan for a redevelopment project known as the City Heights Redevelopment Project [City Heights Project]; and

WHEREAS, the Agency proposes to issue not to exceed \$7 million principal amount of its City Heights Redevelopment Tax Allocation Bonds [2003 Bonds], which shall be issued in two separate series, the proceeds of which will be used to finance redevelopment projects, including low and moderate income housing projects, the repayment of which 2003 Bonds will be secured from certain tax increment revenues of the City Heights Project on a parity with the Agency's Series 2000 City Heights Redevelopment Project Tax Allocation Bonds [Series 2000 Bonds]; and

WHEREAS, there has been presented to this meeting a form of First Supplement to Indenture of Trust providing for the issuance of the 2003 Bonds; and

WHEREAS, the Agency has determined that the Bonds should be offered for sale on a competitive basis and there has been presented to the Agency a form of notice of sale and a proposed form of Official Statement describing the Bonds, to be used in connection with the marketing thereof; NOW THEREFORE,

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

1. Approval of Issuance of 2003 Bonds. The issuance of not to exceed \$7 million in principal amount of 2003 Bonds in two series, being Series A (Taxable) and Series B (Tax-Exempt), in order to provide a portion of the moneys required to finance redevelopment projects, including low and moderate income housing projects, with respect to the City Heights Project is hereby authorized and approved.

2. Trust Indenture. The form of First Supplement to Indenture of Trust by and between the Agency and Wells Fargo Bank, National Association, as trustee [First Supplemental Indenture], which supplements the Trust Indenture dated October 1, 2000, pursuant to which the

Series 2000 Bonds were issued, presented at this meeting is hereby approved and the Chair, the Executive Director or Deputy Executive Director (each being a [Designated Officer]), is and each of them are hereby authorized and directed, for and in the name of and on behalf of the Agency, to execute, acknowledge and deliver the Indenture in substantially the form presented at this meeting with such changes therein as the Designated Officer executing the same may approve upon consultation with Agency Counsel, the Agency's Financial Advisor and Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

3. Appointment of Trustee. Wells Fargo Bank, National Association is hereby appointed as Trustee pursuant to the First Supplemental Indenture, to take any and all action provided for therein to be taken by the Trustee.

4. Official Statement. The form of Preliminary Official Statement relating to the 2003 Bonds and presented to this meeting is hereby approved. The preparation of a Final Official Statement relating to the 2003 Bonds is hereby approved and the Designated Officer or any of them, are hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver a Final Official Statement containing such changes from the Preliminary Official Statement as may be approved by the Designated Officer executing the same, such approval to be conclusively evidenced by the execution and delivery thereof, and the distribution of such Preliminary and Final Official Statements in connection with the sale of the 2003 Bonds is hereby authorized. The Designated Officers, or any of them, are also authorized and directed to deem the Preliminary Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 ([Rule], omitting only such information as is permitted under such Rule, and to execute an appropriate certificate stating the Agency's determination that the

Preliminary Official Statement has been deemed final within the meaning of such Rule. The Designated Officers, or any of them, are authorized to execute such continuing disclosure agreement as may be necessary to comply with Rule 15c2-12 of the Securities Exchange Act of 1934.

5. Official Notice Inviting Bids. The form of Official Notice Inviting Bids as presented to this meeting is hereby approved and the Designated Officers, or any of them, are hereby authorized and directed to execute the same in substantially the form presented to this meeting, with such changes therein as the office executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

6. Form of 2003 Bonds. The form of the 2003 Bonds as set forth in the First Supplemental Indenture as presented to this meeting is hereby approved and any of the Designated Officers and the Agency Secretary or any Assistant Agency Secretary are hereby authorized and directed to execute by manual or facsimile signature, in the name and on behalf of the Agency, such 2003 Bonds in either temporary and/or definitive form in the aggregate principal amount set forth in the First Supplemental Indenture and all in accordance with the terms and provisions of the First Supplemental Indenture.

7. Award of Sale of 2003 Bonds; Final Terms of Sale of 2003 Bonds. The Agency hereby approves the sale of the 2003 Bonds at competitive sale. The terms of the 2003 Bonds are hereby established as follows: (i) the final principal amount of the 2003 Series A Bonds shall not exceed \$5.5 million in the aggregate; (ii) any of the Designated Officers are hereby authorized and directed to award the sale of the 2003 Series A Bonds to the bidder with the lowest true interest cost provided that the Underwriter's discount for the purchase of the 2003 Series A

Bonds shall not exceed 2 percent; (iii) the final principal amount of the 2003 Series B Bonds shall not exceed \$1.5 million in the aggregate; and (iv) any of the Designated Officers are hereby authorized and directed to award the sale of the 2003 Series B Bonds to the bidder with the lowest true interest cost provided that the Underwriter's discount for the purchase of the 2003 Series B Bonds shall not exceed 2 percent. The Designated Officer making such award may accept or reject all or any portion of bids received on the Series A Bonds or Series B Bonds in order to accomplish the goals of the Agency as set forth herein.

8. Publication of Notice. The Agency Secretary in cooperation with the Agency's Financial Advisor and Bond Counsel is hereby authorized and directed to cause to be published a Notice of Intention to Sell Securities in The Bond Buyer at least 15 days prior to the date bids are to be received. Additionally, pursuant to section 33646 of the California Health & Safety Code, the Agency Secretary shall cause to be published the Notice of Intention to Sell Securities once at least five days prior to the date set for receipt of bids on the Bonds, in a newspaper of general circulation published in the City of San Diego. The Agency Secretary in cooperation with the Agency's Financial Advisor shall cause the Official Notice Inviting Bids to be circulated among prospective bidders.

9. Bond Insurance; Ratings. In connection with the sale of the Bonds, the Designated Officers, or any of them, are hereby authorized to purchase on behalf of the Agency a policy of municipal bond insurance for the 2003 Bonds, said insurance to contain such terms and conditions as shall be acceptable to the Designated Officer taking such action, and to further apply for one or more ratings for the 2003 Bonds.

10. Requisitions. The Designated Officers, or any of them, are hereby authorized and directed to execute one or more requisitions authorizing the Trustee to pay the costs of issuing the 2003 Bonds from the proceeds of the 2003 Bonds, all pursuant to the First Supplemental Indenture.

11. Other Acts. The Designated Officers Director and the Agency Secretary are hereby authorized and directed, jointly and severally, to do any and all things to execute and deliver any and all documents which in consultation with the Financial Advisor, Bond Counsel and the Agency Counsel, they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the 2003 Bonds, or otherwise effectuate the purposes of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed.

12. Effective Date. This Resolution shall take effect upon adoption.

APPROVED: CASEY GWINN, General Counsel

By: _____
Douglas K. Humphreys
Deputy General Counsel

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11/13/03 COR.COPY
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