

REDEVELOPMENT AGENCY OF

THE CITY OF SAN DIEGO

RESOLUTION NUMBER R-04034

JUN 02 2006

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO ON CENTRE CITY REDEVELOPMENT PROJECT SUBORDINATE TAX ALLOCATION BONDS, SERIES 2006A, AND CENTRE CITY REDEVELOPMENT PROJECT TAX ALLOCATION HOUSING BONDS, SERIES 2006B (TAXABLE).

WHEREAS, the Redevelopment Agency of the City of San Diego (the "Agency") is a redevelopment agency, a public body, corporate and politic, duly created, 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 and the Section 33000 et seq. of the Health and Safety Code of the State of California (the "Law"), including the power to issue bonds and other obligations for any of its corporate purposes;

WHEREAS, a redevelopment plan (the "Plan") for a redevelopment project known and designated as the "Centre City Redevelopment Project" (the "Project Area") has been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of such plan have been duly complied with; and

WHEREAS, the Agency authorized under the law and the plan to issue and refinance a portion of the cost of redevelopment in the Project Area; and

WHEREAS, in order to finance certain redevelopment activities in the Project Area, the Agency has determined to adopt this Resolution and to approve the issuance of the Series 2006A Bonds (as defined herein) in a principal amount not to exceed \$79,000,000, and the Series 2006B Bonds (as defined herein) in a principal amount not to exceed \$35,000,000; and

WHEREAS, all acts and proceedings necessary to make the Bonds (as defined herein), when executed by the Agency, authenticated and delivered by the Trustee, and duly issued, the valid, binding and legal special obligations of the Agency have been done and taken, and the adoption and the execution, issuance and delivery of the Bonds have been in all respects duly authorized; NOW, THEREFORE,

BE IT RESOLVED by the Agency as follows:

Section 1. Issuance of Bonds; Approval of Indenture. Pursuant to the Law and the Plan the Agency hereby authorizes the issuance of its “Redevelopment Agency of the City of San Diego Centre City Redevelopment Project Subordinate Tax Allocation Bonds, Series 2006A,” in the principal amount not to exceed \$79,000,000 (the “Series 2006A Bonds”) and its “Redevelopment Agency of the City of San Diego Centre City Redevelopment Project Tax Allocation Housing Bonds, Series 2006B (Taxable),” in the principal amount not to exceed \$35,000,000 (the “Series 2006B Bonds and, with the Series 2006A Bonds, the Bonds”). The Series 2006A Bonds shall be issued pursuant to a Trust Indenture, dated as of May 1, 2006 (the “Series 2006A Indenture”), between the Agency and J. P. Morgan Trust Company, National Association (the “Trustee”). The Series 2006B Bonds shall be issued pursuant to a Trust Indenture, dated as of May 1, 2006 (the “Series 2006B Indenture”), between the Agency and the Trustee. The

Agency hereby approves the Series 2006A Indenture and the Series 2006B Indenture in the form presented to the Board at this meeting. The Chair, the Executive Director, the Assistant Executive Director (or their designated representatives) (each, an “Authorized Officer”) are each hereby authorized and directed, acting alone, to execute the Series 2006A Indenture and the Series 2006B Indenture, for and in the name and on behalf of the Agency, in such form, together with any additions thereto or changes therein deemed necessary or advisable by the Authorized Officer executing such document upon consultation with Bond Counsel and counsel to the Agency. The Agency hereby authorizes the delivery and performance by the Agency of the Series 2006A Indenture and the Series 2006B Indenture.

Section 2. Sale of Bonds. The Bonds shall be sold pursuant to a Purchase Contract (the “Purchase Contract”) among the Agency, the Public Facilities Financing Authority (the “Authority”) and RBC Dain Rauscher, Inc. d/b/a RBC Capital Markets, as representative of the underwriter named therein (collectively, the “Underwriter”) consistent with the requirements of this Resolution. The Agency hereby approves the Purchase Contract in the form presented to the Board at this meeting. An Authorized Officer, acting alone, is hereby authorized and directed to execute the Purchase Contract, for and in the name and on behalf of the Agency, in substantially the form presented at this meeting, together with any additions thereto or changes therein deemed necessary or advisable by the Authorized Officer executing such document upon consultation with Bond Counsel and counsel to the Agency; provided that no additions or changes shall

(i) authorize an aggregate principal amount of Series 2006A Bonds in excess of \$79,000,000, or result in a true interest cost thereon in excess of five and one-half percent (5.5%) per annum, or (ii) authorize an aggregate principal amount of Series 2006B Bonds in excess of \$35,000,000, or result in a true interest cost thereon in excess of six and three-quarters percent (6.75%) per annum. The aggregate Underwriters' discount, exclusive of original issue discount, (i) on the Series 2006A Bonds shall not exceed 0.369% if the Bonds are insured or 0.369% if the Bonds are not insured, and (ii) on the Series 2006B Bonds shall not exceed 0.416% if the Bonds are insured or 0.419% if the Bonds are not insured. The Agency hereby authorizes the delivery and performance by the Agency of the Purchase Contract.

Section 3. Approval of Official Statement. The Agency authorizes a Preliminary Official Statement and a final Official Statement of the Agency relating to the Bonds. The draft Preliminary Official Statement, in substantially the form presented at this meeting, is hereby approved. An Authorized Officer, acting alone, is hereby authorized and directed to execute, approve and deliver the final Official Statement with such changes, insertions and omissions as the officer or officers executing said document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. An Authorized Officer, acting alone, is authorized, upon completion of the Preliminary Official Statement, to execute a certificate "deeming final" such Preliminary Official Statement, as required by Rule 15c2-12 of the Securities and Exchange Commission. When the form of the Preliminary Official Statement has been

approved by an Authorized Officer, such Authorized Officer may authorize the distribution thereof, including the mailing by the Underwriter to prospective purchasers for the Bonds of copies of the Preliminary Official Statement. The cost of printing and mailing the Preliminary Official Statement and final Official Statement shall be borne by the Agency. The use and distribution of the Preliminary Official Statement and final Official Statement in connection with the sale of the Bonds is hereby ratified and approved.

Section 4. Approval of Continuing Disclosure Agreement. The proposed form of the Continuing Disclosure Agreement, dated as of May 1, 2006 (the "Continuing Disclosure Agreement"), relating to the Bonds, substantially in the form presented at this meeting, is hereby approved. An Authorized Officer, acting alone, is hereby authorized and directed, for and on behalf of the Agency, to execute, acknowledge and deliver the Continuing Disclosure Agreement, in substantially the form presented at this meeting, with such changes therein as such Authorized Officer may require or approve, with the advice and approval of counsel to the Agency and upon consultation with Disclosure Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

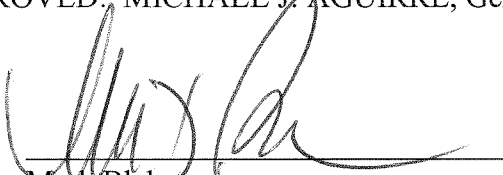
Section 6. Designation as Senior Indebtedness. The Bonds are hereby designated as "Senior Indebtedness" pursuant to the provisions of Section 3.4 of that certain First Implementation Agreement, dated as of June 29, 1993, between the Agency and the County of San Diego relating to the payment of certain Tax Revenues to the County.

Section 7. Official Actions. The Authorized Officers are hereby authorized and directed, jointly and severally, to perform any and all actions and to execute and deliver any and all certificates, opinions and documents which they deem necessary and advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby and thereby, and any such actions previously taken by such Authorized Officers are hereby ratified and affirmed.

Section 8. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

APPROVED: MICHAEL J. AGUIRRE, General Counsel

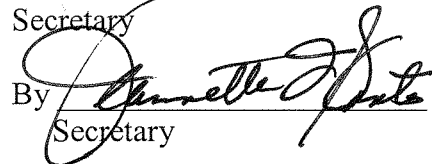
By

  
Mark Blake  
Deputy General Counsel

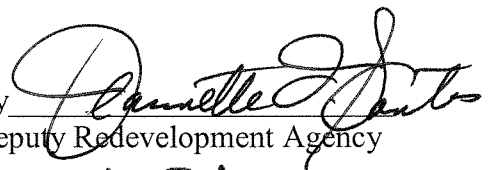
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Or.Dept:CCDC  
Aud.Cert: N/A  
RA-2006-92  
MMS #3097  
Companion: Council No. R-2006-760

I hereby certify that the foregoing Resolution was passed by the Redevelopment Agency of the City of San Diego, at its meeting of MAY 23 2006.

ELIZABETH S. MALAND  
Secretary

By   
Secretary

Jeannette Santos, Deputy Redevelopment  
Agency

By   
Deputy Redevelopment Agency

Approved: 6-2-06  
(date)

  
JERRY SANDERS, Executive Director

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
JERRY SANDERS, Executive Director

Passed by the Redevelopment Agency of The City of San Diego on MAY 23 2006, by the following vote:

Agency Members	Yeas	Nays	Not Present	Ineligible
Scott Peters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toni Atkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brian Maienschein	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Madaffer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ben Hueso	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 02 2006

AUTHENTICATED BY:

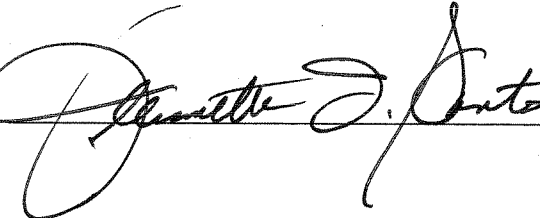
JERRY SANDERS

Executive Director of The Redevelopment Agency of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND

Secretary of The Redevelopment Agency of The City of San Diego, California

By , Deputy

Office of the Redevelopment Agency, San Diego, California

Resolution Number R-04034