

PUBLIC FACILITIES FINANCING AUTHORITY  
RESOLUTION NO. FA-99-2

ADOPTED ON JANUARY 14, 1999

RESOLUTION OF THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF REFUNDING REVENUE BONDS, APPROVING THE FORMS OF AN INDENTURE OF TRUST, BOND PURCHASE AGREEMENT, BOND PURCHASE CONTRACT, PRELIMINARY OFFICIAL STATEMENT AND CONTINUING DISCLOSURE AGREEMENT AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the Public Facilities Financing Authority of The City of San Diego (the "Authority") is a public agency organized under the Joint Exercise of Powers Law of the State of California and is authorized pursuant to said law and the Joint Exercise of Powers Agreement creating the Authority to assist in financing or refinancing of public capital facilities improvements of The City of San Diego (the "City") or the Redevelopment Agency of The City of San Diego (the "Agency"); and

WHEREAS, the City desires and has requested that the Authority issue, sell and deliver its Public Facilities Financing Authority of the City of San Diego Refunding Revenue Bonds, (Reassessment District No. 1999-1) Series 1999-A Senior Lien Bonds (the "Senior Lien Bonds") and its Public Facilities Financing Authority of the City of San Diego Refunding Revenue Bonds, (Reassessment District No. 1999-1) Series 1999-B Subordinate Lien Bonds (the "Subordinate Lien Bonds) (the Senior Lien Bonds and the Subordinate Lien Bonds are referred to collectively as the "Revenue Bonds") in an aggregate principal amount not to exceed \$40,000,000 to provide funds to purchase certain bonds of the City identified as the City of San Diego Reassessment District No. 1999-1 Limited Obligation Refunding Bonds (the "Limited Obligation Refunding Bonds"); and

WHEREAS, the City proposes to issue the Limited Obligation Refunding Bonds in order to refund the following outstanding improvement bonds the proceeds of which were used to

finance public capital improvement facilities of the City:

- A. City of San Diego Assessment District No. 4007 (First San Diego River Improvement Project) Limited Obligation Improvement Bonds;
- B. City of San Diego Assessment District No. 4010 (Otay International Center) Limited Obligation Improvement Bonds;
- C. City of San Diego Assessment District No. 4013 (Calle Cristobal/Camino Santa Fe) Limited Obligation Improvement Bonds;
- D. City of San Diego Assessment District No. 4019 (Otay International Center, Phase 2) Limited Obligation Improvement Bonds;
- E. City of San Diego Assessment District No. 4025 (Mission Valley Heights) Limited Obligation Improvement Bonds;
- F. City of San Diego Assessment District No. 4029 (Sorrento Valley Road - Sorrento Valley Boulevard to I-805) Limited Obligation Improvement Bonds; and
- G. City of San Diego Assessment District No. 4070 (Black Mountain Road) Limited Obligation Improvement Bonds; and

WHEREAS, the Revenue Bonds are to be offered for negotiated sale to Salomon Smith Barney; E. Wagner & Associates and Charles A. Bell Securities Corp. (collectively, the “Underwriters”); and

WHEREAS, there has been prepared and filed with the Secretary of this Commission the forms of the indenture of trust by and between the Authority and U.S. Bank Trust National Association as trustee (the “Indenture of Trust”) establishing the terms and conditions pertaining to the issuance, sale and administration of the Revenue Bonds; the preliminary official statement describing the City, the District, the Authority, the Reassessment District and the Revenue Bonds (the "Preliminary Official Statement"); the bond purchase contract by and between the Authority and the Underwriters related to the sale of the Revenue Bonds (the “Revenue Bond Purchase Contract”); the bond purchase agreement by and between the Authority and the City related to the purchase of the Limited Obligation Refunding Bonds (the “Acquired Obligations Purchase Agreement”) and the agreement to provide continuing disclosure of certain information specified

therein (the “Continuing Disclosure Agreement”), which forms have been reviewed by this Commission; and

WHEREAS, the Authority desires to authorize the issuance and sale of the Revenue Bonds, the distribution of the Preliminary Official Statement, and the purchase of the Limited Obligation Refunding Bonds; NOW, THEREFORE,

BE IT RESOLVED, AND DETERMINED:

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Approval of Issuance and Sale of Revenue Bonds. This Commission hereby approves the issuance and sale of the Revenue Bonds by negotiated sale to the Underwriters. The proceeds of the Revenue Bonds may be expended to purchase the Limited Obligation Improvement Bonds, to fund separate reserve funds for the Senior Lien Bonds and the Subordinate Lien Bonds and to pay the costs of the issuance, sale and delivery of the Revenue Bonds.

SECTION 3. Indenture of Trust. The form of the Indenture of Trust relating to the Revenue Bonds presented at this meeting is hereby approved. The City Manager of the City and each of his specified designees (the “Authorized Officers”), acting for and on behalf of the Authority, are, and each of them is, hereby authorized and directed to execute, acknowledge and deliver the Indenture of Trust in substantially the form approved hereby, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve as being in the best interests of the Authority, and as approved as to form by the legal advisor to the Authority or his specified designee and bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Officer.

SECTION 4. Revenue Bond Purchase Contract. The form of the Revenue Bond Purchase Contract by and between the Authority and the Underwriter presented at this meeting

and the sale of the Revenue Bonds pursuant thereto is hereby approved. The Authorized Officers, acting for and on behalf of the Authority, are, and each of them is, hereby authorized and directed to evidence the Authority's acceptance of the terms and provisions of the Revenue Bond Purchase Contract by executing and delivering the Revenue Bond Purchase Contract, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve as being in the best interests of the Authority, and as approved as to form by the legal advisor to the Authority or his specified designee and bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Officer; provided, however, that the Authorized Officer shall execute the Revenue Bond Purchase Contract only if the aggregate principal amount of the Revenue Bonds is equal to or less than \$40,000,000, the underwriter's discount does not exceed one percent (1%) (excluding original issue discount, if any) and the aggregate true interest cost of the Revenue Bonds shall not exceed six percent (6%) per annum and the final maturity of the Revenue Bonds shall not be later than September 2, 2017.

SECTION 5. Approval of Preliminary Official Statement and Final Official Statement. The form of Preliminary Official Statement presented at this meeting is hereby approved. The Authorized Officers, acting for and on behalf of the Authority, are, and each of them is, hereby authorized and directed to approve such changes, insertions and omissions therein as are necessary to enable such Authorized Officer to certify on behalf of the Authority that the approved Preliminary Official Statement is deemed final as of its date except for the omission of certain information as permitted by Section 240.15c2-12(b)(1) of Title 17 of the Code of Federal Regulations. The Authorized Officers, acting for and on behalf of the Authority, are, and each of them is further authorized and directed to cause the Authority to bring the Preliminary Official Statement into the form of a final official statement (the "Final Official

Statement") and to execute a statement that the facts contained in the Final Official Statement, and any supplement or amendment thereto (which shall be deemed an original part thereof for the purpose of such statement) were, at the time of sale of the Revenue Bonds, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Revenue Bonds, and does not, as of the date of delivery of the Revenue Bonds, contain any untrue statement of a material fact with respect to the Authority or omit to state material facts with respect to the Authority required to be stated where necessary to make any statement made therein not misleading in the light of the circumstances under which it was made. The Underwriters are hereby authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Revenue Bonds and is directed to deliver copies of the Final Official Statement to all actual purchasers of the Revenue Bonds from the Underwriters acting in such capacity.

SECTION 6. Continuing Disclosure Agreement. The form of the Continuing Disclosure Agreement presented at this meeting is hereby approved. The Authorized Officers, acting for and on behalf of the Authority, are, and each of them is, hereby authorized and directed to execute, acknowledge and deliver the Continuing Disclosure Agreement in substantially the form approved hereby, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve as being in the best interests of the Authority, and as approved as to form by the legal advisor to the Authority or his specified designee and bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Officer.

SECTION 7. Limited Obligation Refunding Bonds Purchase Agreement. The form of the Limited Obligation Refunding Bonds Purchase Agreement by and between the Authority and the City presented at this meeting and the acquisition of the Limited Obligation Refunding Bonds

pursuant thereto is hereby approved. The Authorized Officers, acting for and on behalf of the Authority, are, and each of them is, hereby authorized and directed to evidence the Authority's acceptance of the terms and provisions of the Limited Obligation Refunding Bonds Purchase Agreement by executing and delivering the Limited Obligation Refunding Bonds Purchase Agreement, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve as being in the best interests of the Authority, and as approved as to form by the legal advisor to the Authority or his specified designee and bond counsel, such approval to be conclusively evidenced by the execution and delivery thereof by such Authorized Officer; provided, however, that the Authorized Officer shall execute the Limited Obligation Refunding Bonds Purchase Agreement only if the aggregate principal amount of the Limited Obligation Refunding Bonds is equal to or less than \$40,000,000, the purchase price does not exceed one hundred and ten percent (110%) of the principal amount of the Limited Obligation Refunding Bonds and the aggregate true interest cost of the Limited Obligation Refunding Bonds shall not exceed seven percent (7%) per annum and the final maturity of the Limited Obligation Refunding Bonds shall not be later than September 2, 2017.

SECTION 8. Official Action. The Chairperson, the Vice-Chairperson, the Treasurer, the Secretary, the Authorized Officers and any and all other officers of the Authority are hereby authorized and directed, jointly and severally, for and in the name of the Authority, to do any and all things and take any and all actions, including without limitation, the 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 and advisable in order to consummate the transactions contemplated by the documents approved pursuant to this Resolution and any such actions previously taken by such officers are hereby ratified and confirmed. In the event any such officer is unavailable or unable to execute and

deliver any of the above-referenced documents, any other officer of the Authority may validly execute and deliver such document.

SECTION 9. Bond Rating. The Authorized Officers are, and each of them is, with the assistance of the Evensen-Dodge, Inc., and Gardner, Underwood and Bacon, the financial advisors to the Authority regarding the Revenue Bonds (the “Financial Advisors”), and the Underwriters, are hereby authorized to apply for a rating on the Revenue Bonds with any nationally recognized rating agency the Authorized Officer deems advisable. Additionally, such Authorized Officer, with the assistance of the Financial Advisors and the Underwriters, is hereby authorized to apply for and accept a commitment to provide municipal bond insurance and to provide a municipal bond debt service reserve fund policy for the Revenue Bonds. Such Authorized Officer is hereby authorized to execute any commitment letter and to do any and all other things and to deliver any and all documents necessary or advisable in order to obtain such municipal bond insurance and municipal bond debt service reserve fund policy, if any, for the Revenue Bonds.

SECTION 10. Effective Date. This Resolution shall take effect immediately upon its passage and adoption.

APPROVED: CASEY GWINN, General Counsel

By  
Jacqueline Mittelstadt  
Deputy General Counsel

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