

(R-84-438)

RESOLUTION NUMBER R- 259333

Adopted on SEP 27 1983

RESOLUTION AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF THE CITY OF SAN DIEGO INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES A (SOUTHWEST MARINE, INC. PROJECT), IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,000,000.00

WHEREAS, the City Council of The City of San Diego (the "City") has, by Ordinance No. O-15586 (New Series), adopted by the Council on September 14, 1981, enacted an Act of The City of San Diego entitled the Economic Development Revenue Bond Law (the "Law"), amending Article 7 of Chapter IX of the Municipal Code of the City by adding Divisions 1, 2, 3 and 4, authorizing and establishing a procedure for the sale and issuance of revenue bonds or other evidences of indebtedness by the City for the purpose of providing financing to participating parties for economic development purposes; and

WHEREAS, the City Council of the City has, by Resolution No. 255319, adopted by the Council on November 2, 1981, given preliminary approval for the issuance of such bonds or other evidences of indebtedness to fund a loan to Southwest Marine, Inc. (the "Company") to finance the acquisition and construction of a dry dock facility in the City (the "Project") for the Company, and authorized proper officers of the City to proceed to prepare or cause to be prepared the documentation for such purpose; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

Section 1. Pursuant to the Law, revenue bonds of the City, designated "City of San Diego Industrial Development Revenue Bonds, Series A (Southwest Marine, Inc. Project)" in an aggregate principal amount not to exceed \$7,000,000.00 (herein called in the aggregate the "Bonds"), are authorized to be issued.

Section 2. The proposed form of loan agreement (the "Loan Agreement"), between the City and the Company, presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, on or after the effective date of Ordinance No. O- 16060 (New Series) authorizing such execution, for and in the name and on behalf of the City, to execute, acknowledge and deliver a loan agreement in substantially said form in connection with the issuance of the Bonds, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of trust indenture (the "Indenture"), between the City and First Interstate Bank of California, as trustee (the "Trustee"), presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, on or after the effective date of Ordinance No. O- 16060 (New Series) authorizing such execution, for and in the name and on behalf of the City, to

execute, acknowledge and deliver a trust indenture in substantially said form in connection with the issuance of the Bonds, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The date, maturity dates, interest rate or rates (and the method of adjustment thereof), interest payment dates, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

Section 4. The proposed form of bond purchase agreement (the "Bond Purchase Agreement"), among the City, the Company and Merrill Lynch, Pierce, Fenner & Smith Inc. (the "Purchaser"), presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to execute, acknowledge and deliver a bond purchase agreement in substantially said form in connection with the issuance of the Bonds, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of letter of credit (the "Letter of Credit"), from Wells Fargo Bank, N.A. to the Trustee, presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to accept the letter of credit in substantially said form in connection with the issuance of the

Bonds, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the acceptance thereof.

Section 6. The substitution of Orrick, Herrington & Sutcliffe, a professional corporation, as bond counsel ("Bond Counsel") for Stradling, Carlson, Yocca, and Routh, with respect to the issuance of the Bonds and the proposed form of Letter Agreement (the "Letter Agreement") between Bond Counsel and the City presented to this meeting, is hereby approved. The City Manager is hereby authorized and directed, for and in the name and on behalf of the City, to sign said Letter Agreement in substantially said form, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Forms of the proposed Loan Agreement, the Indenture, the Bond Purchase Agreement, the Letter of Credit and the Letter Agreement are on file in the office of the City Clerk as Document Nos. RR- 259333-1 , RR- 259333 - 2 , RR- 259333 - 3 , RR- 259333 - 4 and RR- 259333 - 5 , and the actual forms of Indenture, Loan Agreement, Letter of Credit and Bond Purchase Agreement executed and delivered in connection with the Bonds shall be similarly filed.

Section 8. Bonds in an aggregate principal amount not to exceed \$7,000,000.00 shall be executed by the manual or facsimile signature of the Mayor, the seal of the City shall be

affixed or imprinted thereon and attested by the manual or facsimile signature of the City Clerk, in form set forth in and otherwise in accordance with said Indenture. The seal of the City may be reproduced in facsimile form.

Section 9. The Bonds, when so executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's certificate of authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Purchaser in accordance with written instructions executed on behalf of the City by the City Manager, which instructions said officer is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Purchaser upon payment of the purchase price thereof.

Section 10. The City Clerk is hereby authorized and directed to attest the signatures of the Mayor and the City Manager and to affix and attest the seal of the City as may be requested in connection with the execution and delivery of the Bonds and said Loan Agreement, Indenture and Bond Purchase Agreement in accordance with this resolution.

Section 11. The officers of City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver all documents which they may deem necessary or advisable in order to consummate the issuance, sale and

delivery of the Bonds and otherwise to carry out, give effect to and comply with the terms and intents of the resolution, the Bonds and said Loan Agreement, Indenture and Bond Purchase Agreement.

Section 12. This resolution shall take effect immediately upon its passage.

APPROVED: John W. Witt, City Attorney

By Stuart H. Swett  
Stuart H. Swett  
Chief Deputy City Attorney

SHH:ps:112.4  
9/13/83  
R-84-438  
Or.Dept:Prop.  
Form=r.none

**SEP 27 1983**

Passed and adopted by the Council of The City of San Diego on \_\_\_\_\_,  
by the following vote:

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gloria McColl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
William Jones	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ed Struiksma	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Uvaldo Martinez	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Roger Hedgecock	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

ROGER HEDGECOCK  
Mayor of The City of San Diego, California.

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

(Seal)

By Maxwell L. Pontecorvo, Deputy.

Office of the City Clerk, San Diego, California

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Number ..... Adopted .....