

(R-91-2073)

RESOLUTION NUMBER R-277881

ADOPTED ON

A RESOLUTION AUTHORIZING THE SALE OF \$12,500,000 CERTIFICATES OF PARTICIPATION BY THE CITY OF SAN DIEGO, CALIFORNIA; APPROVING A TRUST AGREEMENT, FACILITIES LEASE, SITE AND FACILITIES LEASE, ASSIGNMENT AGREEMENT, FORM OF THE OFFICIAL BID FORM, THE NOTICE INVITING BIDS, AND THE PRELIMINARY OFFICIAL STATEMENT; AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH RESPECT THERETO

WHEREAS, the San Diego Facilities and Equipment Leasing Corporation (the "Corporation") is a nonprofit public benefit corporation organized and existing under the laws of the State of California with the authority to assist the City of San Diego (the "City") in the financing of public facilities and improvements; and

WHEREAS, the City has proposed that the Corporation assist the City in the financing of the acquisition, construction and installation of a portion of the public improvements proposed in Balboa Park and Mission Bay Park (the "Balboa Park and Mission Bay Park Capital Improvements Program"), which portion financed by the Series 1991 Certificates shall constitute the "Project"; and

WHEREAS, it has been proposed that the City lease certain land and improvements (the "Facilities") to the Corporation pursuant to a Site and Facilities Lease, dated as of July 15, 1991, by and between the City and Corporation (the "Site and Facilities Lease"), the form of which has been presented to this City Council, which will grant the Corporation the right to use the Facilities for a term not to exceed 30 years, for which the Corporation will make a lump sum advance rental payment to the City which will be

used by the City for the acquisition, construction and installation of the Project; and

WHEREAS, it has been proposed that the City lease back the Facilities from the Corporation pursuant to a Facilities Lease, dated as of July 15, 1991, by and between the City and the Corporation (the "Facilities Lease"), the form of which has been presented to this City Council, pursuant to which the City will agree to lease the Facilities, for a term not to exceed 30 years, from the Corporation and to make certain lease payments (the "Lease Payments") in connection therewith; and

WHEREAS, as a financing mechanism, Certificates of Participation will be executed and delivered evidencing the proportionate interests of the owners thereof in the Lease Payments to be made by the City to the Corporation under the Facilities Lease; and

WHEREAS, it has been proposed that the Corporation grant, assign and transfer all of its right to receive the Lease Payments under the Facilities Lease from the City to Bank of America National Trust & Savings Association, as Trustee (the "Trustee") pursuant to an Assignment Agreement, dated as of July 15, 1991, by and between the Corporation and the Trustee (the "Assignment Agreement"), the form of which has been presented to this City Council, for the purpose of paying the Interest Components and Principal Components on the Certificates; and

WHEREAS, the Corporation and the City have determined that it would be in the best interest of the Corporation, the City and

citizens of the community to authorize, pursuant to the Trust Agreement, dated as of July 15, 1991, by and among the Corporation, the Trustee and the City (the "Trust Agreement"), the form of which has been presented to this City Council, the preparation, execution, sale and delivery of Certificates of Participation in an amount not to exceed \$12,500,000 (the "Certificates") which represent direct and proportionate interests in the Principal Components and Interest Components of the Lease Payments; and

WHEREAS, in connection therewith, the City Council of the City has introduced Ordinance No. 0-17639 (N.S.), entitled "AN ORDINANCE PURSUANT TO SECTION 99 OF THE CITY CHARTER AUTHORIZING A FACILITIES LEASE AND SITE AND FACILITIES LEASE WITH SAN DIEGO FACILITIES AND EQUIPMENT LEASING CORPORATION AND A TRUST AGREEMENT WITH BANK OF AMERICA NATIONAL TRUST & SAVINGS ASSOCIATION AND APPROVING THE FORM OF ASSIGNMENT AGREEMENT RELATING TO THE ISSUANCE OF CERTIFICATES OF PARTICIPATION IN AN AMOUNT NOT TO EXCEED \$12,500,000 FOR A TERM NOT EXCEEDING 30 YEARS (BALBOA PARK AND MISSION BAY PARK CAPITAL IMPROVEMENTS PROGRAM)" (the "Ordinance"); and

WHEREAS, pursuant to the City's authorization, Evensen Dodge, Inc. and Charles A. Bell Securities, (the "Financial Advisors") have prepared and presented to this City Council a Preliminary Official Statement containing information material to the offering and sale of the Certificates; and

WHEREAS, the Preliminary Official Statement has been filed with this City, and the members of the City Council, with the aid of its staff and the Financial Advisors to the City, have reviewed

said Preliminary Official Statement; and

WHEREAS, the City deems it necessary and proper that proposals be invited for the purchase of the Certificates and that the Certificates be sold in the manner below; NOW, THEREFOR,

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

SECTION 1. That this City Council hereby authorizes the preparation, execution, sale and delivery of Certificates of Participation in an aggregate principal amount not to exceed \$12,500,000 in accordance with the terms and provisions of the Trust Agreement, subject to the execution and delivery of the Trust Agreement, the Site and Facilities Lease, the Facilities Lease and the Assignment Agreement in substantially the form approved by Ordinance No. 0-17639 (N.S.), copies of which are on file as Document Nos. 00-17639-1, 00-17639-3, 00-17639-2 and 00-17639-4, respectively. The proceeds of the Certificates of Participation shall be deposited with the Trustee and applied as provided in the Trust Agreement.

SECTION 2. Bank of America National Trust & Savings Association is hereby appointed as Trustee on behalf of the owners of the Certificates of Participation with the duties and powers of such trustee as set forth in the Trust Agreement.

Section 3. The City Manager, the City Clerk and such other officers of the City are authorized and directed, jointly and severally, to do any and all things to execute and deliver any and all documents which they may deem necessary and advisable in order

to consummate the sale and delivery of the Certificates of Participation and otherwise effectuate the purposes of this Resolution, and such actions previously taken by such officers are hereby ratified and confirmed.

SECTION 4. The form, terms and provisions of the Notice Inviting Bids, in substantially the form submitted to this meeting, are hereby approved and adopted as part of this Resolution. The City Clerk is hereby authorized and directed to cause such notice to be published once, at least fifteen (15) days prior to the earliest date for receiving proposals provided for therein, in The San Diego Daily Transcript, the official newspaper of the City, with such changes, insertions and omissions as the City Clerk may approved, such approval to be conclusively evidenced by such publication of the Notice Inviting Bids.

SECTION 5. Sealed proposals for the purchase of the Bonds shall be received by the City Clerk of the City at the time and place provided for in the Notice Inviting Bids as hereinafter approved.

SECTION 6. The form, terms and provisions of the Official Bid Form, in substantially the form submitted to this meeting, a copy of which is on file as Document Number RR-277881-1, are hereby approved and adopted as part of this Resolution. The City Manger is hereby authorized and directed to cause such Official Bid Form to be printed with such changes, insertions and omissions as the City Manager may approve, such approval to be conclusively evidenced by the final printing of the Official Bid Form.

SECTION 7. The Mayor, City Manager, City Clerk and other officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purpose of this resolution and the financing herein authorized.

SECTION 8. The City Manager is hereby authorized to employ such persons as may be necessary to perform rebate calculations on behalf of the City as may be necessary from time to time in connection with the Certificates.

SECTION 9. The Preliminary Official Statement, a copy of which is on file as Document Number RR-277881-2, is approved for distribution in the offering and sale of Certificates of Participation evidencing proportionate interests of the holders thereof in Lease Payments to be made by the City under the Facilities Lease and any distribution of the Preliminary official Statement by the Financial Advisors prior to the date hereof is ratified and approved. The City Manager is hereby authorized to execute a certificate evidencing his determination, on behalf of the City, that he deems final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, the Preliminary Official Statement describing the Certificates.

SECTION 10. The City Manager is authorized to approve corrections and additions to the Preliminary Official Statement by supplement or amendment/thereto, or otherwise as appropriate, provided that any such corrections or additions shall be necessary

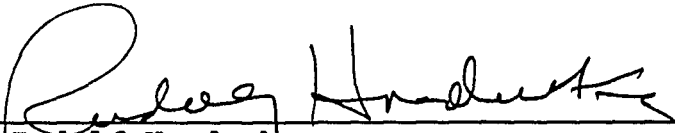
to cause the information contained therein to conform with facts material to the Certificates, or to the proceedings of the City or such corrections or additions are in form rather than in substance.

SECTION 11. The City Manager is authorized and directed to cause the Preliminary Official Statement to be brought into the form of a Final Official Statement and to execute said Final Official Statement, dated as of the date of the sale of the Certificates. The City Manager is further authorized and directed 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 Certificates, true and correct in all material respects and that the Final Official Statement did not, on the date of sale of the Certificates, and does not, as of the date of delivery of the Certificates, contain any untrue statement of a material fact with respect to the City required to be stated where necessary to make a statement not misleading in light of the circumstances under which it was made. The City Manager shall take such further actions prior to the signing of the statement as are deemed necessary or appropriate to verify the accuracy of the statement.

Section 12. This Resolution shall become effective on the effective date of Ordinance Number 0-17639 (N.S.).

APPROVED: John W. Witt, City Attorney

By


Rudolf Hradecky
Deputy City Attorney

RH:ps
05/31/91
Or.Dept.Fin.Mgmt.
R-91-2073

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Passed and adopted by the Council of The City of San Diego on JUN 1 0 1991,
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR
Mayor of The City of San Diego, California.

(Seal)

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

By *Charles G. Abdelnour*, Deputy.

Office of the City Clerk, San Diego, California

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 Number Adopted.....