

(O-94-73)

ORDINANCE NUMBER O-18044 (NEW SERIES)

ADOPTED ON MAR 07 1994

AN ORDINANCE OF THE CITY OF SAN DIEGO
AUTHORIZING THE EXECUTION OF FINANCING
DOCUMENTS NECESSARY FOR THE ISSUANCE
OF LEASE REVENUE BONDS.

WHEREAS, in 1986 the City of San Diego (the "City") caused the execution and delivery of the City of San Diego Refunding Certificates of Participation (Police Capital Improvement Projects), the proceeds of which were used to refund prior certificates which were executed and delivered to finance four capital improvement projects as described below; and

WHEREAS, the City and Imperial Municipal Services Group, Inc. ("Imperial") heretofore entered into that certain Lease-Purchase Agreement (Western Division Police Station Project), dated as of March 1, 1983 (the "Western Division Lease"); and

WHEREAS, the City and Imperial heretofore entered into that certain Lease-Purchase Agreement (Southeastern Division Police Station Project), dated as of April 1, 1984 (the "Southeastern Division Lease"); and

WHEREAS, the City and Rauscher Pierce Refsnes Leasing, Inc. ("Rauscher") heretofore entered into that certain Lease-Purchase Agreement (Police Administration and Technical Center), dated as of September 1, 1984 (the "Administration Center Lease"); and

WHEREAS, the City and Rauscher heretofore entered into that certain Lease-Purchase Agreement (San Diego Police Heavy Vehicle

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WHEREAS, in 1986 the City of San Diego (the "City") caused the execution and delivery of the City of San Diego Refunding Certificates of Participation (Police Capital Improvement Projects), the proceeds of which were used to refund prior certificates which were executed and delivered to finance four capital improvement projects as described below; and

WHEREAS, the City and Imperial Municipal Services Group, Inc. ("Imperial") heretofore entered into that certain Lease-Purchase Agreement (Western Division Police Station Project), dated as of March 1, 1983 (the "Western Division Lease"); and

WHEREAS, the City and Imperial heretofore entered into that certain Lease-Purchase Agreement (Southeastern Division Police Station Project), dated as of April 1, 1984 (the "Southeastern Division Lease"); and

WHEREAS, the City and Rauscher Pierce Refsnes Leasing, Inc. ("Rauscher") heretofore entered into that certain Lease-Purchase Agreement (Police Administration and Technical Center), dated as of September 1, 1984 (the "Administration Center Lease"); and

WHEREAS, the City and Rauscher heretofore entered into that certain Lease-Purchase Agreement (San Diego Police Heavy Vehicle

Maintenance Facility), dated as of February 1, 1985 (the "Maintenance Facility Lease", and together with the above mentioned leases, the "Prior Police Leases"); and

WHEREAS, the City, Imperial and Rauscher heretofore entered into that certain lease agreement dated as of May 1, 1986 (the "1986 Master Lease") whereby the Prior Police Leases were amended and restated by said 1986 Master Lease under a plan to reduce the total amount of lease payments through a refunding of some or all of the original certificates of participation associated with each of the Prior Police Leases; and

WHEREAS, pursuant to a Trust Agreement, dated as of May 1, 1986 (the "1986 Trust Agreement"), by and among the City, Rauscher and Bank of America National Trust and Savings Association, as trustee ("Bank of America"), the City caused the execution and delivery of \$63,330,000 aggregate principal amount of certificates of participation (the "1986 Certificates") representing proportionate interests in lease payments due under the 1986 Master Lease; and

WHEREAS, the lease payments due under the 1986 Master Lease have been assigned to Bank of America pursuant to an Assignment Agreement, dated as of May 1, 1986 (the "1986 Assignment Agreement"), by and between Rauscher and Bank of America; and

WHEREAS, pursuant to certain quitclaim deeds executed by Rauscher, a Certificate, Request and Agreement of the City and an Agreement dated May 19, 1988 between the City and the City of San Diego/MTDB Authority (the "Authority"), the City caused Rauscher to transfer all of its rights and obligations under the 1986 Master Lease to the Authority; and

WHEREAS, the City has determined that in order to further reduce the aggregate amount of lease payments due under the 1986 Master Lease, it is necessary to provide for the refinancing of a portion of the City's obligations under the 1986 Master Lease, and to that end, the City has determined that it is necessary and desirable to amend the 1986 Master Lease pursuant to a First Amendment to Lease Agreement (the "First Amendment to 1986 Lease"); and

WHEREAS, the City has determined that in order to accomplish the proposed refinancing of the City's obligations under the 1986 Master Lease, it is necessary and desirable to amend the 1986 Trust Agreement as provided in a First Supplemental Trust Agreement (the "First Supplemental 1986 Trust Agreement") by and among the City, the Authority and First Interstate Bank of California, as successor trustee to Bank of America (the "1986 Trustee") and to amend the 1986 Assignment Agreement pursuant to a First Amendment to Assignment Agreement of Lease and of Site Leases (the "First Amendment to 1986 Assignment Agreement") by and among the Authority, the 1986 Trustee and the 1994 Indenture Trustee (as defined below); and

WHEREAS, in 1989 the Authority issued \$31,240,000 aggregate principal amount of the City of San Diego/MTDB Authority Lease Revenue Bonds (San Diego Bayside Light Rail Transit Extension) (the "1989 Bonds," and together with the 1986 Certificates, the "Prior Obligations") to finance the acquisition, installation, equipping and construction of an extension to the San Diego Light Rail Transit System; and

WHEREAS, the City and the Authority heretofore entered into a Lease Agreement dated as of June 1, 1989 (the "1989 Lease," and together with the 1986 Master Lease, the "Prior Leases"); and

WHEREAS, pursuant to a Trust Agreement dated as of June 1, 1989 (the "1989 Trust Agreement," and together with the 1986 Trust Agreement, the "Prior Trust Agreements") by and among the City, the Authority and Bankers Trust Company of California, National Association, as trustee ("Bankers Trust"), the Authority transferred certain of its rights, title and interest in the 1989 Lease, including rights to receive rental payments due thereunder to Bankers Trust for the benefit of owners of the 1989 Bonds; and

WHEREAS, the City has determined that in order to further reduce the aggregate amount of lease payments due under the 1989 Lease, it is necessary to provide for the refinancing of a portion of the City's obligations under the 1989 Lease and, to that end, the City has determined that it is necessary and desirable to amend the 1989 Lease pursuant to a First Amendment to Lease Agreement (the "First Amendment to 1989 Lease"); and

WHEREAS, the City has determined that in order to accomplish the proposed refinancing of the City's obligations under the 1989 Lease, it is necessary and desirable to amend the 1989 Trust Agreement as provided in a First Supplemental Trust Agreement (the "First Supplemental 1989 Trust Agreement") by and among the City, the Authority and First Interstate Bank of California, as successor trustee to Bankers Trust (the "1989 Trustee"); and

WHEREAS, the City and the Authority have determined that it would be in the best interests of both to cause the issuance of

the Authority's Lease Revenue Bonds (1994 Refundings) (the "1994 Bonds") pursuant to an Indenture (the "1994 Indenture"), and to use the proceeds thereof (i) to establish escrow funds to be used to pay debt service on all or a portion of the Prior Obligations so as to defease the same, (ii) to provide for moneys to be deposited into a Reserve Account established under the 1994 Indenture, and (iii) to provide for moneys to be deposited into a Costs of Issuance Fund established under the 1994 Indenture; and

WHEREAS, the City by Resolution No. R-283436 has authorized the Authority to take the necessary actions relating to the issuance and sale of the 1994 Bonds, including but not limited to entering into (i) the 1994 Indenture, (ii) the First Amendment to 1986 Lease and the First Amendment to 1989 Lease, (iii) the First Amendment to 1986 Assignment Agreement, (iv) the First Supplemental 1986 Trust Agreement and the First Supplemental 1989 Trust Agreement, and (v) the Escrow Agreements, as defined below; and

WHEREAS, the City by Resolution No. R-283436 has approved the preparation and distribution of a Preliminary Official Statement and an Official Statement relating to the financial condition and operations of the City for use in the offering and sale of the 1994 Bonds; and

WHEREAS, the City by Resolution No. R-283436 has approved forms of the Notice of Intention to Sell, the Notice of Sale, the Official Bid Form and the Declaration of Award, all for the solicitation by competitive bid of purchasers for the 1994 Bonds; NOW THEREFORE,

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

Section 1. Authorization and Approval of 1994 Indenture.

To provide for the issuance and sale of the 1994 Bonds, the City hereby authorizes and approves of the Authority's execution, delivery and performance of the 1994 Indenture, tentatively dated as of March 1, 1994, between the Authority and First Interstate Bank of California, as trustee (the "1994 Indenture Trustee").

Section 2. Authorization of Lease Amendments. The form and content of the First Amendment to 1986 Lease and the First Amendment to 1989 Lease (collectively, the "Lease Amendments"), each tentatively dated as of March 1, 1994, copies of which are on file in the office of the City Clerk as Document Nos. 0018044-1 and 0018044-B, are hereby approved. The Designated Officer (as defined below) is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver the Lease Amendments in substantially the forms presented to and considered this meeting, and the City Clerk of the City is authorized to attest thereto, with such additions and changes therein as the Designated Officer shall approve as being in the best interests of the City, and as are approved as to form by the City Attorney, and with such other changes that may be required by nationally recognized bond counsel in order to maintain the tax exempt status of the interest on the 1994 Bonds, such approval to be conclusively evidenced by the Designated Officer's execution and delivery of said Lease Amendments, which forms of Lease Amendments are hereby in all respects approved and incorporated by reference and made a part hereof.

Section 3. Authorization and Approval of First Amendment to 1986 Assignment Agreement. The City hereby authorizes and approves of the Authority's execution, delivery and performance of the First Amendment to the 1986 Assignment Agreement, tentatively dated as of March 1, 1994, under which the Authority will assign its rights to receive rental payments from the City to the 1986 Trustee and the 1994 Indenture Trustee.

Section 4. Authorization of Supplemental Trust Agreements. The form and content of the First Supplemental 1986 Trust Agreement and the First Supplemental 1989 Trust Agreement (the Supplemental Trust Agreements"), each tentatively dated as of March 1, 1994, copies of which are before the Council and are on file in the office of the City Clerk as Document Nos. 18044-3 and 18044-4, are hereby approved. The Designated Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver the Supplemental Trust Agreements in substantially the forms presented to and considered at this meeting, and the Clerk of the City is authorized to attest thereto, with such additions and changes therein as the Designated Officer shall approve as being in the best interests of the City, and as are approved as to form by the City Attorney, and with such other changes that may be required by nationally recognized bond counsel in order to maintain the tax exempt status of the interest on the 1994 Bonds, such approval to be conclusively evidenced by the Designated Officer's execution and delivery of said Supplemental Trust Agreements, which forms of Supplemental Trust Agreements are hereby in all respects approved and incorporated by reference and made a part hereof.

Section 5. Authorization of Escrow Agreements. The form and content of two Escrow Agreements (the "Escrow Agreements"), each tentatively dated as of March 1, 1994, pursuant to which a portion of the proceeds from the sale of 1994 Bonds will be deposited with the Escrow Agents (as defined in the respective Escrow Agreements) to defease all or a portion of the Prior Obligations, copies of which are before the Council and are on file in the office of the City Clerk as Document Nos. 18044-5 and 18044-6, are hereby approved. First Interstate Bank of California is hereby appointed as escrow agent under each of the Escrow Agreements. The Designated Officer is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver the Escrow Agreements in substantially the form presented to and considered at this meeting, and the Clerk of the City is authorized to attest thereto, with such additions and changes therein as the Designated Officer shall approve as being in the best interests of the City, and as are approved as to form by the City Attorney, and with such other changes that may be required by nationally recognized bond counsel in order to maintain the tax exempt status of the interest with respect to the 1994 Bonds and the Prior Obligations, such approval to be conclusively evidenced by the Designated Officer's execution and delivery of said Escrow Agreements, which forms of Escrow Agreements are hereby in all respects approved and incorporated by reference and made a part hereof.

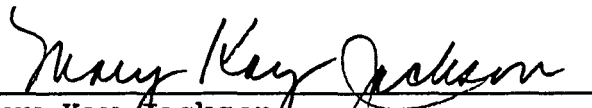
Section 6. Ratification of Actions. All actions heretofore taken by any officers, employees or agents of the City with respect to the issuance, execution, delivery or sale of the 1994

Bonds, or in connection with or related to any of the agreements or documents referenced herein, are hereby approved, confirmed and ratified.

Section 7. General Authorization. The City Manager of the City, or designee, is hereby authorized and directed, for and in the name of and on behalf of the City, to take such actions, and to execute such documents and certificates as may be necessary to effectuate the purposes of this ordinance.

Section 8. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: JOHN W. WITT, City Attorney

By 
Mary Kay Jackson
Deputy City Attorney

MKJ:mb
02/08/94
02/09/94 Corr.1
02/16/94 Corr.2
Or.Dept:F.M.
O-94-73
Form=o.code

Passed and adopted by the Council of The City of San Diego on **MAR 07 1994**,
 by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Harry Mathis	<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"/>
Christine Kehoe	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Barbara Warden	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<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"/>
Juan Vargas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

(Seal)

SUSAN GOLDING
 Mayor of The City of San Diego, California.

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

By *Brenda B. Barnes* Deputy.

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

FEB 22 1994

MAR 07 1994

~~I FURTHER CERTIFY that said ordinance was read in full prior to its final passage.~~

I FURTHER CERTIFY that the reading of said ordinance in full was dispensed with by a vote of not less than a majority of the members elected to the Council, and that there was available for the consideration of each member of the Council and the public prior to the day of its passage a written or printed copy of said ordinance.

(Seal)

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

By *Brenda B. Barnes* Deputy.

Office of the City Clerk, San Diego, California	
Ordinance Number 018044	Adopted MAR 07 1994

CERTIFICATE OF PUBLICATION

RECEIVED
CITY CLERK
94 MAR 23 AM 10:10
SAN DIEGO, CALIF.

OFFICE OF THE CITY CLERK
CITY ADMIN. BLDG.
202 C STREET, 2ND FLOOR
SAN DIEGO, CA 92101

IN THE MATTER OF

NO.

AUTHORIZING THE EXECUTION OF FINANCING DOCUMENTS...

ORDINANCE NUMBER O-18044 (NEW SERIES)

AN ORDINANCE OF THE CITY OF SAN DIEGO AUTHORIZING THE EXECUTION OF FINANCING DOCUMENTS NECESSARY FOR THE ISSUANCE OF LEASE REVENUE BONDS.

This ordinance is enacted to approve financing documents necessary for the refunding of prior bond issuances so that the City may take advantage of lower interest rates, thereby reducing annual lease and debt service payments.

A complete copy of the ordinance is available for inspection in the Office of the City Clerk of the City of San Diego, 2nd Floor, City Administration Building, 202 C Street, San Diego, CA 92101.

INTRODUCED ON Feb 22, 1994. Passed and Adopted by the Council of The City of San Diego on March 7, 1994.

AUTHENTICATED BY:

SUSAN GOLDING
Mayor of The City of San Diego, CA
CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, CA

(SEAL)

Pub. Mar. 21

By RHONDAR. BARNES, Deputy.

289283

I, Corey Donahue, am a citizen of the United States and a resident of the county aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the San Diego Daily Transcript, a newspaper of general circulation, printed and published daily, except Saturdays and Sundays, in the City of San Diego, County of San Diego and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Diego, State of California, under the date of January 23, 1909, Decree No. 14894; and the

ORDINANCE NUMBER O-18044 (NEW SERIES)

is a true and correct copy of which the annexed is a printed copy and was published in said newspaper on the following date(s), to wit:

MAR. 21

I certify under penalty of perjury that the foregoing is true and correct.

Dated at San Diego, California this 21st day of MAR., 1994.

Corey Donahue
(Signature)

2 1/2" x 2 = \$ 56.32