

RESOLUTION NUMBER R- 288099

ADOPTED ON NOV 26 1996

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
SAN DIEGO APPROVING A LEASE FINANCING TO BE  
UNDERTAKEN BY THE CALIFORNIA STATEWIDE  
COMMUNITIES DEVELOPMENT AUTHORITY TO BENEFIT  
SAN DIEGO SPACE AND SCIENCE FOUNDATION

WHEREAS, San Diego Space and Science Foundation (the "Foundation"), a nonprofit public benefit corporation, has requested that the California Statewide Communities Development Authority ("CSCDA") participate in a lease financing for the purpose of financing the acquisition, construction and equipping of certain additions and improvements (the "Project") to the facilities leased by the Foundation (the "Facilities") from the City of San Diego (the "City") and located in the City; and

WHEREAS, in connection with the financing, CSCDA and the Foundation will enter into a first sublease (the "First Sublease") under which the Foundation will sublease the Facilities to CSCDA and CSCDA will agree to make lease payments (the "Lease Payments") to the Foundation for the lease thereof; and

WHEREAS, simultaneously with such sublease under the First Sublease, CSCDA and the Foundation will enter into a second sublease (the "Second Sublease") under which CSCDA will lease the Facilities back to the Foundation and the Foundation will agree to make lease payments to CSCDA for the lease thereof, with the result that a leasehold interest in the Facilities will remain with the Foundation; and

WHEREAS, certificates of participation (the "Certificates") in an aggregate principal amount not to exceed \$6,500,000, each representing a proportionate undivided interest in the Lease Payments, will be executed, delivered and sold in connection with the financing; and

WHEREAS, the proceeds of the Certificates will be used for the financing and refinancing of the Project; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code") the financing and the execution and delivery of the First Sublease by CSCDA must be approved by the City because the Facilities are located within the territorial limits of the City; and

WHEREAS, the City council is the elected legislative body of the City and is one of the applicable elected representatives required to approve the financing and the execution and delivery of the First Sublease under Section 147(f) of the Code; and

WHEREAS, CSCDA and the Foundation have requested that the City Council approve the financing and the execution and delivery of the First Sublease in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 9 of the Joint Exercise of Powers Agreement (the "Agreement"), dated as of June 1, 1988, among certain local agencies, including the City, creating CSCDA; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the financing and the execution and delivery of the First Sublease, and now desires to approve the financing and the execution of the First Sublease; and

WHEREAS, the City is now duly empowered and authorized, pursuant to each and every

requirement of law, to adopt this Resolution; NOW, THEREFORE,

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

Section 1. The foregoing recitals are true and correct and this Council does hereby so find and determine.

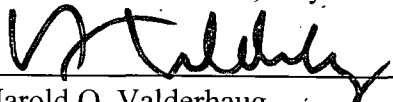
Section 2. The City Council hereby approves the financing described above and the First Sublease. It is the purpose and intent of the City Council that this resolution constitute approval of the financing and the execution and delivery of the First Sublease (and the execution and delivery of the Certificates) for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Facilities are located, in accordance with said Section 147(f) of the Code, and (b) Section 9 of the Agreement.

Section 3. The officers of the City are hereby authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents which they in their reasonable discretion deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 4. This resolution shall take effect immediately upon its passage.

APPROVED: John W. Witt, City Attorney

By

  
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Harold O. Valderhaug  
Head Deputy City Attorney

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