

RESOLUTION NO. 292873

ADOPTED ON MAR 14 2000

**RESOLUTION OF THE CITY COUNCIL OF SAN DIEGO,
CALIFORNIA, APPROVING THE ISSUANCE OF NOTES,
BONDS OR OTHER EVIDENCE OF INDEBTEDNESS BY
THE CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

Local Government

Participant: City of San Diego, California
Issuer: California Statewide Communities Development Authority
Borrower: Finest City Oil Corporation or an affiliate
Obligation: Notes, Bonds or any other evidence of indebtedness of the
Issuer

Maximum

Principal Amount: \$3,000,000

Public

Hearing Date: March 14, 2000

WHEREAS, the Issuer in its inducement resolution (the "Inducement Resolution") attached hereto as Exhibit A has proposed to issue its notes, bonds or other evidence of indebtedness (the "Obligation") in an aggregate principal amount not expected to exceed the Maximum Principal Amount pursuant to the California Industrial Development Financing Act, Section 91500 et seq. of the Government Code of the State of California, as amended and supplemented (the "Act"); and

WHEREAS, the project to be financed by the Obligation consists of the acquisition, construction, rehabilitation and improvement of property, including real and personal property, to be used as, or as a part of, a gas station and grocery store facility (the "Project") as described in the Inducement Resolution; and

WHEREAS, the Issuer has requested that the governing body of the "Local Government Participant" approve the issuance of the Obligation in order to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the requirements of Section 9 of the Amended and Restated Joint Exercise of Powers Agreement (the "Agreement"), dated as of June 1, 1988, among certain local agencies, including the Local Government Participant, and the public agency approval requirement of Section 91530(f) of the Government Code of the State of California, as amended; and

WHEREAS, the governing body of the Local Government Participant hereby finds and determines that the Project is not substantively inconsistent with the Local Government Participant's general plan as prepared and adopted in accordance with Article 5 (commencing with Section 65300 of the Government Code of the State of California) of Chapter 3 of Title 7; and

WHEREAS, the Local Government Participant held a public hearing on the Public Hearing Date providing a reasonable opportunity for persons to comment on the issuance of the Obligation and the Project; and

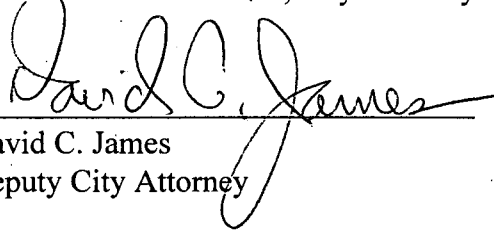
WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Obligation required by Section 147(f) of the Code, Section 9 of the Agreement and Section 91530(f) of the Government Code of the State of California;

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Local Government Participant, that the issuance of the Obligation is hereby approved for the purposes of Section 147(f) of the Code, Section 9 of the Agreement and Section 91530(f) of the Government Code of the State of California.

BE IT FURTHER RESOLVED, the Clerk of the Local Government Participant shall certify the adoption of this resolution, and thenceforth and thereafter the same shall be in full force and effect.

APPROVED: CASEY GWINN, City Attorney

By


David C. James
Deputy City Attorney

DCJ:amp
02/29/00
Aud.Cert.: N/A
Or.Dept:
R-2000-968
Form=r-t

RESOLUTION NO. 2000IDB-_____

RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY MAKING DETERMINATIONS WITH RESPECT TO THE FINANCING OF FACILITIES AND DECLARING ITS OFFICIAL INTENT TO UNDERTAKE THE FINANCING AND TO REIMBURSE CERTAIN CAPITAL EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS

Borrower: Finest City Oil Corporation or an affiliate
Obligation: Enterprise Zone Bond, Note or any other evidence of indebtedness of the Issuer

Maximum Principal Amount: \$3,000,000
Project Location: City of San Diego, County of San Diego, California
Activities and Uses of the Project: Gas station and grocery store facility
Anticipated Public Benefits: (a) Employment benefits (within the meaning of Section 91502.1(b)(1) of the Act) by securing or increasing the number of employees of the Borrower and any other direct users of the Project or the compensation for such employment.
 (b) Consumer benefits (within the meaning of Section 91502.1(b)(3) of the Act) by improving the quantity or quality or reducing the price of products, energy or related services or facilities.

WHEREAS, the California Statewide Communities Development Authority (the "Issuer") is authorized and empowered by the provisions of Title 1, Division 7, Chapter 5 of the Government Code of the State of California to issue its Obligation pursuant to the California Industrial Development Financing Act, as amended and supplemented (the "Act"), for the purpose of financing certain costs of a project, as that term is defined in the Act; and

WHEREAS, the Borrower desires to acquire, construct, rehabilitate and improve property, including real and personal property, to be used as, or as a part of, a gas station and grocery store facility (the "Project"), which will be located in the Project Location; and

WHEREAS, the Borrower is willing to acquire, construct, rehabilitate and improve the Project upon the issuance by the Issuer of the Obligation to finance the Project pursuant to the Act; and

WHEREAS, the Borrower has heretofore submitted, and this Commission has accepted, an application requesting financing for the Project; and

WHEREAS, the Issuer may not issue the Obligation to finance the Project until this Commission makes certain determinations with respect to public benefits and qualification of the Project as required by the Act; and

WHEREAS, this Commission has carefully considered and discussed the information contained in the Borrower's application and other information necessary to make such determinations; and

WHEREAS, this Commission desires to induce the Borrower to commence acquisition, construction, rehabilitation and improvement of the Project at the earliest possible time so as to produce the public benefits set forth herein; and

WHEREAS, the Issuer, in the course of assisting the Borrower in the financing of the Project, expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project within 60 days prior to the adoption of this Resolution and prior to the issuance of the Obligation for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the Issuer reasonably expects that the Obligation in an amount not expected to exceed the Maximum Principal Amount will be issued and that certain of the proceeds of the Obligation may be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Issuer to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the Commission of the California Statewide Communities Development Issuer does hereby resolve as follows:

Section 1. This Commission hereby finds and determines that the foregoing recitals are true and correct.

Section 2. This Commission hereby finds and determines that:

- (a) the Activities and Uses of the Project are in accord with Section 91503 of the Act;
- (b) the use of the Project is likely to produce the Anticipated Public Benefits;
- (c) the issuance of the Obligation by the Issuer in an amount sufficient to finance certain costs of the Project, which is now estimated not to exceed the Maximum Principal Amount, as described in the Borrower's application attached hereto as **Exhibit A**, is likely to be a substantial factor in the accrual of one or more of the Anticipated Public Benefits from the use of the Project as proposed in the Borrower's application; and
- (d) the acquisition of the Project by the issuance of the Obligation is otherwise in accord with the purposes and requirements of the Act.

Section 3. It is the present intent of the Issuer to issue, at one time or from time to time, the Obligation (the interest of which is intended to be exempt from federal income taxation) when permitted to do so under the Act in the amount not to exceed the Maximum Principal Amount to finance certain costs of the Project.

Section 4. This Resolution is being adopted by the Issuer for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In that regard, the Issuer hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures. Notwithstanding the foregoing, this resolution does not bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the financing of the Project.

Section 5. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 23rd day of February, 2000.

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The undersigned, a duly appointed and qualified Member of the Commission of the California Statewide Communities Development Authority, **DOES HEREBY CERTIFY** that the foregoing resolution was duly adopted by the Commission of the Issuer at a duly called meeting of the Commission of the Issuer held in accordance with law on February 23, 2000.

Member of the Commission
California Statewide Communities
Development Authority