

RESOLUTION NUMBER R- 296877

ADOPTED ON JUL 29 2002

WHEREAS, Multiple Peptide Systems, Inc., or an affiliate, [the Borrower] has requested that the California Statewide Communities Development Authority [Authority] participate in the issuance of industrial development bonds in an aggregate principal amount not to exceed \$6,000,000 [the Bonds] for the acquisition, construction, rehabilitation and improvement of property to be used as, or part of, a manufacturing facility [the Project] to be owned and operated by the Borrower, and to be located within the City of San Diego [the City]; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended [the Code], Treasury Regulation Section 1.1394-1(m), and Section 91530(f) of the Government Code of the State of California, as amended, the issuance of the Bonds by the Authority must be approved by the City because the Project is located within the territorial limits of the City; and

WHEREAS, the Council of the City of San Diego is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of the Section 147(f) of the Code, the requirements of Section 9 of the Amended and Restated Joint Exercise of

Powers Agreement, dated as of June 1, 1988, [the Agreement] among certain local agencies, including the City, and the public agency requirement of Section 91530(f) of the Government Code of the State of California, as amended; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Council hereby finds and determines that the Project is not substantively inconsistent with the City'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.

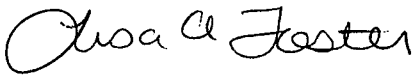
BE IT FURTHER RESOLVED, that the issuance of the Bonds by the Authority is hereby approved and it is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of:

1. Section 147(f) of the Code by the applicable elected representative of the government unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) of the Code;
2. Section 9 of the Agreement; provided, however, that the adoption of this resolution by the City Council shall not:
  - a. create any liability on the part of the City, or
  - b. constitute a waiver or relinquishment of any of its rights relating to land use approvals, permits or requirements necessary for the Project or jeopardize the City Council's appellate authority concerning any land use permits for the Project.

BE IT FURTHER RESOLVED, that the officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they 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.

BE IT FURTHER RESOLVED, that this resolution shall take effect immediately upon its adoption.

APPROVED: CASEY GWINN, City Attorney

By   
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Lisa A. Foster  
Deputy City Attorney

LAF:jab:sa  
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