

RESOLUTION NUMBER R-297693

ADOPTED ON MARCH 3, 2003

A RESOLUTION OF THE CITY OF SAN DIEGO
AUTHORIZING CITY OF SAN DIEGO/MTDB AUTHORITY
TO ISSUE ITS LEASE REVENUE REFUNDING BONDS IN
AN AMOUNT NOT TO EXCEED \$18.5 MILLION
PERTAINING TO THE OLD TOWN LIGHT RAIL TRANSIT
EXTENSION AND CERTAIN OTHER PUBLIC CAPITAL
IMPROVEMENTS.

WHEREAS, the City of San Diego [City] and the San Diego Metropolitan Transit Development Board [MTDB] formed the City of San Diego/MTDB Authority [Authority] to finance the construction of public capital improvements, including public mass transit guideways, including public transit systems and related transportation facilities and services; and

WHEREAS, the City and the Authority have the power to enter into leases for real and personal property; and

WHEREAS, the City and MTDB have previously requested that the Authority finance the acquisition, installation and construction of a portion of the Old Town Light Rail Transit Extension [1993 Project]; and

WHEREAS, the Authority has previously issued its \$19,515,000 1993 Lease Revenue Bonds (San Diego Old Town Light Rail Transit Extension) [1993 Bonds] pursuant to a Trust Indenture dated as of August 1, 1993 [1993 Indenture] and has executed in connection therewith a Lease Agreement with the City [1993 Lease], a Property Lease with MTDB [1993 Property Lease], and the City has executed a Sublease Agreement with MTDB [1993 Sublease] each dated as of August 1, 1993 and as further identified pursuant to the 1993 Indenture; and

WHEREAS, the Authority holds certain real property pursuant to the 1993 Property Lease more particularly identified therein and herein as the "Property"; and

WHEREAS, the Property has been leased to the City and the 1993 Project has been constructed and acquired by MTDB; and

WHEREAS, the City has subleased the Property to MTDB for the purpose of maintenance and operation; and

WHEREAS, the City wishes to refinance its obligations pursuant to the 1993 Lease and without increasing lease payments thereunder, pursuant to an Amended and Restated Lease Agreement referenced below [Lease Agreement] related to the Property; and

WHEREAS, the Authority will cause to be provided the funds for the refunding of the 1993 Bonds, pursuant to the Lease Agreement from the proceeds of lease revenue refunding bonds [Bonds] to be issued pursuant to Article 4, Chapter 5, Division 7 of Title 1 (commencing at Section 6584) of the Government Code of the State of California, which will be secured by the lease payments to be received from the City pursuant to the Lease Agreement; and

WHEREAS, the City desires to authorize the Authority to issue lease revenue refunding bonds in an amount not to exceed \$18.5 million; and

WHEREAS, the Council has previously approved a certain Amended and Restated Lease Agreement between the City and the Authority [Lease Agreement] and an Amended and Restated Sublease Agreement between the City and MTDB, and the issuance by the Authority of its Lease Revenue refunding bonds in the amount not to exceed 18.5 million dollars (\$18.5 million)

[Bonds], on file in the Office of the City Clerk as Document No. O- 19162-1 and O- 19162-2,

adopted on MAR 17 2003 [Ordinance]; and

WHEREAS, the City Council wishes to approve certain aspects of the Bonds to be issued by the Authority for the Project, including the form of Official Statement to be utilized in connection with the offering of the Bonds [Official Statement], the form of Escrow Agreement providing for the defeasance of the 1993 Bonds, the Notice Inviting Bids to be distributed to potential Purchasers of the Bonds and the form of Continuing Disclosure Agreement providing for certain continuing disclosure by the City of pertinent financial information related to the refunding bonds; NOW , THEREFORE,

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


1. The proposed form of the Continuing Disclosure Agreement, by and between the City on behalf of the Authority, and Wells Fargo Bank, N.A. [Trustee], which is on file with the Office of the City Clerk as Document No. RR-²⁹⁷⁶⁹³____-1, the form of the Escrow Agreement by and among the City, the Authority and US Bank Trust National Association, as Escrow Agent, and the Notice Inviting Bids; copies of which are on file with the Office of the City Clerk as Document Nos. RR-²⁹⁷⁶⁹³____-2, and RR-²⁹⁷⁶⁹³____-3, respectively, are hereby approved. The City Manager, the Deputy City Manager, and their authorized designees, are authorized to execute the Continuing Disclosure Agreement in substantially said form, with such additions thereto or changes therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof on behalf of the City.

2. The proposed form of the Official Statement which is on file with the Office of the City Clerk as Document No. RR-²⁹⁷⁶⁹³____-4, is hereby approved. The City Manager, the Deputy City Manager, and their authorized designees, are authorized to execute the official Statement in substantially said form at such time as he deems it final, with such additions thereto or changes

therein as such officers may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof on behalf of the City.

3. The City Manager, Deputy City Manager, City Clerk, City Attorney, their respective designees, and any and all other officers of the City are hereby authorized to make any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they may deem necessary or appropriate in order to consummate the execution and delivery of the documents approved herein, including, but not limited to, solicitation of bids for and the execution of a commitment for financial guaranty and if it is determined that the policy and/or the surety will result in interest rate or lease payment savings for the City, to pay the insurance premium of such policy and/or surety from the proceeds of the Bonds, and to enter into a reimbursement agreement with the provider of such surety.

APPROVED: CASEY GWINN, City Attorney

By 
Kelly J. Salt
Deputy City Attorney

KJS:pev
2/18/03
2/27/03 Cor.Copy
3/19/03 Cor.Copy2
Or.Dept:Fin.Svcs.
Aud.Cert:N/A
R-2003-1025
Form=r&t.frm