

RESOLUTION NUMBER R- 298079

ADOPTED ON JUN 10 2003

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
SAN DIEGO, CALIFORNIA, AUTHORIZING AND
PROVIDING FOR THE ISSUANCE OF LIMITED
OBLIGATION REFUNDING BONDS FOR REASSESSMENT
DISTRICT NO. 2003-1 AND APPROVING THE FORM OF A
BOND INDENTURE.

WHEREAS, the City Council of the City of San Diego, California [Council], has undertaken proceedings pursuant to the "Refunding Act of 1984 for 1915 Improvement Act Bonds" [Refunding Act], being Division 11.5 of the Streets and Highways Code of the State of California, to form a reassessment district to be known and designated as Reassessment District No. 2003-1 [Reassessment District] encompassing certain existing assessment districts identified below, to reassess the properties within such Reassessment District and to issue refunding bonds for the Reassessment District to refund the outstanding limited obligation improvement bonds issued for such existing assessment districts; and

WHEREAS, as part of such proceedings, the Council has previously adopted a resolution approving an Engineer's Report prepared and submitted pursuant to the provisions of the Refunding Act [Engineer's Report], undertaken reassessment ballot proceedings within the Reassessment District, caused the tabulation of such reassessment ballots, determined from the tabulation of such reassessment ballots that a majority protest to the levy of the reassessments does not exist and conditionally confirmed reassessments upon lands within such reassessment district; and

WHEREAS, such proceedings provide for the issuance of Limited Obligation Refunding Bonds (defined below) pursuant to the Refunding Act to represent the unpaid reassessments within such Reassessment District; and

WHEREAS, at this time, but subject to the final confirmation of the reassessments to be incorporated in a final Engineer's Report and the recordation of the reassessment diagram and notice of reassessment, this legislative body desires to set forth all formal terms and conditions relating to the issuance and sale of such Limited Obligation Refunding Bonds; and

WHEREAS, a portion of the proceeds of the Limited Obligation Refunding Bonds shall be used to retire, in advance of their scheduled maturities, certain outstanding improvement bonds of the City [collectively, the Prior Bonds] issued for the following assessment districts:

1. Assessment District No. 4011 (De La Fuente Business Park – Phase I);
2. Assessment District No. 4021 (De La Fuente Business Park – Phase II);
3. Assessment District No. 4036 (International Business Center); and

WHEREAS, for the purposes of the sale and delivery of the Limited Obligation Refunding Bonds, there are now on file with the City Clerk copies of the form of the Bond Indenture by and between the City and U.S. Bank Trust National Association, as fiscal agent, establishing the terms and conditions pertaining to the issuance of the Refunding Bonds [Bond Indenture] and reference is hereby made thereto for further particulars; and

WHEREAS, the Council has reviewed and considered such Bond Indenture and finds such document suitable for approval, subject to the conditions set forth in this resolution; and

WHEREAS, except as described herein, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of the Refunding Bonds and the levy of the reassessments as contemplated by this resolution and the documents

referred to herein exist, have happened and have been performed or have been ordered to have been performed in due time, form and manner as required by the laws of the State of California, including the Refunding Act; NOW, THEREFORE,

BE IT RESOLVED, that the Council of the City of San Diego, does determine and order as follows:

1. Recitals. The above recitals are true and correct.
2. Bonds Authorized. Pursuant to the Refunding Act, this Resolution and the Bond Indenture (hereafter defined), Limited Obligation Refunding Bonds of the City for the Reassessment District designated as "City of San Diego Reassessment District No. 2003-1 Limited Obligation Refunding Bonds" [Limited Obligation Refunding Bonds] in an aggregate principal amount not to exceed the unpaid reassessments are hereby authorized to be issued. The date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms, covenants and conditions of the Bonds shall be as provided in the Bond Indenture as finally executed.
3. Bond Indenture. The form of Bond Indenture with respect to the Refunding Bonds on file in the City Clerk's office is hereby approved. The City Manager and the Deputy City Manager of the City and each of their specified designees [Authorized Officers], acting for and on behalf of the City, are, and each of them is, hereby authorized and directed to execute and deliver the Bond Indenture with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve as being in the best interests of the City subject to any limiting conditions contained herein and further subject to the approval thereof as to form by the City Attorney or his specified designee and Best Best & Krieger LLP, the City's bond counsel.

The approval of such additions or changes shall be conclusively evidenced by the execution and delivery of such documents or instruments by the Authorized Officer.

4. Sale of Refunding Bonds. This City Council hereby authorizes and approves the sale of the Limited Obligation Refunding Bonds by negotiation to Stone and Youngberg. The sale of the Refunding Bonds shall be subject to the satisfaction of the following conditions precedent: (a) that the aggregate principal amount of the Refunding Bonds is equal to or less than the aggregate amount of the unpaid reassessments within the Reassessment District; (b) that the purchase price of the Limited Obligation Refunding Bonds does not exceed the purchase price thereof upon which the Engineer's Report was based; (c) that the annual interest rate on the Refunding Bonds shall not exceed the annual interest rate thereon upon which the Engineer's Report was based; and (d) that the Council shall have approved the form of a preliminary official statement, bond purchase agreement and continuing disclosure agreement pertaining to the Refunding Bonds.

5. Annual Reassessment Installments. A copy of the resolution confirming the reassessments, which reassessments shall constitute the security for the Refunding Bonds, shall be delivered to the Treasurer and the Treasurer shall keep or cause to be kept the record showing the several installments of principal and interest on the reassessments which are to be collected each year during the term of the Refunding Bonds. An annual portion of each reassessment, together with annual interest on said reassessment, shall be payable in the same manner and at the same time and in the same installment as the general property taxes of the County of San Diego and shall be payable and become delinquent at the same time and in the same proportionate amount. Each year the annual installments shall be submitted to the County Auditor for purposes of collection.

6. Effective Date. This resolution shall take effect from and after its adoption..

APPROVED: CASEY GWINN, City Attorney

By Kelly J. Salt
Kelly J. Salt
Deputy City Attorney

KJS:pev
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Or.Dept:Fin.Svcs
Aud.Cert:N/A
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