

RESOLUTION NUMBER R- 298697

ADOPTED ON DEC 08 2003

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$5,935,000 AGGREGATE PRINCIPAL AMOUNT OF CITY OF SAN DIEGO ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH) LIMITED OBLIGATION IMPROVEMENT BONDS, APPROVING THE EXECUTION AND DELIVERY OF AN INDENTURE, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE CERTIFICATE AND THE PREPARATION OF AN OFFICIAL STATEMENT AND OTHER MATTERS RELATED THERETO.

WHEREAS, under the provisions of the Municipal Improvement Act of 1913, Sections 1000 et seq. of the California Streets and Highways Code, and the Improvement Bond Act of 1915, Sections 8500 et seq. of the California Streets and Highways Code [collectively, the Act], on March 24, 2003, the City Council [City Council] of the City of San Diego [City] passed and adopted Resolution No. R-297755, expressing its intention to order improvements in the proposed City of San Diego Assessment District No. 4096 (Piper Ranch) [Assessment District], accepting a petition of property owners, approving a proposed boundary map for the Assessment District, appointing an engineer of work and expressing its intention that bonds representing the unpaid assessments in the Assessment District will be issued;

WHEREAS, under the provisions of the Act, on May 13, 2003, the City Council adopted Resolution No. R-297952, overruling protests, approving the engineer's report for the Assessment District, levying assessments in the Assessment District, ordering the acquisition of improvements and determining the assessments remaining unpaid in and for the Assessment District;

WHEREAS, in order to provide a portion of the moneys required to finance the acquisition of said improvements, the City desires to authorize the issuance of the City of San Diego Assessment District No. 4096 (Piper Ranch) Limited Obligation Improvement Bonds [Bonds], in an aggregate principal amount of not to exceed \$5,935,000;

WHEREAS, in order to provide for the authentication and delivery of the Bonds, to establish and declare the terms and conditions upon which the Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the City proposes to enter into an Indenture with Union Bank of California, N.A., as Trustee [Trustee] [such Indenture, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the Indenture];

WHEREAS, Stone & Youngberg LLC [Underwriter] has presented the City with a proposal, in the form of a Bond Purchase Agreement, to purchase the Bonds [such Bond Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the Bond Purchase Agreement];

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 [Rule 15c2-12] requires that, in order to be able to purchase or sell the Bonds, the Underwriter must have reasonably determined that one or more obligated persons have undertaken in a written agreement or contract for the benefit of the holders of the Bonds to provide disclosure of certain financial information and certain material events on an ongoing basis;

WHEREAS, in order to assist in causing such requirement to be satisfied, the City desires to execute and deliver a Continuing Disclosure Certificate [such Continuing Disclosure Certificate, in the form presented to this meeting, with such changes, insertions and omissions as

are made pursuant to this Resolution, being referred to herein as the Continuing Disclosure Certificate];

WHEREAS, there have been prepared and submitted to this meeting forms of:

(a) the Indenture;

(b) the Bond Purchase Agreement;

(c) the Continuing Disclosure Certificate; and

(d) the Preliminary Official Statement to be used in connection with the offering and sale of the Bonds [such Preliminary Official Statement in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the Preliminary Official Statement]; and

WHEREAS, the City desires to proceed to issue and sell the Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Bonds;

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

Section 1. The above recitals are true and correct, and the City Council so finds and determines.

Section 2. Subject to the provisions of Section 3 hereof, the issuance of the Bonds, in the aggregate principal amount of not to exceed \$5,935,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, is hereby authorized and approved. The Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be issued in

the form, and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

Section 3. The Indenture, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, be and the same is hereby approved. The Assistant City Manager of the City, the Deputy City Manager of the City, the City Treasurer of the City and their respective specified designees [Authorized Officers] are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Indenture in the form submitted to this meeting, 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, and as approved as to form by the City Attorney or his specified designee, such requirement or approval to be conclusively evidenced by the execution of the Indenture by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not authorize an aggregate principal amount of Bonds in excess of \$5,935,000, shall not result in a final maturity date of the Bonds later than September 2, 2033, and shall not result in a true interest cost on the Bonds in excess of 6.75%.

Section 4. The Bond Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Bond Purchase Agreement in the form presented to this meeting, 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, and as approved as to form by the City Attorney or his specified designee, such requirement or approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such

Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate Underwriter's discount (not including any original issue discount) from the principal amount of the Bonds in excess of 1.4% of the aggregate principal amount of the Bonds.

Section 5. The Continuing Disclosure Certificate, in substantially the form submitted to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the Continuing Disclosure Certificate in the form presented to this meeting, 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, and as approved as to form by the City Attorney or his specified designee, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Certificate by such Authorized Officer.

Section 6. The Preliminary Official Statement, in substantially the form presented to this meeting and made a part hereof as though set forth in full herein, with such changes therein as may be approved by an Authorized Officer as being in the best interests of the City, be and the same is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Bonds is hereby authorized and approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to certify to the Underwriter that the Preliminary Official Statement has been "deemed final" for purposes of Rule 15c2-12.

Section 7. The preparation and delivery of a final Official Statement [Official Statement], and its use in connection with the offering and sale of the Bonds, be and the same is hereby authorized and approved. The Official Statement shall be in substantially the form of the

Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer as being in the best interests of the City, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are, and each of them is, hereby authorized and directed to execute the final Official Statement, and any amendment or supplement thereto, for and in the name of the City.

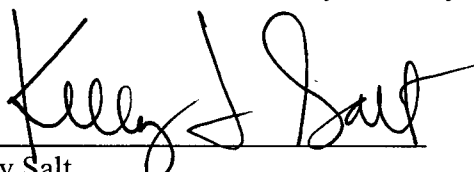
Section 8. The Authorized Officers are, and each of them hereby is, authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the issuance of the Bonds and the transactions contemplated by the Indenture, the Bond Purchase Agreement, the Continuing Disclosure Certificate, the Official Statement and this Resolution.

Section 9. All actions heretofore taken by the officers and employees of the City with respect to the Assessment District, the assessments or the issuance and sale of the Bonds, or in connection with or related to any of the agreements or documents referenced herein, are hereby approved, confirmed and ratified.

Section 10. This Resolution shall take effect immediately upon its adoption.

APPROVED: CASEY GWINN, City Attorney

By

  
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Kelly Salt  
Deputy City Attorney

KJS:pev:lc  
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Or.Dept: Fin.Svcs.  
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