

RESOLUTION NUMBER R- 301043

ADOPTED ON NOV 14 2005

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO DECLARING THE CITY'S OFFICIAL INTENT TO REIMBURSE THE CITY WITH THE PROCEEDS OF INDEBTEDNESS.

WHEREAS, the City Council of the City of San Diego, California [Issuer] desires and intends to finance the acquisition of four public safety helicopters and necessary equipment related thereto [Project]; and

WHEREAS, the Issuer expects to issue debt to finance the costs of the Project on a permanent basis [Debt]; and

WHEREAS, the Issuer expects to expend moneys (other than moneys derived from the issuance of bonds) on expenditures relating to the costs of the Project prior to the issuance of the Debt, which expenditures will be properly chargeable to a capital account under general federal income tax principles; and

WHEREAS, the Issuer reasonably expects to reimburse certain of such capital expenditures with the proceeds of the Debt; and

WHEREAS, the Issuer expects that the maximum principal amount of Debt which will be issued to pay for the costs of the Project (and related issuance costs) will not exceed \$13,000,000; and

WHEREAS, at the time of the reimbursement, the Issuer will evidence the reimbursement in a writing which identifies the allocation of the proceeds of the Debt to the

Issuer for the purpose of reimbursing the Issuer for the capital expenditures made prior to the issuance of the Debt; and

WHEREAS, the Issuer expects to make the reimbursement allocation no later than eighteen months after the later of (i) the date on which the earliest original expenditure is paid or (ii) the date on which the Project is placed in service (or abandoned), but in no event later than three years after the date on which the earliest original expenditure is paid; and

WHEREAS, the Issuer will not, within one year of the reimbursement allocation, use the proceeds of the Debt received in the reimbursement allocation in a manner that will result in the creation of replacement proceeds of the Debt or another issue (e.g., the Issuer will not pledge or use the proceeds received for the payment of debt service on the Debt or another issue, except that the proceeds of the Debt can be deposited in a bona fide debt service fund); and

WHEREAS, this Resolution is intended to be a “declaration of official intent” in accordance with Section 1.150-2 of the Treasury Regulations; NOW THEREFORE,

BE IT RESOLVED, by the Council of the Issuer of San Diego, as follows:

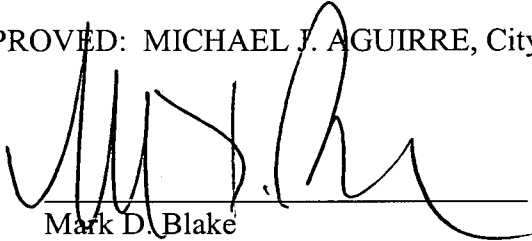
1. That the Issuer finds and determines that the forgoing recitals are true and correct.
2. That this Declaration of Intent is made solely for the purpose of establishing compliance with section 1.150-2 of the Treasury Regulations, and in accordance therewith the Issuer declares its intention to issue Debt in a principal amount not to exceed \$13,000,000, the proceeds of which will be used to pay for the costs of the Project (and related issuance costs), including the reimbursement to the Issuer for certain capital expenditures relating to the Project made prior to the issuance of the Debt, provided however that this Declaration of Intent does not

bind the Issuer to make any expenditure, incur any indebtedness, or proceed with the purchase of any Helicopters.

3. This Declaration of Intent shall take effect from and after the date of its adoption.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By



Mark D. Blake
Deputy City Attorney

MDB:ai
11/03/05
Or.Dept:SDPD
Companion O-2006-57
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