

RESOLUTION NUMBER R- 308240

DATE OF FINAL PASSAGE JUN. 05 2013

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE ISSUANCE OF ITS ASSESSMENT DISTRICT NO. 4096 (PIPER RANCH) LIMITED OBLIGATION REFUNDING BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$3,830,000; AUTHORIZING THE RETENTION OF STRADLING YOCCA CARLSON & RAUTH AS BOND AND DISCLOSURE COUNSEL IN CONNECTION THEREWITH; APPROVING THE FORM OF AND THE EXECUTION AND DELIVERY OF THE BOND PURCHASE AGREEMENT, THE INDENTURE, THE CONTINUING DISCLOSURE CERTIFICATE AND THE PRELIMINARY OFFICIAL STATEMENT; AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City Council (City Council) of The City of San Diego (City) has previously formed its Assessment District No. 4096 (Piper Ranch) (Assessment District) and confirmed assessments on the various parcels located therein to pay the costs of certain improvements of special local benefit to said parcels (Assessments), all pursuant to the Municipal Improvement Act of 1913 (Division 12 of the Streets and Highways Code of California); and

WHEREAS, the City Council has previously caused bonds to be issued on behalf of the Assessment District (2004 Bonds) pursuant to the provisions of the Improvement Bond Act of 1915 (Division 10 of the Streets and Highways Code of California) (1915 Act) in order, among other things, to finance the costs of the aforesaid improvements; and

WHEREAS, the 2004 Bonds are secured by the unpaid Assessments; and

WHEREAS, the City Council has previously adopted its "Resolution of the City Council of the City of San Diego Declaring its Resolution of Intention to Levy Reassessments and to

Issue Refunding Bonds for Assessment District No. 4096 (Piper Ranch) (Resolution of Intention) in which it determined that, in order to benefit taxpayers within the Assessment District by reducing the amount of the installments of the Assessments being levied each year on the parcels within the Assessment District, the public interest and necessity required that the outstanding 2004 Bonds be refunded, and in which the City Council declared its intention to accomplish the refunding through the levy of reassessments and the issuance of refunding bonds upon the security thereof, all pursuant to the Refunding Act of 1984 for 1915 Improvement Act Bonds, Division 11.5 of the Streets and Highways Code of California (Act); and

WHEREAS, among other things, in the Resolution of Intention, the City Council directed the making and filing of a reassessment report (Report) in writing, all in accordance with and pursuant to the Act; and

WHEREAS, the Report was duly made and filed with the City Clerk and was duly considered by the City Council and found to be sufficient in every particular; and

WHEREAS, subsequent to its receipt and review of the Report, the City Council adopted its “Resolution of the City Council of the City of San Diego Adopting the Reassessment Report, Confirming and Ordering the Reassessment by Summary Proceedings and Authorizing and Directing Related Actions for Assessment District No. 4096 (Piper Ranch)” (together with the Resolution of Intention, the “Reassessment Resolutions”) in which, among other things, it found that all of the conditions set forth in Section 9525 of the Act had been satisfied, approved the Report and confirmed the reassessment; and

WHEREAS, the proceedings for the reassessment under the Act and the Resolution of Intention are now completed, and the City Council wishes to provide for the issuance of

refunding bonds hereinafter described (Refunding Bonds) secured by such unpaid reassessments pursuant to the Act; and

WHEREAS, the Refunding Bonds shall be issued under and in accordance with the Indenture, dated as of June 1, 2013 (Indenture), by and between the City and Union Bank, N.A., as trustee (Trustee) in an aggregate principal amount not to exceed the aggregate amount of the unpaid reassessment; and

WHEREAS, in order to effect the issuance of the Refunding Bonds, the City Council desires to approve the form of a Preliminary Official Statement for the Refunding Bonds (Preliminary Official Statement) which the underwriters named below will use to market the Refunding Bonds, and to approve the forms of and to authorize and direct the execution and delivery of the Indenture, a Bond Purchase Agreement and a Continuing Disclosure Certificate,

RP 308240-1

in substantially the forms on file with the City Clerk as Document Numbers _____,

RP 308240-2 RP 308240-3

_____ and _____, respectively, and to authorize such changes and additions thereto as the Authorized Officers (defined herein) deem necessary or desirable; and

WHEREAS, on the basis of certain information set forth in the report to City Council regarding the proposed issuance of the Refunding Bonds (Report to City Council), the City Council has determined that, in accordance with the Act, a negotiated sale of the Refunding Bonds to E.J. De La Rosa & Co., Inc. and Stifel, Nicolaus & Company, Incorporated as Underwriters (Underwriters), in accordance with the terms of the Bond Purchase Agreement to be entered into by the City and the Underwriters (Bond Purchase Agreement) should result in a lower overall cost than a sale of the Refunding Bonds on sealed proposals to the highest bidder in that a negotiated sale is designed to allow for adequate time to pre-market the Refunding

Bonds and for the timing of the sale of the Refunding Bonds to be flexible, thereby maximizing the estimated debt service savings; and

WHEREAS, the City Council has determined that it is prudent in the management of its fiscal affairs to issue the Refunding Bonds and that the issuance of the Refunding Bonds is designed to achieve debt service savings and will benefit taxpayers within the Assessment District; and

WHEREAS, the City is required by the bond markets to retain bond and disclosure counsel in order to issue the Refunding Bonds; Stradling Yocca Carlson & Rauth, a Professional Corporation (Stradling) was selected by the City Attorney's Office as bond counsel and disclosure counsel; the legal fees and costs for Stradling are not expected to exceed \$62,000; such legal fees and costs will be paid from the bond proceeds held by the Trustee only on the successful closing and sale of the Refunding Bonds; and such legal fees and costs will not be paid from any City funds whatsoever; and

WHEREAS, pursuant to the San Diego Municipal Code Section 22.4108 (as amended and enacted by Ordinance O-19320), the Disclosure Practices Working Group (DPWG) is required to review disclosure documents of the City and related entities and, for these purposes, the Assessment District is a Related Entity under the Disclosure Controls and Procedures, which involves different procedures than a general fund offering and does not require Mayor, City Attorney or other certifications for the Refunding Bonds. DPWG has reviewed and approved, in accordance with the Disclosure Controls and Procedures of the City, the form of the Preliminary Official Statement; and

WHEREAS, 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 in due time, form and manner as required by the laws of the State of California, including the Act;

NOW, THEREFORE, the City Council of The City of San Diego DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. Each of the above recitals is true and correct and is adopted by the City Council.

SECTION 2. The City Council finds that the issuance of the Refunding Bonds as described in the Preliminary Official Statement will provide significant public benefits by reducing the total amount of installments of assessments to be levied for debt service within the Assessment District.

SECTION 3. The City Council has determined to defease the 2004 Bonds, subject to the provisions of Section 5 below regarding debt service savings, through (a) the issuance of its Refunding Bonds pursuant to the Indenture and a Bond Purchase Agreement between now and September 2, 2013 and (b) the application of certain existing funds being held in connection with the 2004 Bonds to effect such defeasance.

SECTION 4. The City is authorized pursuant to the Act to issue the Refunding Bonds on behalf of the Assessment District for the purpose of refunding the 2004 Bonds.

SECTION 5. The issuance of the Refunding Bonds in a principal amount not to exceed \$3,830,000 is hereby authorized, with the exact principal amount to be determined by the official signing the Bond Purchase Agreement in accordance with Section 10 below. The Refunding Bonds may be issued to refund the 2004 Bonds only if the Mayor or the Chief Financial Officer (including any Interim Chief Financial Officer) or any designee of either of them (collectively, the Authorized

Officers), determines that there is an economic benefit in the form of aggregate net present value savings of at least 3%, expressed as a percentage of the par amount of the 2004 Bonds to be refunded by the Refunding Bonds. Each of the foregoing determinations to be made by one of the Authorized Officers will be conclusively evidenced by the execution of the Bond Purchase Agreement by the City and the Underwriters.

SECTION 6. The Refunding Bonds shall mature on the dates and pay interest at the rates set forth in the Bond Purchase Agreement. The Refunding Bonds shall be governed by the terms and conditions of the Indenture.

SECTION 7. The form of the Indenture presented at this meeting is hereby approved. The Indenture shall be executed by any one of the Authorized Officers substantially in the form of the Indenture presented at this meeting, with such additions thereto and changes therein as the Authorized Officer executing the same deems necessary or desirable, including to insert the offering price(s), interest rate(s), principal amount per maturity, redemption dates and prices, reserve account deposits and such other related terms and provisions or to conform any provisions therein to the Bond Purchase Agreement and the Official Statement delivered to the purchasers of the Refunding Bonds. Approval of such changes shall be conclusively evidenced by the execution and delivery of the Indenture by any one of the Authorized Officers. Capitalized terms used in this Resolution which are not defined herein have the meanings ascribed to them in the Indenture.

SECTION 8. The Refunding Bonds shall be executed by the manual or facsimile signatures of the City Treasurer and the City Clerk; and the seal of the City, or a facsimile thereof, may be impressed or imprinted thereon.

SECTION 9. The covenants set forth in Article V of the Indenture are hereby approved and shall be deemed to be covenants of the City Council and shall be complied with by the City and its officers.

SECTION 10. The Underwriters are hereby appointed for purposes of offering the Refunding Bonds for sale in accordance with the provisions of the Bond Purchase Agreement and the Indenture. The form of the Bond Purchase Agreement presented at this meeting is hereby approved; and any one of the Authorized Officers is hereby authorized to execute the Bond Purchase Agreement substantially in the form presented at this meeting, with such additions thereto and changes therein as the Authorized Officer executing the same deem necessary or desirable, including to conform the Bond Purchase Agreement to the dates, amounts and interest rates applicable to the Refunding Bonds. Approval of such additions and changes shall be conclusively evidenced by the execution and delivery of the Bond Purchase Agreement; provided, however, that the Bond Purchase Agreement shall be signed only if the requirements of Section 5 hereof have been satisfied.

SECTION 11. The form of the Continuing Disclosure Certificate presented at this meeting is hereby approved; and any one of the Authorized Officers is hereby authorized and directed to execute the Continuing Disclosure Certificate substantially in the form hereby approved, with such additions therein and changes thereto as the Authorized Officer executing the same deem necessary or desirable, with such approval to be conclusively evidenced by the execution and delivery of the Continuing Disclosure Certificate.

SECTION 12. The City Attorney is authorized to retain Stradling and execute an agreement for legal services with Stradling to provide bond and disclosure counsel services for an amount not to exceed \$62,000, and the payment of Stradling's legal fees are contingent on the successful closing

and sale of the Refunding Bonds and will be paid from bond proceeds from the sale of the Refunding Bonds and will not be paid from any City funds whatsoever.

SECTION 13. The form and content of the Preliminary Official Statement substantially in the form presented to and considered at this meeting is hereby approved, with such additions thereto and changes therein as are determined to be necessary or desirable by any one of the Authorized Officers, including, but not limited to, such additions and changes as are necessary to make all information set forth therein accurate and not misleading, such approval to be conclusively evidenced by the delivery of the Preliminary Official Statement to the Underwriters. Each of the Authorized Officers acting alone is hereby authorized to certify to the Underwriters on behalf of the City that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (except for the omission of certain information as permitted therein). The distribution by the Underwriters of copies of the Preliminary Official Statement and the Official Statement to persons who may be interested in the purchase of the Refunding Bonds is hereby authorized and approved. Each of the Authorized Officers is hereby authorized and directed to deliver to the Underwriters a final Official Statement in the form of the Preliminary Official Statement, together with such changes as are determined necessary or desirable by the Authorized Officer executing the Official Statement, including changes made in accordance with any recommendations of DPWG, to make such Official Statement complete and accurate as of its date, such approval to be conclusively evidenced by the delivery of the Official Statement to the Underwriters.

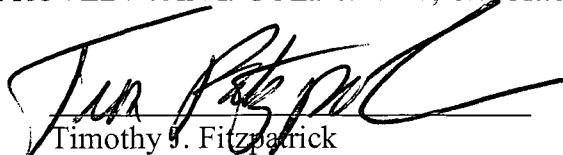
SECTION 14. Each of the Authorized Officers is authorized to provide for all services necessary to effect the issuance, sale and delivery of the Refunding Bonds. Such services shall include, but not be limited to, obtaining legal services, trustee services, consultant services and any other services deemed appropriate by any of the Authorized Officers. Any one of the Authorized

Officers is authorized to pay for the cost of such services, together with other Costs of Issuance (as defined in the Indenture and as otherwise agreed to in writing by an Authorized Officer) from the sale and delivery of Refunding Bond proceeds. The Authorized Officers are hereby authorized and directed to pay all the fees and other costs of issuance of the Refunding Bonds in accordance with the Bond Purchase Agreement and as otherwise agreed to by the City and the respective parties thereto, including applicable bond and disclosure counsel fees, financial advisor fees, reassessment consultant fees, CDIAC fees and printer fees.

SECTION 15. All actions heretofore taken by any Authorized Officers, or by any other officers, employees or agents of the City, with respect to: (1) the issuance, delivery or sale of the Refunding Bonds; (2) the refunding, defeasance and redemption of the 2004 Bonds; and (3) the Preliminary Official Statement, the Bond Purchase Agreement, the Indenture, the Reassessment Resolutions, the Continuing Disclosure Certificate, or any of the documents referenced therein, are hereby approved, confirmed and ratified. The Authorized Officers are hereby jointly and severally authorized and directed to do all things and take any and all actions and execute and deliver any and all documents as are necessary or desirable to accomplish the issuance, sale and delivery of the Refunding Bonds in accordance with the provisions of this Resolution and as are necessary or appropriate for the fulfillment of the purposes of the Refunding Bonds as described in the Indenture. Any document authorized herein to be signed by the City Clerk may be signed by a duly appointed Deputy City Clerk.

APPROVED: JAN I. GOLDSMITH, City Attorney

By


Timothy S. Fitzpatrick
Deputy City Attorney

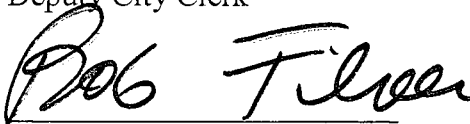
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5/17/13
Or.Dept:Debt Management
CC No.: N/A
Doc. No. 560615

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of 6/4/13.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 6/5/13
(date)


BOB FILNER, Mayor

Vetoed: _____
(date)

BOB FILNER, Mayor

Passed by the Council of The City of San Diego on JUN 04 2013, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherrri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 05 2013

AUTHENTICATED BY:

BOB FILNER

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

(Seal)

By , Deputy

Office of the City Clerk, San Diego, California

Resolution Number R- 308240