

PUBLIC FACILITIES FINANCING AUTHORITY

OF THE CITY OF SAN DIEGO

RESOLUTION NO. FA-2010-___

DATE OF FINAL PASSAGE JULY ____, 2010

RESOLUTION OF THE BOARD OF DIRECTORS OF THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO AUTHORIZING THE PURCHASE AND RESALE OF TAX ALLOCATION BONDS OF THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO, FOR THE CROSSROADS, SAN YSIDRO, NAVAL TRAINING CENTER AND CITY HEIGHTS REDEVELOPMENT PROJECTS, APPROVING PURCHASE CONTRACTS AND APPROVING CERTAIN OTHER MATTERS RELATING THERETO

RECITALS

WHEREAS, the City of San Diego (the “City”) and the Redevelopment Agency of the City of San Diego (the “Agency”) have entered into a Joint Exercise of Powers Agreement (the “Agreement”), creating the Public Facilities Financing Authority of the City of San Diego (the “Authority”); and

WHEREAS, the Authority is authorized pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Marks-Roos Local Bond Pooling Act of 1985”) and the Agreement to purchase bonds issued by the Agency for financing public capital improvements, or projects, including those related to the redevelopment activities of the Agency authorized for project areas; and

WHEREAS, the Marks-Roos Local Bond Pooling Act of 1985 and the Agreement further authorizes and empowers the Authority to sell bonds so purchased to public or private purchasers at public or negotiated sales; and

WHEREAS, redevelopment plans for redevelopment projects known as the City Heights Redevelopment Project, the Crossroads Redevelopment Project, the San Ysidro Redevelopment

Project and the Naval Training Center Redevelopment Project (together, the “Redevelopment Projects”) have been adopted and approved and all requirements of the law for, and precedent to, the adoption and approval of said plans have been duly complied with; and

WHEREAS, the Agency proposes to issue four separate series of its Tax Allocation Bonds, one series for each Redevelopment Project (the “2010 City Heights Bonds”, the “2010 Crossroads Bonds”, the “2010 San Ysidro Bonds”, and the “2010 Naval Training Center Bonds”, and together, the “2010 Bonds”), the proceeds of which will be used to provide financing of redevelopment activities in the Redevelopment Project Areas; and

WHEREAS, a portion of proceeds of the 2010 City Heights Bonds and the 2010 Naval Training Center Bonds will be used to refinance credit agreements entered into in 2007 by the Agency with San Diego National Bank (now U.S. Bank National Association); and

WHEREAS, each series of the 2010 Bonds will be secured by and repaid from a portion of the tax increment revenues from the corresponding Redevelopment Project (excluding amounts that are required under the Law to be deposited in the Low and Moderate Income Housing Fund of the Agency pursuant to Sections 33334.2 and 33334.3 of the Law); and

WHEREAS, there has been presented to this meeting forms of Purchase Contracts whereby the Authority would offer to purchase each series of the 2010 Bonds from the Agency and whereby De La Rosa & Co. and Piper Jaffray & Co have offered to purchase each series of the 2010 Bonds from the Authority;

BE IT RESOLVED, the Public Facilities Financing Authority of the City of San Diego hereby finds, determines, resolves and orders as follows:

Section 1. Approval of Purchase Contract. The forms of Purchase Contracts (the “Purchase Contract”) providing for the purchase of the 2010 Bonds by the Authority from the Agency and the sale of the 2010 Bonds by the Authority to De La Rosa & Co. and Piper Jaffray

& Co., underwriters for the 2010 Bonds, presented at this meeting and the purchase and sale of the 2010 Bonds pursuant thereto upon the terms and conditions set forth therein is hereby approved. The Executive Director or designee (“Authorized Officer”) is hereby authorized and directed to evidence the Authority’s offer and acceptance made by the Purchase Contracts by executing and delivering said Purchase Contracts in said forms with such changes therein as the Authorized Officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof. In no event shall the principal amounts and true interest cost of the 2010 Bonds shall not exceed the amounts set forth in the following table:

	<u>Maximum Principal Amount</u>	<u>True Interest Cost</u>
2010 City Heights Bonds (Tax-Exempt)	\$ 7,000,000	7.00%
2010 City Heights Bonds (Taxable)	\$11,000,000	9.00%
2010 Crossroads Bonds	\$ 6,000,000	7.50%
2010 San Ysidro Bonds (Tax-Exempt)	\$ 4,000,000	7.25%
2010 San Ysidro Bonds (Taxable)	\$ 7,000,000	9.00%
2010 NTC Bonds	\$22,000,000	7.00%

Section 2. Other Acts. The Chair, Executive Director, Secretary, the Chief Financial Officer of the City, the Treasurer, the General Counsel of the Authority and any and all officers of the Authority, are hereby authorized and directed for and in the name and on behalf of the Authority to do any and all things, to execute and deliver any and all documents, which they may deem necessary or advisable in order to consummate the purchase and resale of the 2010 Bonds, or otherwise effectuate the provisions of this Resolution, and any and all such actions previously taken by such officers or staff members are hereby ratified and confirmed.

Section 3. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption and only upon adoption by the City and the Agency, respectively, of resolutions approving the issuance of the 2010 Bonds.

ADOPTED, SIGNED AND APPROVED this ___ day of July, 2010, by the following

vote:

AYES: _____

NAYS: _____

ABSENT: _____

VACANT: _____

ABSTAIN: _____

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

Board of Commissioners

Attest:

Secretary to Board of Commissioners

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
PUBLIC FACILITIES FINANCING AUTHORITY OF THE
CITY OF SAN DIEGO AUTHORIZING THE PURCHASE AND
REALE OF TAX ALLOCATION BONDS OF THE
REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO,
FOR THE CROSSROADS, SAN YSIDRO, NAVAL TRAINING
CENTER AND CITY HEIGHTS REDEVELOPMENT
PROJECTS, APPROVING PURCHASE CONTRACTS AND
APPROVING CERTAIN OTHER MATTERS RELATING
THERETO

I HEREBY ATTEST that the above and foregoing is a full, true and correct copy of
RESOLUTION NO. FA-2010-___, approved by the Public Facilities Financing Authority of the
City of San Diego, California on July ___, 2010.

[NAME]

Legal Secretary of the City Attorney's Office,
Public Securities Finance and Disclosure Unit
of the City of San Diego, California

By: _____

Date: _____