

RESOLUTION NO. 5053

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AUTHORIZING THE SALE OF THE REDEVELOPMENT AGENCY OF THE CITY OF REDLANDS 1994 REFUNDING LEASE REVENUE BONDS AUTHORIZING EXECUTION AND DELIVERY BY THE CITY OF A LEASE AGREEMENT, A SITE AND FACILITIES LEASE, AN ESCROW DEPOSIT AND TRUST AGREEMENT, A TRUST AGREEMENT, A REIMBURSEMENT AGREEMENT, AN ASSIGNMENT AGREEMENT AND PURCHASE CONTRACT, APPROVING AND AUTHORIZING PREPARATION AND DELIVERY OF A PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT WITH RESPECT TO THE ISSUANCE AND SALE OF 1994 REFUNDING LEASE REVENUE BONDS APPOINTING A TRUSTEE, AUTHORIZING THE ISSUANCE OF SUCH BONDS AND MAKING OTHER FINDINGS RELATING THERETO

WHEREAS, the City Council (the "City Council") of the City of Redlands (the "City") believes it is in the best interests of the City to authorize the Agency's issuance of parking lease revenue bonds in an aggregate principal amount not to exceed \$8,000,000 (the "Bonds") and to authorize the necessary legal documents relating to such Bonds in order to refund the City's outstanding lease obligations relating to the \$7,030,000 Redevelopment Agency of the City of Redlands 1989 Refunding Parking Lease Revenue Bonds (the "Prior Bonds"); and

WHEREAS, in order to accomplish the Lease of said Projects and the issuance and sale of the Bonds, it is necessary that the City enter into the Site and Facilities Lease, the Lease Agreement, the Agency Payment Agreement, the Reimbursement Agreement, the Confirmation Agreement, the Escrow Deposit and Trust Agreement and the Purchase Contract, hereinafter more particularly described, and that certain other action be taken and authorized; and

WHEREAS, the City has established the Redevelopment Agency of the City of Redlands (the "Agency") and has approved and adopted a redevelopment plan (the "Redevelopment Plan") for a redevelopment project known as Redlands Redevelopment Project (the "Redevelopment Project") pursuant to the provisions of Section 33000 et seq. of the California Health and Safety Code (the "Community Redevelopment Law"); and

WHEREAS, the construction, acquisition and installation of the Project is provided for in the Agency's Redevelopment Plan; and

WHEREAS, the Agency may pay for all or a part of the cost of construction of the Project pursuant to Section 33445 of the Community Redevelopment Law so long as the

Project is of benefit to the Redevelopment Project and that no other reasonable means for constructing the Project are available to the community; and

WHEREAS, the Agency and the City wish to enter into an agency payment agreement whereby the Agency agrees to pay certain moneys, if available, toward the payment of debt service on the Bonds for financing the acquisition and construction for the Project; and

WHEREAS, the Agency has determined that it is in its best interests to enter into such an agreement;

WHEREAS, this City Council desires to authorize the sale of the Bonds by the Agency upon the terms and conditions hereinafter set forth; and

WHEREAS, this City Council desires to authorize preparation and distribution of a Preliminary Official Statement and Final Official Statement relating to the Bonds;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AS FOLLOWS:

Section 1. Recitals True and Correct. Each of the recitals stated above is true and correct.

Section 2. Approval of Issuance of Bonds. The issuance of the Agency's 1994 Refunding Bonds is hereby approved. The City Manager, based on such advice of staff as he may deem necessary, is hereby authorized and directed to act on behalf of the City to establish and determine (i) the final principal amount of the Bonds in an amount not to exceed \$8,000,000; (ii) the final interest rates on various maturities of the Bonds, provided that the rates shall not exceed 12%; and (iii) the underwriter's discount for the purchase of the Bonds, which amount shall not exceed 11.50%.

Section 3. Site and Facilities Lease. The form of agreement entitled "Site and Facilities Lease" presented to this meeting between the City and the Agency which provides generally for the leasing of sites and projects which were the subject matter of the lease relating to the Prior Bonds from the City to the Agency, is hereby approved and the Mayor or his designee is hereby authorized and directed for and in the name and on behalf of the City to execute and deliver said agreement in the name and on behalf of the City and the City Clerk is hereby authorized to acknowledge and deliver said agreement in the form hereby approved with such changes as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Lease Agreement. The form of agreement entitled "Lease Agreement" presented to this meeting and to be entered into by and between the City and the Agency which provides generally for (i) the lease of the Project by the City with the proceeds of the Bonds,

and (ii) the payment by the City to the Agency of lease payments in amounts which will be sufficient to pay the principal and interest owing on the Bonds is hereby approved, and the Mayor or his designee is hereby authorized and directed for and in the name and on behalf of the City to execute and deliver said agreement in the name and on behalf of the City to execute and the City Clerk is hereby authorized to acknowledge and deliver said agreement in substantially the forms hereby approved, with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. Agency Payment Agreement. The form of agreement entitled "Agency Payment Agreement" by and between the Agency and the City, presented to this meeting relating to the payment by the Agency of available moneys to the City as a reimbursement of lease payments made by the City hereby approved and the Mayor or his designee is hereby authorized and directed for and in the name and on behalf of the City to execute and deliver said agreement in the name and on behalf of the City and the City Clerk is hereby authorized to acknowledge and deliver said agreement in the form hereby approved with such changes as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. Trust Indenture. The form of agreement entitled "Trust Indenture" presented to this meeting, to be entered into by and among the Agency and First Trust of California, National Association, as trustee (the "Trustee") and the Trustee's Tender Agent, which provides generally for (i) the execution and delivery by the Trustee of the Bonds, (ii) the establishment and maintenance by the Trustee of certain funds for the benefit of the Agency, the City and the owners of the Bonds, and (iii) the performance of other duties by the Trustee, is hereby approved and the Mayor or his designee is hereby authorized and directed for and in the name and on behalf of the City to execute and the City Clerk is hereby authorized to acknowledge and deliver said agreement in substantially the form hereby approved, with such changes therein as the officer executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. Defeasance of Prior Bonds; Approval of Escrow Agreement. This City Council hereby approves the defeasance of the Prior Bonds with the proceeds of the Bonds, in accordance with the provisions of the documents pursuant to which the Prior Bonds were issued, and the Escrow Deposit and Trust Agreement among the City, the Agency and First Trust of California, National Association, as escrow agent (the "Escrow Agreement"). This City Council hereby approves the Escrow Agreement in substantially the form presented to this meeting, together with any changes therein or additions thereto deemed advisable by the City Manager upon consultation with bond counsel. This City Council hereby authorizes and directs the City Manager to execute and deliver the final form of the Escrow Agreement for and in the name and on behalf of the City. This City Council hereby authorizes the delivery and performance by the City of the Escrow Agreement.

Section 8. Finding Pursuant to Section 33445 of the Community Redevelopment Law. This City Council finds that payment for refinancing the acquisition and construction of the Project by the Agency is of primary benefit to the Redevelopment Project and that no other reasonable means of refinancing the Project are available to the community.

Section 9. Approval of Purchase Contract. The form of Purchase Contract by and between the City and Miller & Schroeder Financial, Inc. (the "Purchase Contract") providing for the purchase of the Bonds by Miller & Schroeder Financial, Inc., underwriter for the Bonds, from the City, presented at this meeting and the purchase and sale of the Bonds pursuant thereto upon the terms and conditions set forth therein is hereby approved and the City Manager or the Finance Director are hereby authorized and directed to evidence the City's offer and acceptance made by the Purchase Contract by executing and delivering said Purchase Contract in said form with such changes therein as the City Manager or the Finance Director may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The City hereby delegates to the City Manager or the Finance Director the authority to establish the final principal amount of the Bonds, the interest rates of the Bonds and the underwriter's discount on such terms and conditions as the City may determine.

Section 10. Official Statement. The City Council hereby authorizes and approves the preparation and distribution of a Preliminary Official Statement (the "Preliminary Official Statement") and authorizes its distribution in connection with the sale of the Bonds. The City Manager is authorized and directed for and on behalf of the City to review and approve the Preliminary Official Statement and any amendments thereto, provided that he shall have determined, after consultation with Bond Counsel and such other persons as he may deem appropriate, that such Preliminary Official Statement fairly and accurately presents the information required to be set forth therein and to certify that the Preliminary Official Statement as distributed is deemed to be "near final" within the meaning of Rule 15c-2-12 of the Securities Exchange Commission. The City Manager is further authorized and directed to review, sign and approve distribution of the Final Official Statement, to consist of the Preliminary Official Statement and such changes thereto as may be approved by the City Manager, upon advice of Bond Counsel.

Section 11. Reimbursement Agreement. The form of Reimbursement Agreement by and among the Agency, the City and The Sumitomo Bank and Trust Co., Ltd. (the "Reimbursement Agreement"), accompanied by a letter of credit presented at this meeting are hereby approved and the Mayor or the City Manager and the City Clerk are hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver said Reimbursement Agreement in substantially the form presented hereto with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 12. Confirmation Agreement. The form of Confirmation Agreement, by and among the Agency, the City and The Sumitomo Bank, Ltd. (the "Confirmation Agreement")

presented at this meeting are hereby approved and the Mayor or the City Manager and the City Clerk are hereby authorized and directed, for and in the name of and on behalf of the City, to execute, acknowledge and deliver said Confirmation Agreement in substantially the form presented hereto with such changes therein as the officers executing the same may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 13. Remarketing Agent. Miller & Schroeder Financial, Inc. is hereby appointed remarketing agent (the "Remarketing Agent") for the Bonds pursuant to the Remarketing Agent Agreement, by and among the Agency, the City and the Remarketing Agent, the form of which has been presented to this meeting and is hereby approved, and the City Manager is authorized to execute such agreement in substantially the form submitted hereto with such changes thereto as the City Manager may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 14. Appointment of Trustee and Paying Agent. First Trust of California, National Association is hereby appointed as Trustee pursuant to the Trust Agreement, to take any and all action provided therein to be taken by the Trustee, and is further designated and appointed as paying agent for the Bonds.

Section 15. Bond Counsel. The law firm of Best, Best & Krieger is hereby retained as bond counsel on the terms set forth in the proposed letter of said firm on file with the City and either the City Manager or Finance Director is hereby authorized and directed to execute said proposal letter for and in the name of the City.

Section 16. Form of Bonds. The form of the Bonds as set forth in the Trust Indenture is hereby approved, and the Trustee is hereby authorized to execute and deliver the Bonds in an aggregate principal amount as set forth in the Trust Indenture and to apply and expend the proceeds thereof as specified in the Trust Indenture.

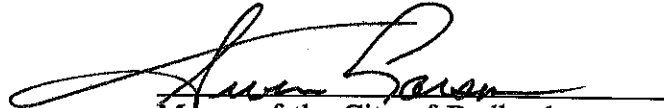
Section 17. Requisitions. The City Manager and the Finance Director, or any one of them, are hereby authorized and directed to execute one or more requisitions authorizing the Trustee to pay the cost of issuing the Bonds from the proceeds of the Bonds pursuant to the Trust Indenture.

Section 18. Other Acts. The Mayor, the City Clerk, the City Manager and the Finance Director are hereby authorized and directed, jointly and severally, to do any and all things, to execute and deliver any and all documents, which in consultation with the staff and bond counsel they may deem necessary or advisable in order to consummate the sale and delivery of the Bonds, (including the obtaining of bond insurance for the Bonds or the acquisition of a letter of credit or other liquidity facility for the Bonds, and the City Manager may approve such payment agreement or interest rate swap or cap agreement in order to produce a greater net interest cost savings to the City) or otherwise to effectuate the purposes of this

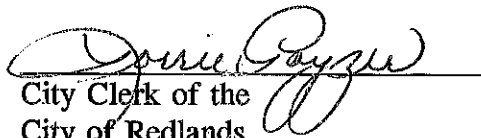
Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 19. Effective Date. This Resolution shall take effect upon adoption.

ADOPTED this 15th day of February, 1994.


Mayor of the City of Redlands

ATTEST:


City Clerk of the
City of Redlands

I, Lorrie Poyzer, City Clerk of the City of Redlands, California, do hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Redlands, California, at a regular meeting thereof held on the 15th day of February, 1994, by the following vote of the City Council:

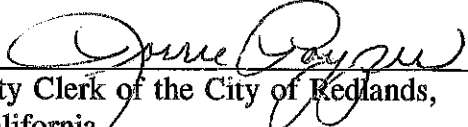
AYES: Councilmembers Foster, Gilbreath; Mayor Larson

NOES: Councilmember Cunningham

ABSENT: Councilmember Gil

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Redlands, California this 15th day of February, 1994.



City Clerk of the City of Redlands,
California