

RESOLUTION NO. 5049

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS AUTHORIZING THE SALE OF ITS 1994 TAXABLE CERTIFICATES OF PARTICIPATION (CITY OF REDLANDS/WALMART PARKING FACILITY) AUTHORIZING EXECUTION AND DELIVERY BY THE CITY OF A SUBLEASE AGREEMENT, A PROJECT LEASE, A TRUST AGREEMENT AND A 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 TAXABLE CERTIFICATES OF PARTICIPATION, APPOINTING A TRUSTEE, AUTHORIZING THE ISSUANCE OF SUCH CERTIFICATES 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 issue certificates of participation in an aggregate principal amount not to exceed \$3,500,000 (the "Certificates") and to authorize the necessary legal documents relating to such Certificates in order to prepay certain lease obligations with respect to a certain parking facility located within the City and adjacent to WalMart (the "Project"); and

WHEREAS, in order to accomplish the Lease of said Project and the issuance and sale of the Certificates, it is necessary that the City enter into the Project Lease, the Sublease Agreement, the Trust Agreement and the Purchase Contract, hereinafter more particularly described, and that certain other action be taken and authorized; and

WHEREAS, this City Council desires to authorize the sale of the Certificates 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 Certificates;

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

Section 1. Approval of Issuance of Certificates of Participation. The issuance of the City's 1994 Taxable Certificates of Participation (City of Redlands/WalMart Parking Facility) 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 Certificates in an amount not to exceed \$3,500,000; (ii) the final interest rates on various maturities of the Certificates, provided that the rates shall not exceed 9.0%; (iii) the underwriter's discount for the purchase of the Certificates, which amount shall not exceed 1.25%; and (iv) an original issue discount which shall not exceed 1.0% of the principal amount of the Certificates.

Section 2. Project Lease. The form of agreement entitled "Project Lease" presented to this meeting between the City and the Corporation which provides generally for the leasing of the Project, 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 3. Sublease Agreement. The form of agreement entitled "Sublease Agreement" presented to this meeting and to be entered into by and between the City and the Redlands Public Improvement Corporation (the "Corporation") which provides generally for (i) the lease of the Project by the City with the proceeds of the Certificates, and (ii) the payment by the City to the Corporation of lease payments in amounts which will be sufficient to pay the principal and interest owing on the Certificates 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 4. Trust Agreement. The form of agreement entitled "Trust Agreement" presented to this meeting, to be entered into by and among the City, the Corporation and Bank of America National Trust and Savings Association, as trustee (the "Trustee") which provides generally for (i) the execution and delivery by the Trustee of the Certificates, (ii) the establishment and maintenance by the Trustee of certain funds for the benefit of the City and the owners of the Certificates, 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 5. Approval of Purchase Contract. The form of Purchase Contract by and between the City and Miller & Schroeder Financial, Inc., (the "Underwriter") (the "Purchase Contract"), providing for the purchase of the Certificates by the Underwriter for the Certificates, from the City, presented at this meeting and the purchase and sale of the Certificates 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 Certificates, the interest rates of the Certificates and the underwriter's discount on such terms and conditions as the City may determine.

Section 6. 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 Certificates. 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 Special 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 Special Counsel.

Section 7. Trustee. 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 Certificates.

Section 8. Special Counsel. The law firm of Best, Best & Krieger is hereby retained as special counsel on the terms set forth in the engagement letter of said firm on file with the City Clerk.

Section 9. Form of Certificates. The form of the Certificates as set forth in the Trust Agreement is hereby approved, and the Trustee is hereby authorized to execute and deliver the Certificates in an aggregate principal amount as set forth in the Trust Agreement and to apply and expend the proceeds thereof as specified in the Trust Agreement.

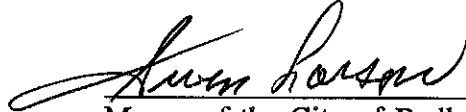
Section 10. Requisitions. The City Manager and the Finance Director, or any one of them, are hereby authorized and directed to execute one or more requisitions authorizing the Trustee to pay the cost of issuing the Certificates from the proceeds of the Certificates pursuant to the Trust Agreement.

Section 11. 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

special counsel they may deem necessary or advisable in order to consummate the sale and delivery of the Certificates, or otherwise to effectuate the purposes of this Resolution, and any such actions previously taken by such officers are hereby ratified and confirmed.

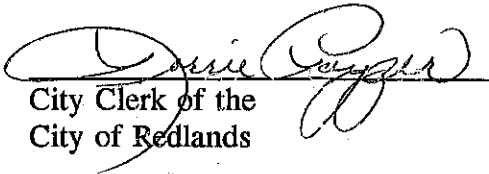
Section 12. Effective Date. This Resolution shall take effect upon adoption.

ADOPTED this 1st 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 1st day of February, 1994, by the following vote of the City Council:

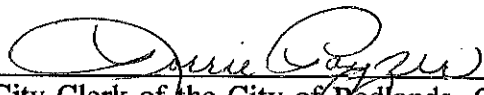
AYES: Councilmembers Foster, Gil, Gilbreath; Mayor Larson

NOES: Councilmember Cunningham

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Redlands, California this 1st day of February, 1994.



City Clerk of the City of Redlands, California

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS
CITY OF REDLANDS)

I, Lorrie Poyzer, City Clerk of the City of Redlands, California, hereby certify under penalty of perjury that the attached is a full, true and correct copy of Resolution No. 5049 as regularly passed and adopted by the City Council of the City of Redlands on the 1st day of February, 1994,, as appears on record in my office; that since the adoption date said resolution has not been amended, modified or repealed, and that it is presently valid and an existing law of the City of Redlands, California.

WITNESS my hand and the official seal of the City of Redlands this 16th day of June, 1994.

Lorrie Poyzer, City Clerk
City of Redlands, California