

RESOLUTION NUMBER 237

RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE
CITY OF REDLANDS MAKING CERTAIN FINDINGS AND
APPROVING AND AUTHORIZING THE ISSUANCE OF 1994
REFUNDING LEASE REVENUE BONDS, THE EXECUTION
AND DELIVERY OF A TRUST AGREEMENT, A LEASE
AGREEMENT, A SITE LEASE AGREEMENT, A
REIMBURSEMENT AGREEMENT AND AN ESCROW
DEPOSIT AND TRUST AGREEMENT RELATING TO THE
DEFEASANCE OF THE AGENCY'S OUTSTANDING
PARKING LEASE REVENUE BONDS

WHEREAS, the City of Redlands (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 the 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 City Council (the "City Council") of the City has authorized the necessary legal documents relating to the refunding of the City's outstanding lease obligations with respect to a downtown parking facility (the "Project") and relating to the \$7,030,000 Redevelopment Agency of the City of Redlands 1989 Refunding Parking Lease Revenue Bonds (the "Prior Bonds"), such refunding to be accomplished by the Agency's issuance of 1994 Refunding Parking Lease Revenue Bonds (the "Bonds") in an aggregate principal amount not to exceed \$8,000,000; and

WHEREAS, in order to accomplish the Lease of said Project and the issuance and sale of the Bonds, it is necessary that the Agency enter into the Trust Indenture, 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 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, the Agency desires to authorize the sale of the Bonds upon the terms and conditions hereinafter set forth; and

WHEREAS, the Agency 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 Executive Director, based on such advice of staff as he may deem necessary, is hereby authorized and directed to act on behalf of the Agency 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 1.50%.

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 Chairman or his designee is hereby authorized and directed for and in the name and on behalf of the Agency to execute and deliver said agreement in the name and on behalf of the Agency and the Secretary 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

Chairman or his designee is hereby authorized and directed for and in the name and on behalf of the Agency to execute and deliver said agreement in the name and on behalf of the Agency to execute and the Secretary 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 Chairman or his designee is hereby authorized and directed for and in the name and on behalf of the Agency to execute and deliver said agreement in the name and on behalf of the Agency and the Secretary 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 Chairman or his designee is hereby authorized and directed for and in the name and on behalf of the Agency to execute and the Secretary 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. The defeasance of the Prior Bonds with the proceeds of the Bonds is hereby approved, 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"). The Escrow Agreement is hereby approved in substantially the form presented to this meeting, together with any changes therein or additions thereto deemed advisable by the Executive Director upon consultation with bond counsel. The Executive Director is hereby authorized and directed to execute and deliver the final form of the Escrow Agreement for and in the name and on behalf of the Agency.

Section 8. Finding Pursuant to Section 33445 of the Community Redevelopment Law. This Agency 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 Agency 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 Agency, 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 Executive Director or the Finance Director are hereby authorized and directed to evidence the Agency'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 Executive Director or the Finance Director may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Agency hereby delegates to the Executive Director 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 Agency may determine.

Section 10. Official Statement. The preparation and distribution of a Preliminary Official Statement (the "Preliminary Official Statement") is hereby approved and this Agency authorizes its distribution in connection with the sale of the Bonds. The Executive Director is authorized and directed for and on behalf of the Agency 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 Executive Director 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 Executive Director, 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 is hereby approved and the Chairman or the Executive Director and the Secretary are hereby authorized and directed, for and in the name of and on behalf of the Agency, to execute, acknowledge and delivery each 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 Chairman or the Executive Director and the Secretary are hereby authorized and directed, for and in the name of and on behalf of the Agency, 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 Executive Director is authorized to execute such agreement in substantially the form submitted hereto with such changes thereto as the Executive Director 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 Agency and either the Executive Director or Finance Director is hereby authorized and directed to execute said proposal letter for and in the name of the Agency.

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 Executive Director 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 Chairman, the Secretary, the Executive Director 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 Executive Director may approve such payment agreement or interest rate swap or cap agreement in order to produce a greater net interest cost savings to the Agency) or otherwise to effectuate the

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

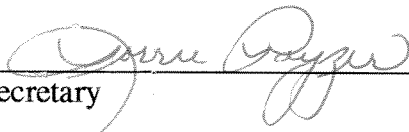
Section 19. Effective Date. This Resolution shall take effect upon adoption.

ADOPTED, SIGNED AND APPROVED this 15th day of February, 1994.

REDEVELOPMENT AGENCY OF
THE CITY OF REDLANDS


Chairman

ATTEST:


Secretary

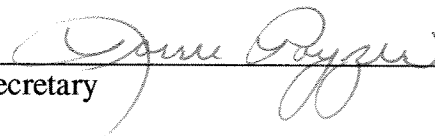
I, Lorrie Poyzer, Secretary of the Redevelopment Agency of the City of Redlands, do hereby certify that the foregoing Resolution No. 237 was duly and regularly adopted by the Redevelopment Agency of the City of Redlands at a regular meeting thereof held on the 15th day of February, 1994.

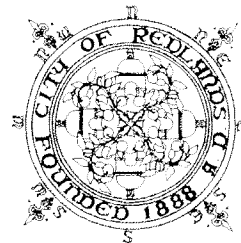
AYES: Members Foster, Gilbreath; Chairman Larson

NOES: Member Cunningham

ABSENT: Member Gil

ABSTAIN: None


Secretary



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

I, Lorrie Poyzer, Secretary of the Redevelopment Agency 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. 237 as regularly passed and adopted by the Board of Directors of the Redevelopment Agency of the City of Redlands on the 15th 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.

WITNESS my hand and the official seal of the Redevelopment Agency of the City of Redlands this 11th day of May, 1994.

Lorrie Poyzer, Secretary
Redevelopment Agency
Redlands, California