

CITY COUNCIL
CITY OF CHULA VISTA

RESOLUTION NO. _____

RESOLUTION OF THE CITY OF CHULA VISTA MAKING REQUIRED FINDINGS, AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS RELATING TO THE SALE AND DELIVERY OF NOT TO EXCEED \$47,000,000 2015 REFUNDING CERTIFICATES OF PARTICIPATION, (CIVIC CENTER PROJECT), AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of Chula Vista (the “City”) is a municipal corporation and a charter city duly organized and existing under and pursuant to the Constitution and laws of the State of California (the “State”); and

WHEREAS, the Chula Vista Public Financing Authority (the “Authority”) has assisted the City in financing the construction, reconstruction, modernization and equipping of the City’s Civic Center Complex and certain other City facilities through the execution and delivery of the \$37,240,000 City of Chula Vista 2004 Certificates of Participation (Civic Center Project – Phase 1) (the “2004 Certificates”) and the \$20,325,000 City of Chula Vista 2006 Certificates of Participation (Civic Center Project – Phase 2) (the “2006 Certificates” and, together with the 2004 Certificates, the “Prior Certificates”) which are outstanding pursuant to that certain Amended and Restated Trust Agreement, dated as of March 1, 2006 (the “Original Trust Agreement”), by and among the City, the Authority and U.S. Bank National Association, as successor to The Bank of New York Mellon Trust Company, N.A., and BNY Western Trust Company, as trustee (the “Trustee”);

WHEREAS, in order to facilitate the execution and delivery of the Prior Certificates, the City has leased to the Authority the real property (the “Site”) set forth in Exhibit A to that certain Site Lease, dated as of September 1, 2004, as amended by that First Amendment to Site Lease dated as of March 1, 2006 (together, the “Original Site Lease”), both by and between the City and the Authority, and the Authority has leased back the Site and the improvements located thereon, including those constructed with the proceeds of the Prior Certificates (together, the “Leased Premises”) to the City pursuant to that certain Lease/Purchase Agreement, dated as of September 1, 2004, as amended by that First Amendment to Lease/Purchase Agreement dated as of March 1, 2006 (together, the “Original Lease”), both by and between the City and the Authority; and

WHEREAS, the Original Trust Agreement, the Original Site Lease, the Original Lease and the Assignment Agreement, dated as of September 1, 2004 and as amended by that certain First Amendment to Assignment Agreement dated as of March 1, 2006 (together, the “Original Assignment Agreement”), each by and between the Authority and the Trustee, allow for the execution and delivery of Additional Certificates (as that term is defined in the Original Trust Agreement) to refund all or a portion of the Prior Certificates; and

WHEREAS, the City desires to cause the Trustee to execute and deliver the 2015 Refunding Certificates of Participation (Civic Center Project), in the aggregate principal amount not to exceed \$47,000,000 (the "2015 Certificates"), in order to refund all or a portion of the Prior Certificates; and

WHEREAS, to accomplish the sale, preparation, execution and delivery of the 2015 Certificates, the City desires to enter into that certain Second Amendment to Site Lease, dated as of July 1, 2015 (the "Second Amendment to Site Lease"), and the Second Amendment to Lease/Purchase Agreement, dated as of July 1, 2015 (the "Second Amendment to Lease/Purchase Agreement"), each by and between the City and the Authority, in order to make certain amendments thereto; and

WHEREAS, to facilitate the execution and delivery of the 2015 Certificates the City desires to enter into that certain First Supplement to Amended and Restated Trust Agreement, dated as of July 1, 2015 (the "First Supplement to Amended and Restated Trust Agreement"), by and among the Authority, the City and the Trustee, and to approve the execution and delivery of that certain Second Amendment to Assignment Agreement, dated as of July 1, 2015 (the "Second Amendment to Assignment Agreement"), by and between the Authority and the Trustee; and

WHEREAS, in order to facilitate the execution and delivery of the 2015 Certificates, the City desires to enter into a Purchase Contract (the "Purchase Contract") for the 2015 Certificates with Stifel Nicholas & Co. (the "Underwriter"); and

WHEREAS, in order to facilitate the execution and delivery of the 2015 Certificates, the City desires to approve and deliver a final Official Statement substantially in the form of the Preliminary Official Statement which has been presented to this City Council at the meeting at which this Resolution is being adopted (the "Preliminary Official Statement"); and

WHEREAS, in order to refund and defease all or a portion of the Prior Certificates, the City desires to enter into an Escrow Agreement (the "Escrow Agreement"), by and among the City, the Authority and U.S. Bank National Association, as escrow bank (the "Escrow Bank") for each series of the Prior Certificates to be refunded; and

WHEREAS, the forms of the documents necessary for the execution and delivery of the 2015 Certificates are on file with the Clerk as described herein; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of the 2015 Certificates do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, the City Council of the City of Chula Vista does hereby resolve as follows:

SECTION 1. Findings. The City Council hereby specifically finds and declares that each of the statements, findings and determinations of the City set forth in the recitals set forth above and in the preambles of the documents approved herein are true and correct.

SECTION 2. Authorization of 2015 Certificates. The City Council hereby authorizes the refunding of all or a portion of the Prior Certificates through the preparation, sale and delivery of the 2015 Certificates in an amount not to exceed \$47,000,000.

SECTION 3. Second Amendment to Lease/Purchase Agreement. The form of the Second Amendment to Lease/Purchase Agreement presented to this meeting and on file with the Clerk (the "Clerk"), is hereby approved. Each of the Mayor of the City (the "Mayor"), the City Manager of the City (the "City Manager"), the Deputy City Manager of the City (the "Deputy City Manager") and the Assistant Director of Finance of the City (the "Assistant Director of Finance") or their designees (collectively, the "Authorized Officers"), acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Authority the Second Amendment to Lease/Purchase Agreement in substantially said form, with such changes therein as the Authorized Officer or Officers executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of the Authorized Officers. As the annual lease payments due under the Original Lease will be reduced as a result of the execution and delivery of the 2015 Certificates, the City Council hereby finds and determines that the annual lease payments and additional payments due in each fiscal year under the Original Lease as amended by the Second Amendment to Lease/Purchase Agreement will not exceed the fair rental value of the Leased Premises during any fiscal year.

SECTION 4. Second Amendment to Site Lease. The form of the Second Amendment to Site Lease presented to this meeting and on file with the Clerk, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Authority the Second Amendment to Site Lease in substantially said form, with such changes therein as the Authorized Officer or Officers executing the Second Amendment to Site Lease may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of the Authorized Officers.

SECTION 5. First Supplement to Amended and Restated Trust Agreement. The form of the First Supplement to Amended and Restated Trust Agreement presented to this meeting and on file with the Clerk, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Authority and the Trustee the First Supplement to Amended and Restated Trust Agreement in substantially said form, with such changes therein as the Authorized Officer or Officers executing the First Supplement to Amended and Restated Trust Agreement may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of the Authorized Officers.

SECTION 6. Escrow Agreement. The form of the Escrow Agreement presented to this meeting and on file with the Clerk, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver to the Authority and the Escrow Bank one or more Escrow Agreements in substantially said form, with such changes therein as the Authorized Officer or Officers executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of such Authorized Officers.

SECTION 7. Second Amendment to Assignment Agreement. The Second Amendment to Assignment Agreement substantially in the form on file with the Clerk is hereby approved for execution and delivery by the Authority.

SECTION 8. Purchase Contract. The form of the Purchase Contract, by and between the City and the Underwriter presented to this meeting and on file with the Clerk and the sale of the 2015 Certificates to the Underwriter pursuant thereto upon the terms and conditions set forth therein is hereby approved, and subject to such approval and subject to the provisions hereof, each of the Authorized Officers, acting alone, is hereby authorized and directed to evidence the City's acceptance of the offer made by the Purchase Contract by executing and delivering the Purchase Contract in said form with such changes therein as the Authorized Officer or Authorized Officers executing the same may approve and such matters as are authorized by this Resolution, such approval to be conclusively evidenced by the execution and delivery thereof by any one of the Authorized Officers; provided, however, that the Purchase Contract shall be executed only if the aggregate principal amount of the 2015 Certificates does not exceed \$47,000,000, the Underwriter's discount (exclusive of original issue discount) does not exceed seven-tenths of one percent (0.7%) of the principal amount of the 2015 Certificates and the net present value savings realized by the City in terms of reduced lease payments, as confirmed by the City's Financial Advisor, is not less than five percent (5%) of the principal amount of the Prior Certificates refunded. Each of the Authorized Officers, acting alone, is further authorized and directed to consult with the City's Financial Advisor and to determine whether the refunding of all or a portion of the Prior Certificates is the best alternative for the City and to then direct the Underwriter to sell a principal amount of 2015 Certificates to effect the full or partial refunding, as applicable.

SECTION 9. Preliminary Official Statement. The form of the Preliminary Official Statement, presented to this meeting and on file with the Clerk, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized to make such changes to the Preliminary Official Statement as are necessary to make it final as of its date and are authorized and directed to execute and deliver a certificate deeming the Preliminary Official Statement final as of its date in accordance with Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Each of the Authorized Officers, acting alone, is hereby authorized and directed to execute, approve and deliver the final Official Statement in the form of the Preliminary Official Statement with such changes, insertions and omissions as the Authorized Officer executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by an Authorized Officer.

SECTION 10. Continuing Disclosure Agreement. The form of the Continuing Disclosure Agreement, dated as of July 1, 2015 (the "Continuing Disclosure Agreement"), by and between the City and Willdan Financial Services, as dissemination agent, presented to this meeting and on file with the Clerk, is hereby approved. Each of the Authorized Officers, acting alone, is hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes therein as the Authorized Officer or Officers executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof by one or more of such Authorized Officers.

SECTION 11. Attestations. The Clerk and such person or persons as may have been designated by the Clerk to act on her behalf, are hereby authorized and directed to attest the signature of the Authorized Officers designated herein to execute any documents described herein, and to affix and attest the seal of the City, as may be required or appropriate in connection with the execution and delivery of the Second Amendment to Lease/Purchase Agreement, the First Supplement to Amended and Restated Trust Agreement, the Continuing Disclosure Agreement, each Escrow Agreement and the Official Statement.

SECTION 12. Other Actions. The Authorized Officers are each hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including, but not limited to, any amendment to the Original Site Lease, which each may deem necessary or advisable in order to consummate the sale, execution and delivery of the 2015 Certificates and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the 2015 Certificates, the Second Amendment to Lease/Purchase Agreement, the First Supplement to Amended and Restated Trust Agreement, the Continuing Disclosure Agreement, the Purchase Contract, the Escrow Agreement, the Preliminary Official Statement, and the Official Statement and are further authorized and directed to pay all costs of issuance approved by the Deputy City Manager or her designee, or the Assistant Director of Finance. Such actions heretofore taken by such officers or designees are hereby ratified, confirmed and approved.

SECTION 13. Selection of Professionals. Harrell & Company is hereby designated as the Financial Advisor to the City for the 2015 Certificates and Stradling Yocca Carlson & Rauth, a Professional Corporation is hereby designated as bond counsel and disclosure counsel for the 2015 Certificates, and the Authorized Officers are each hereby authorized and directed, jointly and severally, to execute any and all contracts for services and other documents necessary to procure the services of such firms for the execution and delivery of the 2015 Certificates.

SECTION 14. Effect. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 16th day of June, 2015, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Mayor
City of Chula Vista

I hereby certify that the foregoing resolution was duly introduced, passed and adopted at the time and place and by the vote as noted above.

City Clerk of the City Council
City of Chula Vista