

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

RESOLUTION NUMBER FA-2016-1

ADOPTED ON FEBRUARY 9, 2016

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO APPROVING THE FORM AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR SENIOR SEWER REVENUE REFUNDING BONDS, SERIES 2016A; AUTHORIZING THE EXECUTION, DELIVERY AND DISTRIBUTION OF AN OFFICIAL STATEMENT FOR SENIOR SEWER REVENUE REFUNDING BONDS, SERIES 2016A; AND APPROVING OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH.

WHEREAS, The City of San Diego (City), the City as Successor Agency to the Redevelopment Agency of the City of San Diego, and the Housing Authority of the City of San Diego have heretofore entered into a Third Amended and Restated Joint Exercise of Powers Agreement, dated as of January 1, 2013 (Joint Powers Agreement), which created and established the Public Facilities Financing Authority of the City of San Diego (Authority) for the purpose, among others, of issuing its bonds to be used to provide financial assistance to the City to finance and refinance public capital improvements; and

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (Act) and the Joint Powers Agreement, the Authority is authorized to issue bonds for financing and refinancing public capital improvements whenever there are significant public benefits; and

WHEREAS, the Authority has previously issued and currently has outstanding \$307,540,000 aggregate principal amount of its Senior Sewer Revenue Bonds, Series 2009A, \$286,670,000 aggregate principal amount of its Sewer Revenue Refunding Bonds, Series 2009B, and \$62,855,000 aggregate principal amount of its Sewer Revenue Refunding Bonds, Series 2010A (collectively, Outstanding Refundable Senior Sewer Bonds), which were issued pursuant to an Indenture dated as of May 1, 2009, as amended (Original Indenture), supplemented by a First Supplemental Indenture dated as of June 1, 2009 and a Second Supplemental Indenture dated as of April 1, 2010 (the Original Indenture, as so supplemented, is referred to herein as the Indenture), each by and between the Authority and the trustee referred to therein (Trustee), to finance and refinance various components of the City's wastewater system; and

WHEREAS, the California State Water Resources Control Board (Water Control Board) has previously provided the City several loans to finance various components of the Wastewater System (collectively, Outstanding SRF Loans); and

WHEREAS, the Authority and the City have determined to (i) advance refund all or a portion of the Outstanding Refundable Senior Sewer Bonds, and/or (ii) current refund all or a portion of the Outstanding SRF Loans, through the issuance by the Authority of its Senior Sewer Revenue Refunding Bonds (Senior Sewer Revenue Refunding Bonds) when the opportunity is presented to lower financing costs; and

WHEREAS, pursuant to Resolution Number FA-2015-7, the Authority has authorized and approved the issuance and sale by the Authority of one or more series of its Senior Sewer

Revenue Refunding Bonds, through one or more issuances, in an aggregate principal amount not to exceed \$848,080,000 (\$534,460,000 aggregate principal amount of which remains unissued); and

WHEREAS, on September 24, 2015, the Authority issued the first series of Senior Sewer Revenue Refunding Bonds authorized by Resolution Number FA-2015-7, designated as Public Facilities Financing Authority of the City of San Diego, Senior Sewer Revenue Refunding Bonds, Series 2015, in the aggregate principal amount of \$313,620,000; and

WHEREAS, the Authority and the City have determined that a second series of Senior Sewer Revenue Refunding Bonds, which shall be designated as Public Facilities Financing Authority of the City of San Diego Senior Sewer Revenue Refunding Bonds, Series 2016A (Series 2016A Bonds), be issued by the Authority in order to (i) advance refund and defease all or a portion of the Outstanding Refundable Senior Sewer Bonds, and/or (ii) current refund and prepay all or a portion of the Outstanding SRF Loans; and

WHEREAS, in order to, market and sell the Series 2016A Bonds, it is necessary that the Authority authorize and approve the distribution of a preliminary official statement and the execution, delivery and distribution of an official statement relating to the Series 2016A Bonds; and

WHEREAS, there has been presented to this meeting a proposed form of preliminary official statement for the Series 2016A Bonds (Preliminary Official Statement), which the underwriters for the Series 2016A Bonds (Underwriters) will use in marketing the Series 2016A Bonds; and

WHEREAS, the City has selected (i) Wells Fargo Bank, National Association, Academy Securities, Inc., Drexel Hamilton, LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated as the Underwriters of the Series 2016A Bonds, (ii) U.S. Bank National Association as the Trustee for the Series 2016A Bonds, and (iii) U.S. Bank National Association as the Escrow Agent for the Outstanding Refundable Senior Sewer Bonds to be advance refunded and defeased with a portion of the proceeds of the Series 2016A Bonds; and

WHEREAS, the Authority is authorized to undertake all of the actions described in this Resolution pursuant to the Constitution and applicable laws of the State of California; NOW, THEREFORE,

BE IT RESOLVED by the Board of Commissioners of the Public Facilities Financing Authority of the City of San Diego as follows:

Section 1. The Authority hereby finds and determines that the statements set forth above in the recitals to this Resolution are true and correct.

Section 2. The form and content of the proposed Preliminary Official Statement substantially in the form presented to and considered at this meeting, are hereby approved, with such changes thereto as any Chair of the Authority or Vice Chair of the Authority and each of them or any of their respective designees (each, an Authorized Signatory) may require or approve, such approval to be conclusively evidenced by the execution of the certificate described below by an Authorized Signatory. Each Authorized Signatory is hereby severally authorized and directed, for and in the name of and on behalf of the Authority, to execute and deliver an official statement with respect to the Series 2016A Bonds (Official Statement), in substantially the form of the final Preliminary Official Statement, with such changes thereto as such

Authorized Signatory executing and delivering such document shall determine to be necessary and desirable and shall require or approve and believes to be in the best interests of the Authority and the City, such requirement or approval to be conclusively evidenced by the execution and delivery thereof. The use and distribution of electronic or physical copies of the Preliminary Official Statement and the Official Statement to persons who may be interested in the purchase of Series 2016A Bonds is hereby authorized and approved. Each Authorized Signatory, acting alone, is hereby authorized to certify on behalf of the Authority that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated by the Securities and Exchange Commission (except for the omission of certain information as permitted by such Rule) (15c2-12 Certificate).

Section 3. The selection of (i) Wells Fargo Bank, National Association, Academy Securities, Inc., Drexel Hamilton, LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated as the Underwriters of the Series 2016A Bonds, (ii) U.S. Bank National Association as the Trustee for the Series 2016A Bonds, and (iii) U.S. Bank National Association as the Escrow Agent for the Outstanding Refundable Senior Sewer Bonds to be advance refunded and defeased with a portion of the proceeds of the Series 2016A Bonds, is hereby confirmed.

Section 4. All actions heretofore taken by any Authorized Signatory or by any officers, employees, agents or directors of the Authority in connection with or related to the Preliminary Official Statement or the Official Statement, are hereby approved, confirmed and ratified. Any Authorized Signatory, the Secretary of the Authority, the General Counsel to the Authority and any other officers, employees, agents and directors of the Authority are, and each of the foregoing acting alone or through their specified designee, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things, take any

and all actions, and execute and deliver such documents, agreements and certificates, which they, or any of them, may deem necessary or advisable to effectuate the purposes of this Resolution and to consummate the transactions authorized hereby. In addition, any Authorized Signatory is hereby authorized to approve additions and changes to the Preliminary Official Statement, as any Authorized Signatory shall determine are necessary or desirable and shall require or approve and that such Authorized Signatory believes to be in the best interests of the Authority, such determination shall be conclusively evidenced by the execution and delivery of the 15c2-12 Certificate.

Section 5. This Resolution shall take effect immediately upon its adoption.

[Remainder of Page Left Intentionally Blank]

ADOPTED, SIGNED AND APPROVED this 9th day of February 2016, by the following

vote:

AYES: Lightner, Zapf, Gloria, Cole, Kersey, Cate, Sherman, Alvarez, Emerald.

NAYS: _____

ABSENT: _____

VACANT: _____

ABSTAIN: _____

PUBLIC FACILITIES FINANCING
AUTHORITY OF THE CITY OF SAN DIEGO


Sherri Lightner, Chair
Board of Commissioners

Attest:


Secretary to Board of Commissioners

Doc. No.: 1193731