

PUBLIC FACILITIES FINANCING AUTHORITY
OF THE CITY OF SAN DIEGO

RESOLUTION NUMBER FA-2019-1

ADOPTED ON JANUARY 8, 2019

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE PUBLIC FACILITIES FINANCING AUTHORITY OF THE CITY OF SAN DIEGO (I) APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE CONSENT TO THE OPTION TO PURCHASE AGREEMENT IN FAVOR OF REGENTS OF CITY-OWNED PROPERTY AND (II) APPROVING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the City of San Diego, California (City), the City solely in its capacity as the designated successor agency Successor Agency to the former Redevelopment Agency of the City of San Diego, and the Housing Authority of the City of San Diego, are parties to a Joint Exercise of Powers Agreement establishing the Public Facilities Financing Authority of the City of San Diego (Authority), a California joint exercise of powers authority duly organized and established to finance, acquire, construct, maintain, repair, operate, and control certain capital facilities improvements for the City; and

WHEREAS, Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorizes and empowers local agencies to form a joint powers authority, separate and apart from the contracting parties, and Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorizes and empowers such an authority to issue bonds for the purpose of financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefit to local agencies; and

WHEREAS, the Authority previously issued its Lease Revenue Bonds, Series 2012A (Capital Improvement Projects) and Lease Revenue Refunding Bonds, Series 2012B (Fire and Life Safety Facilities Refunding) (together, the Series 2012 Bonds); and

WHEREAS, concurrent with the issuance of the Series 2012 Bonds, the Authority and the City entered into that certain Facilities Lease (Facilities Lease) dated July 1, 2012, which Facilities Lease encumbers the City's fee interest in certain real property commonly known as Torrey Pines Center South (TPCS), located at 10280 Torrey Pines Road, San Diego, California, which the Regents of the University of California, a California public corporation (Regents) currently lease from the City; and

WHEREAS, the City and Regents have worked together to reach agreement on three separate transactions (Transactions), which are all dependent upon the other, such that if Council chooses not to authorize the Mayor to execute one of the agreements, the City will not exercise any of the agreements and the none of the Transactions will be completed; and

WHEREAS, as part of the Transactions, the City has agreed to grant the Regents the option to purchase TPCS from the City on certain conditions delineated in that certain Option to Purchase Agreement in Favor of Regents of City-owned Property (Option Agreement); and

WHEREAS, if executed by the City, the Option Agreement would, upon fulfillment by Regents of certain conditions, grant the Regents an irrevocable option to purchase TPCS, exercisable as of October 15, 2042 through October 15, 2044, which period of time occurs after the encumbrance caused by the Facilities Lease related to the Series 2012 Bonds will be lifted, if not sooner; and

WHEREAS, as part of the Transactions, the Regents have required that the Authority consent to the Option Agreement, and the City's execution of the agreements that compose the Transactions is contingent upon the Authority's executing that certain Consent to the Option to Purchase Agreement in Favor of Regents of City-Owned Property (Consent); and

WHEREAS, there has been presented to this meeting a proposed form of the Consent, a copy of which is on file in the Office of the Secretary as Document No. ^{R-}312170 and

WHEREAS, the Authority is authorized to undertake the actions described in this Resolution pursuant to its Joint Exercise of Powers Agreement and the Constitution and applicable laws of the State; NOW, THEREFORE,

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

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

Section 2. The form, terms, and provisions of the form of the Consent, a copy of which Consent is on file in the Office of the City Clerk and submitted to this meeting, is hereby approved. The Chair or Vice-Chair of the Board of Commissioners of the Authority or the Treasurer of the Authority (each, an Authorized Officer), is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the Authority, to execute and deliver a form of the Consent in substantially the form presented to this meeting and consistent with this Resolution, with other additions and changes therein as any Authorized Officer shall determine are necessary or desirable as being in the best interests of the Authority, and as approved

as to form by the City Attorney, as counsel to the Authority, or her specified designee, such approval to be conclusively evidenced by the execution and delivery of the Consent.

Section 3. Any Authorized Officer of the Authority, as well as the Mayor, the Chief Financial Officer, and the Chief Operating Officer of the City, is hereby authorized and directed, for and on behalf of the Authority, to do any and all things and take any and all actions, including, without limitation, payment of necessary and appropriate fees and expenses, and execute and deliver any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable to consummate the Transactions in accordance with this Resolution. Any actions heretofore taken by such officers in furtherance of any of the Transactions authorized herein are hereby ratified, confirmed, and approved.

Section 4. This Resolution shall take effect immediately upon its adoption.

[The rest of this page is intentionally left blank. Signature page is the next page.]

ADOPTED, SIGNED AND APPROVED this 8th day of January 2019, by the following
vote:

AYES:	<u>Bry, Campbell, Ward, Montgomery, Kersey, Cate, Sherman, Moreno, and Gómez.</u>
NAYS:	_____
ABSENT:	_____
VACANT:	_____
ABSTAIN:	_____

PUBLIC FACILITIES FINANCING
AUTHORITY OF THE CITY OF
SAN DIEGO



Georgette Gómez, Council President
Chair, Board of Commissioners

Attest:



Secretary to Board of Commissioners