

RESOLUTION NO. LPIC2002-01

A RESOLUTION OF THE LODI PUBLIC IMPROVEMENT CORPORATION RELATING TO CERTIFICATES OF PARTICIPATION (2002 PUBLIC IMPROVEMENT FINANCING PROJECT); APPROVING THE FORMS OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SITE AND FACILITIES LEASE, A LEASE AGREEMENT, AN ASSIGNMENT AGREEMENT, AND A TRUST AGREEMENT IN CONNECTION THEREWITH; AND AUTHORIZING CERTAIN OTHER MATTERS RELATED THERETO

WHEREAS, the City of Lodi, a municipal corporation duly organized and existing under and by virtue of the Constitution and laws of the State of California (the "City"), has determined to finance and refinance the costs of certain public improvement projects for the benefit of the City and its inhabitants, including, but not limited to, the construction, development, furnishing and equipping of a new police building and jail for the City, a parking garage and a community park and the remodeling of the current City public safety building and such other projects as the City may substitute therefor (the "2002 Project"); and

WHEREAS, in order to implement the foregoing, the City and the Lodi Public Improvement Corporation, a non-profit, public benefit corporation duly organized and existing under and by virtue of the laws of the State of California (the "Corporation") propose to execute and enter into a Site and Facilities Lease (the "Site Lease"), whereby the Corporation will lease from the City certain real property and improvements, including, but not limited to, the Lodi City Hall, the Carnegie Forum, the existing public safety building, Fire Stations 2 and 3 and the Hutchins Street Square (as such term is defined in the Site Lease the "Property"); and

WHEREAS, in order to make a portion of the Property available for lease to the Corporation, the City desires to prepay its lease payment obligations (the "Prior Lease Payments") under those two certain lease agreements, each between the Corporation and the City and dated as of October 1, 1995 and as of August 1, 1996, respectively; and

WHEREAS, pursuant to a Lease Agreement (the "Lease"), between the City and the Corporation, the City will lease the Property from the Corporation and will be obligated to make lease payments (the "Lease Payments") to the Corporation as rental for the Property; and

WHEREAS, the Corporation proposes to enter into a Trust Agreement (the "Trust Agreement"), with the City and such trustee (the "Trustee") as shall be duly appointed by the City and the Corporation, providing for the execution and delivery of Certificates of Participation (2002 Public Improvement Financing Project), (the "Certificates"), evidencing proportionate interests of the owners thereof in the Lease Payments to be made by the City under the Lease; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to

consummate such transactions, for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS THE LODI PUBLIC IMPROVEMENT CORPORATION, AS FOLLOWS:

Section 1. The Board of Directors of the Corporation hereby specifically finds and determines it is desirable and furthers the Corporation's public purpose to assist the City in the financing the 2002 Project and the payment of certain of the City's prior lease obligations as provided in the Site Lease and Lease through the actions authorized hereby and that the statements, findings and determinations of the Corporation set forth above and in the preambles of the documents approved herein are true and correct.

Section 2. The Site and Facilities Lease, in the form presented at this meeting and on file with the Secretary of the Corporation, and the performance by the Corporation of its obligations thereunder, are hereby approved, and the Executive Director, the President and the Treasurer of the Corporation, each acting singly, are hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the City the Site and Facilities Lease in substantially said form, with such changes therein as such officer executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The Lease Agreement, in the form presented at this meeting and on file with the Secretary of the Corporation, and the performance by the Corporation of its obligations thereunder, are hereby approved, and the Executive Director, the President and the Treasurer of the Corporation, each acting singly, are hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the City the Lease Agreement in substantially said form, with such changes therein as such officer executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Assignment Agreement, proposed to be executed and entered into by and between the Corporation and the Trustee (the "Assignment Agreement"), in the form presented at this meeting and on file with the Secretary of the Corporation, and the performance by the Corporation of its obligations thereunder, are hereby approved, and the Executive Director, the President and the Treasurer of the Corporation, each acting singly, are hereby authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the Trustee the Assignment Agreement in substantially said form, with such changes therein as such officer executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Trust Agreement, in the form presented at this meeting and on file with the Secretary of the Corporation, and the performance of by the Corporation of its obligations thereunder, are hereby approved, and the Executive Director, the President and the Treasurer of the Corporation, each acting singly, are hereby authorized to appoint a bank or trust company to serve as the Trustee under the Trust Agreement, provided that such Trustee shall meet the qualifications of a successor Trustee set forth in the Trust Agreement; and the Executive Director, the President and the Treasurer of the Corporation, each acting singly, are hereby further authorized and directed, for and in the name and on behalf of the Corporation, to execute and deliver to the City and the Trustee the Trust Agreement in substantially said form, with such

changes therein as such officer executing such document may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, provided, that the aggregate principal amount of the Certificates to be executed and delivered thereunder shall not exceed \$35,000,000, the final principal payment date of the Certificates shall be not later than 35 years from their date of delivery and the interest component with respect to the Certificates shall not exceed 8%.

Section 6. The Secretary of the Corporation is hereby authorized and directed to attest the signatures of the Executive Director, the President and the Treasurer of the Corporation, as may be required or appropriate, in connection with the execution and delivery of the Site Lease, the Lease, the Assignment Agreement and the Trust Agreement.

Section 7. The officers of the Corporation are hereby authorized and directed, jointly and severally, to do any and all things (including the negotiating and obtaining of a municipal bond insurance policy or reserve fund surety bond with respect to the Certificates if the City Manager or Finance Director of the City determine that such insurance policy or surety bond will result in savings to the City) and to execute and deliver any and all documents which they may deem necessary or desirable in order to consummate the transactions authorized hereby and to consummate the sale, execution and delivery of the Certificates and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, the Site Lease, the Lease, the Assignment Agreement, the Trust Agreement and the Certificates; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 8. This Resolution shall take effect immediately upon its passage.

I hereby certify that the foregoing is a full, true and correct copy of Resolution No. LPIC2002-01 duly passed and adopted by the Board of Directors of the Lodi Public Improvement Corporation at a meeting thereof duly held on the 2nd day of January, 2002, by the following vote of the Directors thereof:

AYES,	DIRECTORS – Hitchcock, Howard, Land, Nakanishi, and Mayor Pennino
NOES:	DIRECTORS – None
ABSENT:	DIRECTORS – None
ABSTAIN:	DIRECTORS – None


Susan J Blackston
Secretary for the Corporation

Approved As to Form:



Randall A. Hays
Attorney for the Corporation