

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA APPROVING THE ISSUANCE OF LEASE REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$180,000,000 AND THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO LEASE, FIRST AMENDMENT TO SUBLEASE, PURCHASE AGREEMENT CERTAIN OTHER ACTIONS RELATING THERETO

WHEREAS, pursuant to the provisions of Article 4 of the Joint Exercise of Powers Act, comprising Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Joint Exercise of Powers Agreement, dated April 25, 2000, by and between the City of Pasadena, a municipal corporation and a chartered city of the State of California (the "City") and the Pasadena Community Development Commission, creating the Pasadena Financing Authority (the "Authority"), the Authority is authorized to issue bonds to finance public capital improvements; and

WHEREAS, the City and the Authority previously entered into an Lease, dated as of February 1, 2006 (the "2006 Lease"), pursuant to which the City leased certain land and improvements thereon consisting primarily of the Rose Bowl Stadium (the "Leased Property") to the Authority; and

WHEREAS, the City and the Authority previously entered into a Sublease, dated as of February 1, 2006 (the "2006 Sublease"), pursuant to which the Authority subleased the Leased Property to the City; and

WHEREAS, the City desires that Authority assist the City with, *inter alia*, financing renovations and additional improvements to the Rose Bowl Stadium (the "Project"); and

WHEREAS, in order to finance the Project the City proposes to enter into a First Amendment to the Lease with the City (the "First Amendment to Lease"), pursuant to which the City will add the Project to the Leased Property; and

WHEREAS, in order to finance the Project the City further proposes to enter into a First Amendment to Sublease with the City (the "First Amendment to Sublease"), pursuant to which the Authority will sublease the Leased Property, including the Project to the City and the City will make additional base rental payments ("2010 Base Rental Payments") to the Authority; and

WHEREAS, pursuant to a Bond Indenture (the "Indenture"), dated as of November 1, 2010, between the Authority and Deutsche Bank National Trust Company, N.A., or such other financial institution as may be selected by the officers of the City in accordance with Section 8 hereof, as trustee (the "Trustee"), the Authority will assign its rights to receive the 2010 Base Rental Payments to the Trustee and the Authority will issue the bonds, which bonds

will be designated generally as the “Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project) (the “2010 Bonds”), of one or more series and with such other name or names as may be designated pursuant to the Indenture; and

WHEREAS, pursuant to a Bond Purchase Agreement (the “Purchase Agreement”) among BMO Capital Markets GKST Inc., as representative of the underwriters (the “Underwriters”), the Authority and the City, the 2010 Bonds are to be sold to the Underwriters; and

WHEREAS, the 2010 Bonds will be offered for sale by the Underwriters to investors through an official statement (the “Official Statement”); and

WHEREAS, there have been presented to this meeting proposed forms of the following documents and agreements:

- (1) The First Amendment to Lease;
- (2) The First Amendment to Sublease; and
- (3) The Purchase Agreement; and

WHEREAS, pursuant to Section 6586.5 of the Act and Section 147(f) of the Internal Revenue Code, the City Council of the City (the “City Council”) on October 4, 2010 and on the date of adoption of this Resolution has held a noticed public hearing to consider the public capital improvements to the Rose Bowl Stadium, namely, the Project, and the proposed financing of such public capital improvements through the issuance of lease revenue bonds by the Authority, namely, the 2010 Bonds; and

WHEREAS, the City Council finds and determines that the financing of the Project through the issuance of the 2010 Bonds will result in significant public benefits to the residents of the City in the form of more efficient delivery of City services to residential and commercial development.

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the City Council of the City of Pasadena, that:

Section 1. The above recitals are true and correct, and the City Council so finds and determines.

Section 2. The form of First Amendment to Lease presented to this meeting, and on file with the City Clerk, is hereby approved. Each of the City Manager and the Director of Finance, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the City, to execute and deliver the Lease in substantially said form, with such changes, insertions and deletions as may be consistent with this Resolution and as may be approved by the officer executing the First Amendment to Lease, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The form of First Amendment to Sublease presented to this meeting, and on file with the City Clerk, is hereby approved. Each of the City Manager and the Director of Finance, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the City, to execute and deliver the First Amendment to Sublease in substantially said form, with such changes, insertions and deletions as may be consistent with this Resolution and as may be approved by the officer executing the Sublease, such approval to be conclusively evidenced by the execution and delivery thereof provided, however, that the annual 2010 Base Rental Payments payable by the City under the First Amendment to Sublease shall not be greater than \$17,000,000 per year.

Section 4. The City Council hereby approves of the issuance by the Authority of the 2010 Bonds in one or more series and in an aggregate principal amount of not to exceed \$180,000,000.

Section 5. The form of Purchase Agreement presented to this meeting, and on file with the City Clerk, is hereby approved. Each of the City Manager and the Director of Finance, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the City, to execute and deliver the Purchase Agreement in substantially said form, with such changes, insertions and deletions as may be consistent with this Resolution and as may be approved by the officer executing the Purchase Agreement, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The City Manager, Director of Finance, City Clerk and all other appropriate officers of the City are hereby authorized and directed, acting singly, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. The foregoing authorization includes, but is in no way limited to, the designation of a financial institution to serve as bond trustee in connection with the Pasadena Public Financing Authority Variable Rate Demand Lease Revenue Bonds (Rose Bowl Refinancing and Improvement Projects), Series 2006 and the 2010 Bonds, the execution and delivery of any tax certificate and continuing disclosure agreement required by the Sublease, any bond insurance, bond reserve fund surety or other form of credit enhancement determined by such officer to be in the best interests of the City in order to provide for the cost-effective financing of the Project and the execution and delivery of any and all other documents determined to be necessary or appropriate by such officials and not inconsistent with this Resolution, and such determination thereof shall be final, binding and conclusive upon the City. Any actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 7. The City Clerk is hereby authorized and directed to attest the signature of the City Manager, the Director of Finance or such other City officers as may be required or appropriate in connection with the execution and delivery of the agreements and documents contemplated by this Resolution or any related document or instrument.

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

PASSED by the City Council of the City of Pasadena at a regular meeting this
_____ day of October, 2010, by the following vote:

AYES:

NOES:

ABSENT:

City Clerk

APPROVED AS TO FORM:

City Attorney

APPROVED AS TO FORM:

ORRICK, HERRINGTON & SUTCLIFFE LLP
per

Richard I. Hiscocks, Partner