

RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE PASADENA PUBLIC FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF LEASE REVENUE REFUNDING BONDS IN AN AMOUNT NOT TO EXCEED \$50,000,000 AND THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO AMENDED AND RESTATED LEASE, THIRD AMENDMENT TO AMENDED AND RESTATED SUBLEASE, PURCHASE AGREEMENT, ESCROW AGREEMENT, PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT IN CONNECTION THEREWITH, AND AUTHORIZING THE TAKING OF CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

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 24, 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 Public 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 a Lease, dated as of February 1, 2006, as amended by the First Amendment to Lease, dated as of as of November 1, 2010, and as amended by the Amended and Restated Lease, dated as of May 1, 2011, as amended by the First Amendment to Amended and Restated Lease, dated as of October 1, 2016 (collectively, the "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, as amended by the First Amendment to Sublease, dated as of as of November 1, 2010, as amended by the Amended and Restated Sublease, dated as of May 1, 2011, the First Amendment to Amended and Restated Sublease, dated as of January 1, 2013, and the Second Amendment to Amended and Restated Sublease, dated as of October 1, 2016 (collectively, the "Sublease"), pursuant to which the Authority subleased the Leased Property to the City; and

WHEREAS, the Authority previously issued, among other lease revenue bonds, its \$34,900,000 Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2013A (Tax-Exempt) (the "2013A Bonds"), and its \$19,065,000 Pasadena Public Financing Authority Lease Revenue Bonds (Rose Bowl Renovation Project), Series 2013B (Taxable) (the "2013B Bonds" and together with the 2013A Bonds, the "Prior Bonds"), for the purpose of financing certain renovations and improvements to the Rose Bowl Stadium (the "Project"); and

WHEREAS, the Prior Bonds were privately placed and purchased pursuant to a Continuing Covenant Agreement, by and among the Authority, the City and Union Bank, N.A.; and

WHEREAS, City desires to refinance its obligations to Union Bank under the Sublease, and, correspondingly, the Authority desires to refund all or a portion of the Prior Bonds and has determined to issue its Lease Revenue Refunding Bonds (Rose Bowl Renovation Project), Series 2018A (Tax-Exempt) (the "Tax-Exempt Bonds") and Series 2018B (Taxable) (the "Taxable Bonds" and together with the Tax-Exempt Bonds, the "Bonds"), pursuant to the Act and pursuant to Article 11 (commencing with Section 53580), Chapter 3, Part 1, Division 2, Title 5, of the Government Code of California; and

WHEREAS, in order to refinance the Project the Authority proposes to enter into a Second Amendment to Amended and Restated Lease with the Authority (the "Second Amendment to Amended and Restated Lease"); and

WHEREAS, in order to refinance the Project the Authority further proposes to enter into a Third

Amendment to Amended and Restated Sublease with the City (the "Third Amendment to Amended and Restated Sublease"), pursuant to which the City will make additional base rental payments ("2018 Base Rental Payments") to the Authority; and

WHEREAS, pursuant to an Indenture (the "Indenture"), between the Authority and U.S. Bank National Association, as trustee (the "Trustee"), the Authority will assign its rights to receive the 2018 Base Rental Payments to the Trustee and the Authority will issue the Bonds, which Bonds will be designated as the "Pasadena Public Financing Authority Lease Revenue Refunding Bonds (Rose Bowl Renovation Project)," of one or more series and with such other designations as may be permitted pursuant to the Indenture; and

WHEREAS, pursuant to one or more Bond Purchase Agreements (each, a "Purchase Agreement") among one or more underwriters (each, an "Underwriter"), the Authority and the City, the Bonds are to be sold to an Underwriter; and

WHEREAS, pursuant to an Escrow Agreement (the "Escrow Agreement"), between U.S. Bank National Association, as escrow agent, and the Authority, the Prior Bonds will be legally defeased with proceeds of the Bonds and certain other funds; and

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

WHEREAS, Authority has heretofore held a noticed public hearing pursuant to Section 6586.5(a)(2) of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California; and

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

1. The Indenture;
2. The Second Amendment to Amended and Restated Lease;
3. The Third Amendment to Amended and Restated Sublease;
4. The Purchase Agreement;
5. The Escrow Agreement;
6. The Official Statement; and

WHEREAS, the Project is located within the City, which is a member of the Authority; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the issuance of the Tax-Exempt Bonds by the Authority may qualify for tax exemption under Section 103 of the Code only if the Tax-Exempt Bonds are approved by the "applicable elected representative" of both the governmental unit issuing the Tax-Exempt Bonds or on behalf of which the Tax-Exempt Bonds are to be issued, and a governmental unit having jurisdiction over the area in which the Project is located after a public hearing held following reasonable public notice; and

WHEREAS, the Authority has requested the City Council of the City of Pasadena (the "City Council") to approve the issuance and sale of the Tax-Exempt Bonds in order to satisfy the requirements of Section 147(f) of the Code, the City Council being the applicable elected representative of the governmental unit on behalf of which the Tax-Exempt Bonds are to be issued and having jurisdiction over the area in which the Project is located within the meaning of Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED, ORDERED AND FOUND by the Board of Directors of the Pasadena Public Financing Authority (the "Board"), that:

Section 1. The foregoing recitals are true and correct, and the Board so finds and determines.

Section 2. The Authority hereby finds and determines that the issuance of the Bonds will result in significant public benefits within the contemplation of Section 6586 of the Act.

Section 3. The Authority hereby approves the issuance of the Bonds in one or more series and in the aggregate principal amount not to exceed \$50,000,000 pursuant to the Indenture in substantially the form on file with the Secretary of the Authority and presented to the Board at this meeting. Any one of the Executive Director and the Treasurer of the Authority, and each of them, and any designee of any of them (collectively, the "Authorized Officers"), is hereby authorized and directed, for and in the name of the Authority, to execute and deliver the Indenture, with such insertions and changes as may be approved by the Authorized Officer executing the same, subject to the provisions of this Resolution, such approval to be conclusively evidenced by such execution and delivery. The Bonds shall be executed by the manual or facsimile signature of the Chair or Vice Chair of the Authority and attested by the manual or facsimile signature of the Secretary or Assistant Secretary of the Authority, in the form set forth and otherwise in accordance with the Indenture, as finally executed.

Section 4. The form of Second Amendment to Amended and Restated Lease presented to this meeting, and on file with the Secretary, is hereby approved. Any of the Authorized Officers, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the Authority, to execute and deliver the Second Amendment to Amended and Restated 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 Second Amendment to Amended and Restated Lease, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The form of Third Amendment to Amended and Restated Sublease presented to this meeting, and on file with the Secretary, is hereby approved. Any of the Authorized Officers, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the Authority, to execute and deliver the Third Amendment to Amended and Restated 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 Third Amendment to Amended and Restated Sublease, such approval to be conclusively evidenced by the execution and delivery thereof provided, however, that the annual 2018 Base Rental Payments payable by the City under the Third Amendment to Amended and Restated Sublease shall not be greater than \$5,000,000 per year and the final payment under the Third Amendment to Amended and Restated Sublease shall be no later than December 1, 2042.

Section 6. The form of Escrow Agreement presented to this meeting, and on file with the Secretary, is hereby approved. Any of the Authorized Officers, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the Authority, to execute and deliver the Escrow 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 Escrow Agreement, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The form of Purchase Agreement presented to this meeting, and on file with the Secretary, is hereby approved. Any of the Authorized Officers, acting singly, is hereby authorized and directed for, on behalf of, and in the name of the Authority, to execute and deliver one or more Purchase Agreements 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 such Purchase Agreement, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officer executing the Purchase Agreement is hereby authorized to determine the purchase price to be paid for the Bonds under the Purchase Agreement; provided, however, that (i) the Underwriter's discount shall not be more than 0.275 percent of the initial principal amount of the Tax-Exempt Bonds, and the true interest cost

of the Tax-Exempt Bonds shall not be greater than 5.00 percent and (ii) the Underwriter's discount shall not be more than 0.275 percent of the initial principal amount of the Taxable Bonds, and the true interest cost of the Taxable Bonds shall not be greater than 5.00 percent.

Section 8. The Board hereby approves the form of the Preliminary Official Statement (the "Preliminary Official Statement"), in substantially the form on file with the Secretary and presented to the Board at this meeting, with such changes and modifications as shall be necessary or appropriate for completion to the satisfaction of any Authorized Officer to reflect changes between the date of adoption of this Resolution and the date the Preliminary Official Statement is delivered to potential investors in the Bonds. Any one of the Authorized Officers is authorized and directed, on behalf of the Authority, to deem the Preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934. The Board further approves distribution of the Preliminary Official Statement by the Underwriter to persons who may be interested in purchasing the Bonds. Any one of the Authorized Officers is authorized and directed to execute and deliver a final Official Statement in substantially the form of the Preliminary Official Statement hereby approved, with such additions thereto and changes therein as are consistent with this Resolution and recommended or approved by disclosure counsel to the Authority and approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby authorized to distribute the Official Statement, as executed on behalf of the Authority as herein provided, to all actual purchasers of the Bonds.

Section 9. The Executive Director, Treasurer, Secretary and all other appropriate officers of the Authority 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 execution and delivery of any tax certificate required by the Sublease, purchase of 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 issuance of the Bonds, 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 Authority. Any actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved.

Section 10. The Secretary is hereby authorized and directed to attest the signature of the Executive Director, the Treasurer or such other Authority 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 11. This Resolution is subject to a resolution of the City Council approving the issuance and sale of the Bonds in order to satisfy the requirements of Section 147(f) of the Code.

Section 12. This Resolution shall take effect immediately upon its adoption.

ADOPTED at a regular meeting of the Board of Directors of the Pasadena Public Financing Authority this 22nd day of October, 2018, by the following vote:

AYES: _____

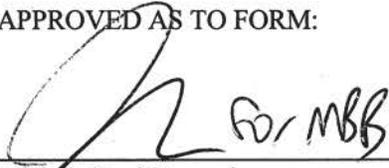
NOES: _____

ABSENT: _____

ABSTAIN: _____

APPROVED AS TO FORM:

ATTEST:



Michele Beal Bagneris
City Attorney

Mark Jomsky
Secretary

APPROVED AS TO FORM:



Eric Tashman
Norton Rose Fulbright US LLP
Bond Counsel