

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASADENA DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF ONE OR MORE TAX-EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES MADE AND/OR TO BE MADE IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS

WHEREAS, the City of Pasadena (the “City”) is a political subdivision organized and existing under the laws of the State of California; and

WHEREAS, the City has paid, beginning no earlier than 60 days prior to the date hereof, and will pay, on and after the date hereof, certain expenditures (the “Expenditures”) in connection with the acquisition, construction and equipping of the Ice Rink facility (the “Project”), as more fully described in Exhibit A attached hereto; and

WHEREAS, the City Council of the City (the “City Council”) has determined that those moneys previously advanced no more than 60 days prior to the date hereof and to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of one or more issues of tax-exempt obligations (the “Bonds”);

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. The City Council hereby declares the City’s intent to reimburse the City with the proceeds of the Bonds for the Expenditures with respect to the Project made prior to the issuance of the Bonds but no more than 60 days prior to the date hereof. The City reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Bonds.

Section 2. Each Expenditure was and will be either (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Bonds, (c) a nonrecurring item that is not customarily payable from current revenues, or (d) a grant to a party that is not related to or an agent of the City so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the City.

Section 3. The maximum principal amount of the Bonds expected to be issued for the Project is \$15 million.

Section 4. The City will make a reimbursement allocation, which is a written allocation by the City that evidences the City's use of proceeds of the Bonds to reimburse an Expenditure, no later than 18 months after the later of the date on which the Expenditure is paid or the Project is placed in service or abandoned, but in no event more than three years after the date on which the Expenditure is paid. The City recognizes that exceptions are available for certain "preliminary expenditures," costs of issuance, certain *de minimis* amounts, expenditures by "small issuers" (based on the year of issuance and not the year of expenditure) and expenditures for construction projects of at least 5 years.

Section 5. This resolution shall take effect immediately upon its passage.

ADOPTED at the regular meeting of the City Council of the City of Pasadena on the _____ day of _____, 2006, by the following vote:

AYES:

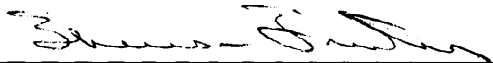
NOES:

ABSENT:

ABSTAIN:

Jane L. Rodriguez, CMC
City Clerk

APPROVED AS TO FORM:



Theresa E. Fuentes
Deputy City Attorney

APPROVED AS TO FORM:

Sidley Austin LLP

DESCRIPTION OF PROJECT

The Project involves the construction of a new, state of the art Ice Rink facility on City-owned land located between the flood control channel and the Southern California Edison right-of-way, and between Foothill Boulevard and Orange Grove Boulevard, commonly known as 3051 W. Foothill Boulevard, in the City of Pasadena. The Project will consist of the construction of two ice rinks with approximately 175 and 150 seats respectively, and includes such other amenities as a kitchen, offices, skate rental, locker rooms, restrooms with showers, lobby/waiting area, small retail shop, a food concession area, all located within an approximately 62,000 square foot structure, and adjacent surface parking; and costs related to the foregoing.