

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, FINDING SIGNIFICANT PUBLIC BENEFIT WITH RESPECT TO CERTAIN PUBLIC CAPITAL IMPROVEMENTS TO BE LOCATED WITHIN THE BOUNDARIES OF THE CITY AND APPROVING THE SALE OF BONDS IN CONNECTION THEREWITH.

THE CITY COUNCIL OF THE CITY OF COSTA MESA HEREBY RESOLVES AS FOLLOWS:

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement (the "JPA Agreement") dated August 20, 1990, by and between the City of Costa Mesa, California (the "City") and the Costa Mesa Redevelopment Agency, and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "JPA Act"); and

WHEREAS, the Authority is authorized pursuant to the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code to issue bonds for the purpose of (1) refunding its \$3,225,000 Costa Mesa Public Financing Authority 1991 Local Agency Revenue Bonds, currently outstanding in the aggregate principal amount of \$2,515,000.00 (the "Series 1991 Bonds"), (2) purchasing the City of Costa Mesa Community Facilities District No. 91-1 (Plaza Tower Public Improvements) 1991 Special Tax Bonds, currently outstanding in the aggregate principal amount of \$2,120,000.00 (the "Local Obligations"); and

WHEREAS, the Authority desires to issue its Costa Mesa Public Financing Authority Revenue Refunding Bonds, Series 2005A (the "Bonds") in a principal amount not to exceed \$3,000,000 to finance certain public capital improvements of the City, including the acquisition, construction and equipping of certain capital improvements known as the "TeWinkle Park Lake Improvements" located at 970 Arlington in the City (the "Capital Facilities"); and

WHEREAS, Section 6586.5 of the JPA Act requires a member of the Authority in whose boundaries the Capital Facilities to be acquired, constructed or financed with the proceeds of the Bonds are to be located to make certain findings with respect to such Capital Facilities and approve the sale of the Bonds, after a public hearing; and

WHEREAS, the Capital Facilities to be acquired, constructed or financed with a portion of the proceeds of the Bonds are located within the boundaries of the City; and

WHEREAS, the City has held a public hearing on the date hereof pursuant to Government Code Section 6586.5 following publication of notice not less than 5 days

prior to the hearing, concerning the financing of the Capital Facilities and the sale of the Bonds by the Authority;

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF COSTA MESA AS FOLLOWS:

Section 1. Each of the above recitals is true and correct.

Section 2. The City approves the sale of the Bonds by the Authority to finance the Capital Facilities.

Section 3. The sale of the Bonds by the Authority will result in significant public benefits of the type described in Government Code Section 6586, including demonstrable savings in effective interest rate, bond preparation, bond underwriting or bond issuance costs.

Section 4. The City Manager and his designee are authorized, on behalf of the City, to execute and deliver any instrument or agreement relative to the use of the portion of Bond proceeds used to finance Capital Facilities for the purposes described herein in accordance with the law and affirming the obligation of the City to take no action which would adversely affect the exclusion from gross income of interest on the Bonds.

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

PASSED AND ADOPTED this 15th day of November, 2005.

ATTEST:

Deputy City Clerk of the City of Costa Mesa

Mayor of the City of Costa Mesa

APPROVED AS TO FORM

City Attorney

STATE OF CALIFORNIA)

COUNTY OF ORANGE) ss
CITY OF COSTA MESA)

I, JULIE FOLCIK, Deputy City Clerk and ex-officio Clerk of the City Council of the City of Costa Mesa, hereby certify that the above and foregoing Resolution No. _____ was duly and regularly passed and adopted by the said City Council at a regular meeting thereof held on the 15th day of November, 2005, by the following roll call vote:

AYES:

NOES:

ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Costa Mesa this 16th day of November, 2005.

Deputy City Clerk and ex-officio Clerk of
the City Council of the City of Costa Mesa