

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF LONG BEACH AUTHORIZING  
PROCEEDINGS TO PREPAY BASE RENTAL  
PAYMENTS AND THEREBY REFUND OUTSTANDING  
LONG BEACH BOND FINANCE AUTHORITY LEASE  
REVENUE AND REFUNDING BONDS (CIVIC CENTER  
PROJECT) 1997 SERIES A, AND APPROVING  
RELATED DOCUMENTS AND ACTIONS

WHEREAS, the City of Long Beach (the "City") and the Long Beach Bond Finance Authority (the "Authority") previously entered into a Facilities Lease, dated as of December 1, 1997 (the "1997 Lease") in order to refinance certain lease obligations of the City related to the City of Long Beach – Los Angeles County Civic Center Authority, Long Beach Civic Center Revenue Bonds issued in 1973, and to provide funds to assist in the financing of a police headquarters facility, an emergency services system center and improvements to the Long Beach Civic Center;

WHEREAS, the City's base rental payments under the 1997 Lease (the "1997 Lease Payments") were assigned to The Bank of New York Mellon Trust Company, N.A. (successor to U.S. Trust Company of California, N.A.) as trustee (the "1997 Trustee") under a Trust Agreement, dated as of December 1, 1997, between the Authority and the 1997 Trustee, pursuant to which the Authority issued its Long Beach Bond Finance Authority Lease Revenue and Refunding Bonds (Civic Center Project) 1997 Series A (the "1997 Bonds"); and

WHEREAS, the City Council wishes at this time to approve proceedings to refinance the City's obligations under the 1997 Lease and thereby refund the 1997 Bonds

1 in order to realize interest rate savings, including the approval of the 2010 Lease  
2 Agreement described below and related documents and actions.

3 NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED  
4 by the City Council of the City of Long Beach, as follows:

5 Section 1. Approval of Refinancing Proceedings. The City Council hereby  
6 approves the prepayment of the 1997 Lease Payments and the refunding of the 1997  
7 Bonds. To that end, the City Council hereby approves each of the following agreements  
8 (collectively, the "2010 Lease Documents") in the respective forms on file with the City  
9 Attorney:

10 (a) a termination agreement by and between the City and the 1997  
11 Trustee, as assignee of the Authority, whereby the City and the 1997 Trustee agree to  
12 terminate the documents relating to the 1997 Lease;

13 (b) a site and facility lease by and between the City and the  
14 Authority (the "2010 Site Lease"), whereby the City leases the Long Beach Civic Center  
15 (the "Property") to the Authority in consideration of the agreement by the Authority to  
16 provide sufficient funds to prepay the 1997 Lease Payments and refund and defease the  
17 1997 Bonds;

18 (c) a lease agreement by and between the Authority and the City  
19 (the "2010 Lease Agreement"), whereby the Authority leases the Property back to the  
20 City in consideration of the payment of semi-annual lease payments by the City as rental  
21 for the Property;

22 (d) a letter agreement for purchase between Banc of America Public  
23 Capital Corp and the City, whereby Banc of America Public Capital Corp agrees to  
24 acquire the rights of the Authority to the lease payments to be made by the City under the  
25 2010 Lease Agreement and the rights of the Authority under the 2010 Site Lease; and

26 (e) irrevocable refunding instructions given by the City to the 1997  
27 Trustee, whereby the 1997 Trustee agrees to establish an irrevocable escrow fund to be  
28 held for the purpose of paying the redemption price of the 1997 Bonds, and to redeem

1 the 1997 Bonds in full on the first available redemption date.

2           The City Manager, the Director of Financial Management and the  
3 City Treasurer (each being a "Designated Officer" and, collectively, the "Designated  
4 Officers"), each acting alone, are hereby authorized for and on behalf of the City to  
5 execute and deliver the 2010 Lease Documents in said forms, together with such  
6 additions thereto or changes therein as are approved by the Designated Officer executing  
7 such document upon consultation with the City Attorney and Bond Counsel, including  
8 such additions or changes as are necessary or advisable in accordance with Section 5  
9 hereof, the approval of such additions or changes to be conclusively evidenced by the  
10 execution and delivery of the 2010 Lease Documents by a Designated Officer.

11           Section 2. Material Terms of 2010 Lease Agreement. Notwithstanding the  
12 foregoing, in any event, the 2010 Lease Agreement shall be for a stated term not in  
13 excess of the original term of the 1997 Lease, the aggregate principal component of the  
14 lease payments to be paid under the 2010 Lease Agreement shall not exceed  
15 \$34,000,000 and the interest component of the lease payments under the 2010 Lease  
16 Agreement shall be computed at an interest rate which provides a present value savings  
17 to the City as compared to the interest component of the remaining 1997 Loan Payments  
18 payable under the 1997 Lease.

19           Section 3. Financial Advisor. The firm of Public Financial Management is  
20 hereby designated as financial advisor to the City with respect to the financing. The  
21 Treasurer of the City is hereby authorized and directed to execute an agreement with  
22 said firm for its services in connection with the financing, in a form acceptable to the  
23 Treasurer, provided that payment of the fees and expenses of such firm shall be  
24 contingent upon the execution and delivery of the 2010 Lease Agreement by the City.

25           Section 4. Bond Counsel. The law firm of Quint & Thimmig LLP is hereby  
26 designated as Bond Counsel ("Bond Counsel") to the City for the financing. The City  
27 Attorney is hereby authorized to execute an agreement with said firm for its services  
28 related to the financing, in a form acceptable to the City Attorney. The payment by the

OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

1 City of any and all compensation to such firm under said agreement shall be contingent  
2 upon the execution and delivery of the 2010 Lease Agreement by the City.

3 Section 5. Official Actions. The Mayor, the City Manager, the Director of  
4 Financial Management of the City, the City Treasurer, the City Clerk and all other officers  
5 of the City are each authorized and directed in the name and on behalf of the City to  
6 make any and all assignments, certificates, requisitions, agreements, notices, consents,  
7 instruments of conveyance, warrants and other documents, which they or any of them  
8 might deem necessary or appropriate in order to consummate any of the transactions  
9 contemplated by the agreements and documents approved by this Resolution. Whenever  
10 in this Resolution any officer of the City is authorized to execute or countersign any  
11 document or take any action, such execution, countersigning or action may be taken on  
12 behalf of such officer by any person designated by such officer to act on his or her behalf  
13 in the case such officer is absent or unavailable.

14 Section 6. This resolution shall take effect immediately upon its adoption by  
15 the City Council, and the City Clerk shall certify the vote adopting this resolution.

16 I hereby certify that the foregoing resolution was adopted by the City Council of the  
17 City of Long Beach at its meeting of August 10, 2010 by the following vote:

18 Ayes: Councilmembers: Garcia, Lowenthal, DeLong, Schipske,  
19 Andrews, Johnson, Gabelich, Neal.

20 \_\_\_\_\_  
21 \_\_\_\_\_  
22 Noes: Councilmembers: None.

23 \_\_\_\_\_  
24 Absent: Councilmembers: O'Donnell.

25 \_\_\_\_\_  
26 \_\_\_\_\_

27 

28 City Clerk