

RESOLUTION NO. RES-09-0132

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING AND APPROVING A THIRD SUPPLEMENTAL SUBORDINATE TRUST INDENTURE, A SECOND AMENDMENT TO ISSUING AND PAYING AGENT AGREEMENT, A SECOND AMENDMENT TO COMMERCIAL PAPER DEALER AGREEMENT, AND CERTAIN OTHER DOCUMENTS RELATING TO THE CITY OF LONG BEACH, CALIFORNIA SUBORDINATE AIRPORT REVENUE COMMERCIAL PAPER PROGRAM, APPROVING THE DISTRIBUTION OF A COMMERCIAL PAPER OFFERING MEMORANDUM AND AUTHORIZING AND DIRECTING EXECUTION THEREOF AND CERTAIN ACTIONS RELATED THERETO

WHEREAS, the City of Long Beach (the "City") is a city organized and existing under a charter duly and regularly adopted pursuant to the provisions of the Constitution of the State of California; and

WHEREAS, the City owns and operates the Long Beach Airport (the "Airport"); and

WHEREAS, pursuant to Section 1725(a) of Article XVII of said charter, the City is authorized to issue short-term revenue certificates for purposes of the City; and

WHEREAS, pursuant to Section 1725(b) of Article XVII of said charter, the City is authorized to arrange for bank credit as additional security for short-term revenue certificates issued pursuant to said Section and in connection therewith execute and deliver promissory notes to evidence advances made under such bank credit facilities; and

1           WHEREAS, the City Council previously determined that it was in the best  
2 interests of the City to issue short-term revenue certificates through the implementation of  
3 a commercial paper program through the issuance of Subordinate Airport Revenue  
4 Commercial Paper Notes, Series A (Non-AMT), Series B (AMT) and Series C (Taxable)  
5 (the "Commercial Paper Notes") in an aggregate principal amount of not to exceed  
6 \$25,000,000 (the "Commercial Paper Program") at any one time outstanding to finance  
7 and refinance ongoing capital maintenance and rehabilitation to the Airport and design  
8 costs associated with a parking structure and various terminal improvements at the  
9 Airport; and

10           WHEREAS, in connection with the issuance of the Commercial Paper  
11 Notes, from time to time, the City previously entered into, among other agreements: (i)  
12 the Master Subordinate Trust Indenture, dated as of November 1, 2004 (the "Master  
13 Subordinate Indenture"), by and between the City and The Bank of New York Mellon  
14 Trust Company, National Association, formerly known as The Bank of New York Trust  
15 Company, National Association, as trustee (the "Trustee"), as supplemented pursuant to  
16 the First Supplemental Subordinate Trust Indenture, dated as of November 1, 2004, as  
17 amended (the "First Supplemental Subordinate Indenture"), by and between the City and  
18 the Trustee, and as amended and supplemented by the Second Supplemental  
19 Subordinate Trust Indenture, dated as of June 1, 2008 (the "Second Supplemental  
20 Subordinate Indenture," and together with the Master Subordinate Indenture and the First  
21 Supplemental Subordinate Indenture, the "Subordinate Indenture"), by and between the  
22 City and the Trustee; (ii) the Issuing and Paying Agent Agreement, dated as of November  
23 1, 2004, by and between the City and The Bank of New York Mellon Trust Company,  
24 National Association, formerly known as The Bank of New York Trust Company, National  
25 Association, as issuing and paying agent (the "Issuing and Paying Agent"), as amended  
26 by the First Amendment to Issuing and Paying Agent Agreement, dated as of June 1,  
27 2008 (collectively, the "Issuing and Paying Agent Agreement"), by and between the City  
28 and the Issuing and Paying Agent; (iii) the Commercial Paper Dealer Agreement, dated

1 as of November 1, 2004, by and between the City and Barclays Capital Inc., as  
2 successor to Lehman Brothers Inc., as dealer (the "Dealer"), as amended by the First  
3 Amendment to Commercial Paper Dealer Agreement, dated as of June 1, 2008  
4 (collectively, the "Dealer Agreement"), by and between the City and the Dealer; and (iv)  
5 the Reimbursement Agreement, dated as of November 1, 2004, as amended (the  
6 "Reimbursement Agreement"), between the City and JPMorgan Chase Bank, National  
7 Association, successor by merger to Bank One, NA (the "Bank"), pursuant to which the  
8 Bank issued an irrevocable Letter of Credit (the "Letter of Credit"); and

9 WHEREAS, on February 17, 2009, President Obama signed the American  
10 Recovery and Reinvestment Act of 2009 (the "Recovery Act") into law; and

11 WHEREAS, the City has determined that in order to take advantage of  
12 certain provisions of the Recovery Act it is necessary to amend certain provisions of the  
13 Subordinate Indenture, the Issuing and Paying Agent Agreement and the Dealer  
14 Agreement; and

15 WHEREAS, in connection with the amendments to the Subordinate  
16 Indenture, the Issuing and Paying Agent Agreement and the Dealer Agreement, it is also  
17 necessary to distribute a new commercial paper offering memorandum for the  
18 Commercial Paper Notes; and

19 WHEREAS, there have been presented to the City Council the following  
20 documents:

21 (a) a form of the Third Supplemental Subordinate Trust Indenture  
22 (the "Third Supplemental Subordinate Indenture") by and between the City and the  
23 Trustee;

24 (b) a form of the Second Amendment to Issuing and Paying  
25 Agent Agreement (the "Second Amendment to Issuing and Paying Agent  
26 Agreement"), by and between the City and the Issuing and Paying Agent;

27 (c) a form of the Second Amendment to Commercial Paper  
28 Dealer Agreement (the "Second Amendment to Dealer Agreement") between the

1 City and the Dealer; and

2 (d) a form of the Commercial Paper Offering Memorandum (the  
3 "Offering Memorandum") relating to the offering and issuance of the Commercial  
4 Paper Notes; and

5 NOW, THEREFORE, the City Council of the City of Long Beach resolves as  
6 follows:

7 Section 1. That the above recitals are true and correct and are  
8 incorporated herein by reference

9 Section 2. Approval of Third Supplemental Subordinate Indenture. The  
10 Third Supplemental Subordinate Indenture, in the form on file with the City Clerk, is  
11 hereby approved. The City Manager, the CFO/Director of Financial Management, the  
12 City Treasurer or any other officer or employee of the City designated by the City  
13 Manager (each a "Designated Officer"), each acting alone, are hereby authorized,  
14 empowered and directed to execute, acknowledge and deliver the Third Supplemental  
15 Subordinate Indenture, including counterparts thereof, in the name and on behalf of the  
16 City. The Third Supplemental Subordinate Indenture, as executed and delivered, shall  
17 be in substantially the form now before this meeting and hereby approved, or with such  
18 changes therein as shall be approved by the officer or officers executing such Third  
19 Supplemental Subordinate Indenture, such execution to be conclusive evidence of the  
20 City Council's approval of any and all changes or revisions therein from the form of the  
21 Third Supplemental Subordinate Indenture now before this meeting; and the City Clerk is  
22 hereby authorized and directed to attest and to affix the seal of the City thereto. The City  
23 Council hereby authorizes the delivery and performance of the Third Supplemental  
24 Subordinate Indenture and from and after the execution and delivery of the Third  
25 Supplemental Subordinate Indenture, the officers, agents and employees of the City are  
26 hereby authorized, empowered and directed to do all such acts and things and to execute  
27 all such documents as may be necessary to carry out and comply with the provisions of  
28 the Third Supplemental Subordinate Indenture.

1           Section 3. Approval of Second Amendment to Issuing and Paying Agent  
2 Agreement. The Second Amendment to Issuing and Paying Agent Agreement, in the  
3 form on file with the City Clerk, is hereby approved. The Designated Officers, each  
4 acting alone, are hereby authorized, empowered and directed to execute, acknowledge  
5 and deliver the Second Amendment to Issuing and Paying Agent Agreement, including  
6 counterparts thereof, in the name and on behalf of the City. The Second Amendment to  
7 Issuing and Paying Agent Agreement, as executed and delivered, shall be in substantially  
8 the form now before this meeting and hereby approved, or with such changes therein as  
9 shall be approved by the officer or officers executing such Second Amendment to Issuing  
10 and Paying Agent Agreement, such execution to be conclusive evidence of the City  
11 Council's approval of any and all changes or revisions therein from the form of the  
12 Second Amendment to Issuing and Paying Agent Agreement now before this meeting;  
13 and the City Clerk is hereby authorized and directed to attest and to affix the seal of the  
14 City thereto. The City Council hereby authorizes the delivery and performance of the  
15 Second Amendment to Issuing and Paying Agent Agreement and from and after the  
16 execution and delivery of the Second Amendment to Issuing and Paying Agent  
17 Agreement, the officers, agents and employees of the City are hereby authorized,  
18 empowered and directed to do all such acts and things and to execute all such  
19 documents as may be necessary to carry out and comply with the provisions of the  
20 Second Amendment to Issuing and Paying Agent Agreement.

21           Section 4. Approval of Second Amendment to Dealer Agreement. The  
22 Second Amendment to Dealer Agreement, in the form on file with the City Clerk, is  
23 hereby approved. The Designated Officers, each acting alone, are hereby authorized,  
24 empowered and directed to execute, acknowledge and deliver the Second Amendment to  
25 Dealer Agreement, including counterparts thereof, in the name and on behalf of the City.  
26 The Second Amendment to Dealer Agreement, as executed and delivered, shall be in  
27 substantially the form now before this meeting and hereby approved, or with such  
28 changes therein as shall be approved by the officer or officers executing such Second

1 Amendment to Dealer Agreement, such execution to be conclusive evidence of the City  
2 Council's approval of any and all changes or revisions therein from the form of the  
3 Second Amendment to Dealer Agreement now before this meeting; and the City Clerk is  
4 hereby authorized and directed to attest and to affix the seal of the City thereto. The City  
5 Council hereby authorizes the delivery and performance of the Second Amendment to  
6 Dealer Agreement and from and after the execution and delivery of the Second  
7 Amendment to Dealer Agreement, the officers, agents and employees of the City are  
8 hereby authorized, empowered and directed to do all such acts and things and to execute  
9 all such documents as may be necessary to carry out and comply with the provisions of  
10 the Second Amendment to Dealer Agreement.

11           Section 5. Approval of Commercial Paper Offering Memorandum. The  
12 Offering Memorandum, prepared by the City, is hereby approved in substantially the form  
13 presented to and considered at this meeting (a form of which is on file with the City  
14 Clerk), with such changes, additions or deletions which are approved by the Designated  
15 Officers. Each Offering Memorandum so distributed shall first be approved by a  
16 Designated Officer pursuant to the terms of the Dealer Agreement. The Dealer is hereby  
17 authorized to distribute the Offering Memorandum in final form to market the Commercial  
18 Paper Notes from time to time, and is hereby authorized to distribute copies of the Airport  
19 Enterprise Fund's most recent annual audited financial statements and such other  
20 financial statements of the Airport Enterprise Fund as the City Manager, the CFO/Director  
21 of Financial Management or the City Treasurer shall approve. The City Council further  
22 hereby authorizes, from time to time, the preparation, execution and delivery of one or  
23 more additional or supplemental offering memorandum in accordance with the terms of  
24 the Dealer Agreement, the delivery of any such document by the City Manager, the  
25 CFO/Director of Financial Management or the City Treasurer to be conclusive evidence  
26 of the City Council's approval of such supplements, additions, deletions and changes.

27           Section 6. Additional Authorization. The Designated Officers and all  
28 officers, agents and employees of the City, for and on behalf of the City, are hereby

1 authorized and directed to do any and all things necessary to effect the execution and  
2 delivery of the Third Supplemental Subordinate Indenture, the Second Amendment to  
3 Issuing and Paying Agent Agreement and the Second Amendment to Dealer Agreement  
4 (collectively, the "Documents") and the Commercial Paper Offering Memorandum and to  
5 carry out the terms thereof. The Designated Officers and all other officers, agents and  
6 employees of the City are further authorized and directed, for an on behalf of the City, to  
7 execute and deliver or cause to be delivered all papers, documents, certificates, notices  
8 and other instruments that may be required in order to carry out the authority conferred  
9 by this Resolution and by the Documents or to evidence said authority and its exercise.  
10 The foregoing authorization includes, but is in no way limited to, the execution by a  
11 Designated Officer and the delivery of any amendments to the tax compliance certificate  
12 as required by bond counsel for the purpose of complying with the rebate requirements of  
13 the Code, the execution and delivery by a Designated Officer of documents required by  
14 The Depository Trust Company in connection with its book-entry system, the execution  
15 and delivery by a Designated Officer of new Commercial Paper Notes, and the  
16 preparation and delivery by a Designated Officer of appropriate notices and certificates to  
17 the Bank.

18           Section 7. Costs of Issuance. The City Council hereby specifically  
19 authorizes funds of the City together with a portion of the proceeds of the Commercial  
20 Paper Notes, if any, to be used to pay costs incurred in connection with the preparation,  
21 execution and delivery of the Documents and the Commercial Paper Offering  
22 Memorandum, including, but not limited to costs of attorneys, accountants, financial  
23 advisors, the costs associated with rating agencies, costs and expenses of the Trustee,  
24 the Issuing and Paying Agent and the Dealer under the Documents, costs and expenses  
25 of the Bank, printing, publication, mailing and other communication expenses and any  
26 related filing fees.

27           Section 8. Severability. The provisions of this Resolution are hereby  
28 declared to be severable, and, if any section, phrase or provision shall for any reason be

1 declared to be invalid, such declaration shall not affect the validity of the remainder of the  
2 sections, phrases and provisions hereof.

3 Section 9. Headings and References; Interpretation. The headings or titles  
4 of the several Sections hereof, and any table of contents appended to copies hereof,  
5 shall be solely for convenience of reference and shall not affect the meaning,  
6 construction or effect of this Resolution.

7 All references herein to "Sections" and other subdivisions are to the  
8 corresponding Sections or subdivisions of this Resolution; the words "herein," "hereof,"  
9 "hereby," "hereunder" and other words of similar import refer to this Resolution as a  
10 whole and not to any particular Section or subdivision hereof; and words of the masculine  
11 gender shall mean and include words of the feminine and neuter genders.

12 Section 10. Governing Law. This Resolution shall be construed and  
13 governed in accordance with the laws of the State of California.

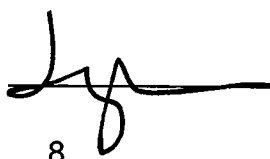
14 Section 11. This resolution shall take effect immediately upon its adoption  
15 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

16 I hereby certify that the foregoing resolution was adopted by the City  
17 Council of the City of Long Beach at its meeting of November 3, 2009, by the following  
18 vote:

19 Ayes: Councilmembers: Garcia, Lowenthal, DeLong,  
20 O'Donnell, Schipske, Andrews,  
21 Reyes Uranga, Gabelich, Lerch.

22  
23 Noes: Councilmembers: None.

24  
25 Absent: Councilmembers: None.

26  
27  
28  \_\_\_\_\_  
City Clerk