

FORT ORD REUSE AUTHORITY

RESOLUTION NO. 02-5

RESOLUTION AFFIRMING THE APPROVALS PROVIDED BY THE BOARD OF DIRECTORS PURSUANT TO RESOLUTION NO. 01-3, ADOPTED ON MARCH 9, 2001, AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$3,200,000 TO FINANCE THE COSTS OF A CONTRIBUTION TO A HABITAT CONSERVATION PROGRAM AND PRIORITY INFRASTRUCTURE IMPROVEMENTS AND APPROVING RELATED DOCUMENTS AND OFFICIAL ACTIONS

RESOLVED, by the Board of Directors (the "Board") of the Fort Ord Reuse Authority (the "Authority"), as follows:

WHEREAS, the Authority is a public corporation of the State of California duly organized and existing under and pursuant to the provisions of Title 7.85 (commencing with section 67650) of the California Government Code (the "Act"), for the purpose of planning for, financing and managing the transition of the property known as Fort Ord from military to civilian use (the "Fort Ord Reuse");

WHEREAS, the Authority is authorized pursuant to the Act to borrow money and to issue bonds for the purpose of financing capital improvements and related purposes in furtherance of the Fort Ord Reuse;

WHEREAS, the Authority intends to contribute the sum of \$1,300,000 to a habitat conservation program and \$1,400,000 on priority infrastructure improvements endorsed by the Board (the "Series A Project");

WHEREAS, for the purpose of providing moneys to finance the Series A Project, the Authority has determined to issue its Fort Ord Reuse Authority Revenue Bonds, 2002 Series A, in the aggregate principal amount of not to exceed \$3,200,000 (the "Series A Bonds"), all pursuant to and secured by that certain Indenture of Trust, by and between the Authority and BNY Western Trust Company, as trustee;

WHEREAS, in order to provide for the repayment of the Series A Bonds, the Authority will pledge certain revenues, consisting primarily of the portion of the net lease revenues derived from the operation of the Preston Park housing project which are allocable to the Authority under and pursuant to the Act, that certain Base Reuse Plan, adopted and certified by the Authority on March 13, 1997, as amended, and that certain Implementation Agreement, dated as of August 31, 2000, by and between the Authority and the City of Marina;

WHEREAS, a preliminary official statement containing information material to the offering and sale of the Series A Bonds (the "Preliminary Official Statement") has been prepared on behalf of the Authority;

WHEREAS, the Board has heretofore duly approved said transactions and did, on March 9, 2001, in furtherance thereof, adopt Resolution No. 01-3; and

WHEREAS, because of the elapsed time between the approval given by the adoption of Resolution No. 01-3, it is appropriate for the Board at this time to affirm such approvals;

NOW, THEREFORE, it is hereby determined and ordered as follows:

Section 1. Issuance of Bonds; Approval of Indenture. The Board hereby affirms its authorization for the issuance of the Series A Bonds under and pursuant to the Act and the Indenture in the aggregate principal amount of not to exceed \$3,200,000 for the purpose of providing funds to enable the Authority to finance the Series A Project. The Board hereby approves the Indenture, substantially in the form on file with the Executive Officer, together with such additions thereto and changes therein as the Executive Officer or the Assistant Executive Officer (the "Designated Officers") shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Executive Officer or the Assistant Executive Officer is hereby authorized and directed to attest to, the final form of the Indenture for and in the name and on behalf of the Authority. The Board hereby authorizes the delivery and performance of the Indenture.

Section 2. Sale of Bonds. The Board hereby affirms its approval of the negotiated sale of the Series A Bonds to Stone & Youngberg LLC (the "Underwriter") pursuant to the terms and conditions set forth in a bond purchase contract, by and between the Underwriter and the Authority (the "Purchase Contract"). The Board hereby affirms its approval of the Purchase Contract, substantially in the form on file with the Executive Officer, together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Designated Officers, each acting alone, are hereby authorized and directed to execute, and the Executive Officer or the Assistant Executive Officer is hereby authorized and directed to attest to, the final form of the Purchase Contract for and in the name and on behalf of the Authority, so long as the principal amount of Bonds sold does not exceed \$3,200,000 and so long as the Underwriter's discount for the Bonds does not exceed 1.8%. The Board hereby authorizes the delivery and performance of the Purchase Contract.

Section 3. Official Statement. The Authority hereby affirms its approval of the preliminary Official Statement, substantially in the form on file with the Executive Officer (the "Preliminary Official Statement"), together with such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate. The Designated Officers, each acting alone, are hereby authorized and directed to deem final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934 except for permitted omissions, the Preliminary Official Statement. Distribution of the Preliminary Official Statement by the Underwriter is

hereby approved. The Designated Officers, each acting alone, are hereby authorized to execute a final official statement (the "Official Statement"), including as it may be modified by such additions thereto and changes therein as a Designated Officer shall deem necessary, desirable or appropriate, and the execution of the Official Statement by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authority hereby authorizes the distribution of the Official Statement by the Underwriter. The Official Statement shall be executed in the name and on behalf of the Authority by a Designated Officer.

Section 4. Official Actions. The Executive Officer, the Assistant Executive Officer and any and all other officers of the Authority are hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Series A Bonds and the consummation of the transactions as described herein.

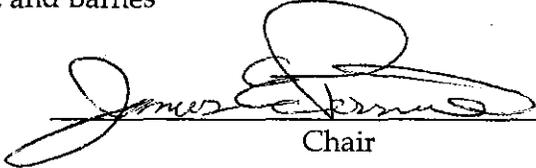
Section 5. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

I, the undersigned, Chair of the Fort Ord Reuse Authority, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted by the Board of Directors of the Authority at a meeting thereof on the 8th day of March, 2002, by the following vote of the members thereof:

10 AYES: Board members McCloud, Barlich, Perrine, Gustafson, Johnsen, Calcagno, Koffman, Pendergrass, Smith and Mancini.

~~0~~ NOES: None

3 ABSENT: Board members Potter, Albert, and Barnes


Chair