

Resolution No. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA BARBARA AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL NOTICE OF SALE AND AN OFFICIAL STATEMENT IN CONNECTION WITH THE DELIVERY AND SALE OF SANTA BARBARA FINANCING AUTHORITY SEWER REVENUE REFUNDING BONDS, SERIES 2016; AND AUTHORIZING RELATED ACTIONS

WHEREAS, in order to finance the acquisition, construction and installation of certain improvements to its Sewer system (the "2004 Project"), the City of Santa Barbara (the "City") caused to be executed and delivered the Santa Barbara Financing Authority Sewer Revenue Bonds, Series 2004 (the "Series 2004 Bonds");

WHEREAS, the Series 2004 Bonds were secured by installment payments (the "Prior Installment Payments") to be made by the City pursuant to the Master Installment Purchase Agreement, dated as of July 1, 2004, as supplemented by the 2004 Supplement, dated July 1, 2004, each by and between the City and the Santa Barbara Financing Authority (the "Authority");

WHEREAS, in order to achieve certain savings, the City desires to refinance the 2004 Project by exercising its option to prepay the Prior Installment Payments, which prepayment will be applied to the redemption of the Series 2004 Bonds;

WHEREAS, the City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds necessary to accomplish the refunding of the Series 2004 Bonds through the sale and delivery of Santa Barbara Financing Authority Sewer Revenue Refunding Bonds, Series 2016 (the "Bonds");

WHEREAS, the refinancing of the 2004 Project and the issuance of the Bonds has been previously approved by the City pursuant to Ordinance No. 5772, introduced by the City on October 11, 2016 and adopted by the City on October 18, 2016; and

WHEREAS, in connection with the sale and delivery of the Bonds there has been presented to this meeting proposed forms of an Official Statement and an Official Notice of Sale, and the City Council has examined and approved such documents and desires to proceed with such refinancing;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Santa Barbara, as follows:

Section 1. All of the recitals herein contained are true and correct and the City Council so finds.

Section 2. The form of Preliminary Official Statement, on file with the City Clerk, with such changes therein as may be approved by the City Administrator of the City, the Finance Director of the City, the Public Works Director of the City, the City Attorney or his or her designee (each, an "Authorized Officer"), is hereby approved, and the use of the Preliminary Official Statement by any prospective underwriter in connection with the proposed offering and sale of the Bonds is hereby authorized and approved. Each Authorized Officer is each hereby severally authorized to certify in writing on behalf of the City that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (the "Rule") promulgated under the Securities Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by the Rule).

Section 3. The preparation and delivery of an Official Statement, and its use by the underwriter in connection with the offering and sale of the Bonds, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof. Each Authorized Officer is each hereby severally authorized, for and in the name of and on behalf of the City, to execute the final Official Statement and any amendment or supplement thereto and thereupon to cause the final Official Statement and any such amendment or supplement to be delivered to the Underwriter.

Section 4. The form and content of the Official Notice of Sale, a copy of which is on file with the Clerk, are hereby approved, and each of the Authorized Officers is hereby severally authorized, for and in the name of and on behalf of the Authority, to cause to be distributed, copies of said Notice Inviting Bids in connection with the offering and sale of the Bonds on behalf of the Authority. Sealed proposals for the Bonds shall be received by the Finance Director/Authority Treasurer on behalf of the Authority, at such other time and date as is contemplated by the Notice Inviting Bids. The terms and condition of the offering and sale of the Bonds shall be as set forth in the Official Notice of Sale. Any Authorized Officer is hereby severally authorized, for and in the names of and on behalf of the City and Authority, to accept the best bid for the Bonds received pursuant to and subject to the terms and conditions set forth in the Official Notice of Sale and to award the Bonds to said best bidder (or reject all bids) and to take such other actions such Authorized Officer deems appropriate, consistent with the provisions hereof.

Section 5. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 6. All actions heretofore taken by the officers and agents of the City with respect to the transactions set forth above are hereby approved, confirmed and ratified.

Section 7. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of Santa Barbara at a regular meeting of said City Council on November 22, 2016, by the following vote of said City Council:

Ayes:

Noes:

Absent:

Abstain:

Mayor

ATTEST:

City Clerk

[ATTACH CERTIFICATE OF CITY CLERK]