

RESOLUTION NUMBER 3443

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AND SALE AGREEMENT AND RELATED DOCUMENTS WITH RESPECT TO THE SALE OF THE SELLER'S VEHICLE LICENSE FEE RECEIVABLE FROM THE STATE; AND DIRECTING AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, certain public agencies within the State of California (the "State") are entitled to receive certain payments payable by the State to each such local agency on or before August 15, 2006, in connection with vehicle license fees pursuant to Section 10754.11 of the California Revenue and Taxation Code ("VLF Gap Repayments");

WHEREAS, the City of Perris (the "Seller") is entitled to and has determined to sell all right, title and interest of the Seller in and to the "VLF Receivable", as defined in Section 6585(i) of the California Government Code (the "VLF Receivable"), namely, the right to payment of moneys due or to become due to the Seller out of funds payable in connection with vehicle license fees to a local agency pursuant to Section 10754.11 of the California Revenue and Taxation Code;

WHEREAS, the California Statewide Communities Development Authority, a joint exercise of powers authority organized and existing under the laws of the State (the "Authority"), has been authorized pursuant to Section 6588(w) of the California Government Code to purchase the VLF Receivable;

WHEREAS, the Authority desires to purchase the VLF Receivable and the Seller desires to sell the VLF Receivable pursuant to a purchase and sale agreement by and between the Seller and the Authority in the form presented to this City Council (the "Sale Agreement") for the purposes set forth herein;

WHEREAS, in order to finance the purchase price of the VLF Receivable from the Seller and the purchase price of other VLF Receivables from other local agencies, the Authority will issue its taxable and tax-exempt notes (the "Notes") pursuant to Section 6590 of the California Government Code and an Indenture (the "Indenture"), by and between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee"), which Notes will be payable solely from the proceeds of the VLF Receivable and such other VLF Receivables;

WHEREAS, the Seller acknowledges that the Authority will grant a security interest in the VLF Receivable to the Trustee and any credit enhancer to secure payment of the Notes; and

WHEREAS, a portion of the proceeds of the Notes will be used by the Authority to, among other things, pay the purchase price of the VLF Receivable;

WHEREAS, the Seller will use the proceeds received from the sale of the VLF Receivable for any lawful purpose as permitted under the applicable laws of the State;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PERRIS, CALIFORNIA, HEREBY RESOLVES AS FOLLOWS:

Section 1. All of the recitals set forth above are true and correct, and this City Council hereby so finds and determines.

Section 2. The Seller hereby authorizes the sale of the VLF Receivable to the Authority for a price no less than the Minimum Purchase Price set forth in Appendix A. The form of Sale Agreement presented to the City Council is hereby approved. An Authorized Officer (as set forth in Appendix A) is hereby authorized and directed to execute and deliver the Sale Agreement on behalf of the Seller, which shall be in substantially the form presented to this meeting, with such changes therein, deletions therefrom and additions thereto, as such Authorized Officer shall approve, which approval shall be conclusively evidenced by the execution and delivery of the Sale Agreement.

Section 3. Any Authorized Officer is hereby authorized and directed to send, or to cause to be sent, an irrevocable written instruction to the State Controller notifying the State of the sale of the VLF Receivable and instructing the disbursement pursuant to Section 6588.5(c) of California Government Code of the VLF Receivable to the Trustee, on behalf of the Authority.

Section 4. The Authorized Officers and such other Seller officers, as appropriate, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including but not limited to one or more tax certificates, if required, appropriate escrow instructions relating to the delivery into escrow of executed documents prior to the closing of the Notes, and such other documents mentioned in the Sale Agreement or the Indenture, which any of them may deem necessary or desirable in order to implement the Sale Agreement and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution; and all such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 5. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the sale of the VLF Receivable or the issuance of the Notes, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, may be given or taken by an Authorized Officer without further authorization by this City Council, and each Authorized Officer is hereby authorized and directed to give any such consent, approval, notice, order or request, to execute any necessary or appropriate documents or amendments, and to take any such action that such Authorized Officer

may deem necessary or desirable to further the purposes of this Resolution.

Section 6. The City Council acknowledges that, upon execution and delivery of the Sale Agreement, the Seller is contractually obligated to sell the VLF Receivable to the Authority pursuant to the Sale Agreement and the Seller shall not have any option to revoke its approval of the Sale Agreement or to determine not to perform its obligations thereunder.

Section 7. This Resolution shall take effect from and after its adoption and approval.

ADOPTED, SIGNED and **APPROVED** this 28th day of June, 2005.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Margaret Rey

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Margaret Rey, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 3443 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 28th day of June, 2005, and that it was so adopted by the following called vote:

AYES: Motte, Rogers, Busch
NOES: Yarbrough, Landers
ABSENT:
ABSTAIN:

City Clerk, Margaret Rey

APPENDIX “A”
(RESOLUTION NUMBER 3443)

CITY OF PERRIS

Minimum Purchase Price: An amount equal to or greater than \$581,857.00 (the “Minimum Purchase Price”).

Authorized Officers: City Manager
Finance Director

Any designee of any of them, as appointed in a written certificate of such Authorized Officer delivered to the Trustee.