

**SANTA BARBARA COUNTY FINANCE CORPORATION, INC.**

**RESOLUTION NO. 08-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA BARBARA COUNTY FINANCE CORPORATION, INC., AUTHORIZING THE EXECUTION AND DELIVERY OF CERTIFICATES OF PARTICIPATION, A LEASE, A SUBLEASE, AN ASSIGNMENT AGREEMENT, A TRUST AGREEMENT AND A CONTRACT OF PURCHASE AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH A COUNTY OF SANTA BARBARA LEASE FINANCING**

**WHEREAS**, the Santa Barbara County Finance Corporation, Inc. (the "Corporation"), was established to, among other things, lease real property within the boundaries of Santa Barbara County from and to the County of Santa Barbara (the "County"); and

**WHEREAS**, the County and the Corporation now desire to enter into a lease financing to finance a variety of capital projects of the County and the Redevelopment Agency of the County of Santa Barbara; and

**WHEREAS**, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Corporation is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SANTA BARBARA COUNTY FINANCE CORPORATION, INC., AS FOLLOWS:**

**SECTION 1.** The Corporation hereby specifically finds and declares that the findings and determinations of the Corporation set forth above and in the preambles of the documents approved herein are true and correct.

**SECTION 2.** The Corporation hereby authorizes the execution and delivery of 2008 Certificates of Participation (the "Certificates"), in one or more series or subseries, for the purpose of financing certain capital improvements of the County. The aggregate principal amount of the Certificates shall not exceed \$30 million.

**SECTION 3.** The form of the lease (the "Lease"), between the County, as lessor, and the Corporation, as lessee, presented to this meeting is hereby approved. The President and the Vice President of the Corporation (the "Authorized Officers") are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Corporation to execute, acknowledge and deliver to the County the Lease in

substantially said form, with such changes therein (including, but not limited to, any changes as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 4.** The form of the sublease (the "Sublease"), between the Corporation, as sublessor, and the County, as sublessee, presented to this meeting is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Corporation to execute, acknowledge and deliver to the County the Sublease in substantially said form, with such changes therein (including, but not limited to, any changes as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 5.** The form of the trust agreement (the "Trust Agreement"), among the Corporation, the County and U.S. Bank National Association, as trustee (the "Trustee"), presented to this meeting is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Corporation to execute, acknowledge and deliver to the County and the Trustee the Trust Agreement in substantially said form, with such changes therein (including, but not limited to, any changes as may be necessary to obtain municipal bond insurance authorized pursuant to Section 10 hereof) as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 6.** The form of Contract of Purchase (the "Contract of Purchase") among the County, the Corporation and Banc of America Securities LLC (the "Underwriter"), presented to this meeting, for the sale of 2008 Certificates of Participation (the "Certificates") is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Corporation to execute, acknowledge and deliver to the County and the Trustee the Trust Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the aggregate principal amount of the Certificates shall not exceed \$30 million; the true interest rate with respect to the Certificates shall not exceed 5.50% per annum; the terms of the Lease and the Sublease shall not exceed 21 years (plus a 10-year extension); and the underwriting discount (exclusive of original issue discount) shall not exceed .45% of the aggregate principal amount of the Certificates.

**SECTION 7.** The form of Assignment Agreement (the "Assignment Agreement"), between the Corporation and the Trustee, presented to this meeting is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name and on behalf of the Corporation to execute, acknowledge and deliver to the Trustee the Assignment Agreement in substantially said

form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**SECTION 8.** The form of preliminary official statement (the "Preliminary Official Statement"), presented to this meeting is hereby approved. The Underwriter is hereby authorized to distribute a preliminary official statement in substantially said form with such changes as the Underwriter and County may approve to persons who may be interested in the purchase of the Certificates. The Underwriter is hereby directed to deliver a copy of said final official statement (as finally executed, the "Official Statement") to all actual purchasers of the Certificates authorized hereby.

**SECTION 9.** The Secretary and the Treasurer of the Board of Directors of the Corporation are, and each of them acting alone is, hereby authorized and directed to attest the signature of the Authorized Officers of the Corporation and to affix and attest the seal of the Corporation as may be required or appropriate in connection with the execution and delivery of the Lease, the Sublease, the Trust Agreement, the Purchase Contract and the Assignment Agreement.

**SECTION 10.** The Treasurer of the County is hereby requested to negotiate with municipal bond insurance companies, and, if the Treasurer determines that it is in the best financial interests of the County, to purchase bond insurance and/or reserve fund insurance for the Certificates on such terms as the Treasurer determines are appropriate.

**SECTION 11.** The Demised Premises to be leased pursuant to the Lease and Sublease shall be the properties described in Exhibit A hereto; provided, however, that upon a determination by the Treasurer of the County, following consultation with the Underwriter, that less than all of the properties are required for the financing, the Treasurer is authorized to remove properties identified in Exhibit A from the Demised Premises.

**SECTION 12.** The Corporation acknowledges and understands that the same attorney(s) within County Counsel may represent and advise both the County and the Corporation regarding financings and applicable documents, and waives any potential or actual conflicts of interest arising therefrom.

**SECTION 13.** The officers of the Corporation are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the sale, execution and delivery of the Certificates by the Trustee and otherwise to carry out, give effect to and comply with the terms and intent of this resolution, the Certificates, the Lease, the Sublease, the Trust Agreement, the Purchase Contract, the Assignment Agreement and the Official Statement, including, but not limited to, entering into investment agreements, forward delivery agreements and reserve fund reimbursement agreements. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

SECTION 14. This resolution shall take effect immediately upon its passage.

**PASSED AND ADOPTED** this 21st day of May, 2008, by the following vote:

AYES:

NOES:

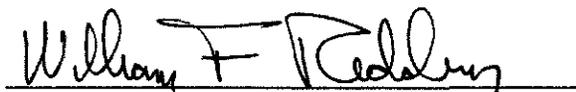
ABSENT:



\_\_\_\_\_  
President of the Board of Directors

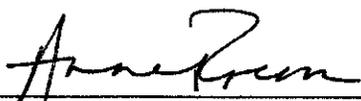
[SEAL]

ATTEST:

  
\_\_\_\_\_  
Treasurer of the Board of Directors

**APPROVED AS TO FORM:**

Daniel J. Wallace,  
County Counsel, County of Santa Barbara  
as Attorney for the Corporation

By  \_\_\_\_\_  
Deputy County Counsel

## EXHIBIT A

The Demised Premises shall consist of the following (subject to modification as set forth in Section 11 of the Resolution):

1. Naomi Schwartz Building  
130 East Victoria Street  
Santa Barbara, California
2. Juvenile Hall  
4500 Hollister Avenue  
Santa Barbara, California
3. Probation Building  
117 East Carrillo Street  
Santa Barbara, California
4. Inmate Reception Center  
4436 Calle Real  
Santa Barbara, California
5. Probation, Building A  
2221 Centerpointe Parkway  
Santa Maria, California
6. Public Health Department Building B  
2115 Centerpointe Parkway  
Santa Maria, California