

RESOLUTION NO. 73589

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AMENDING RESOLUTION NO. 69200, AS AMENDED, TO AUTHORIZE ISSUANCE OF A COMBINATION OF SERIES A, SERIES B, AND SERIES C COMMERCIAL PAPER NOTES UNDER THE COMMERCIAL PAPER PROGRAM ESTABLISHED FOR THE NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT THROUGH AN INCREASE IN THE AGGREGATE LIMIT FROM \$200 MILLION TO \$450 MILLION IN ORDER TO FUND PROJECTS AND CAPITALIZED INTEREST ASSOCIATED WITH THE AIRPORT MASTER PLAN; AND DELEGATING TO THE DIRECTOR OF FINANCE AND OTHER OFFICERS OF THE CITY AUTHORIZATION TO ESTABLISH TERMS AND CONDITIONS FOR THE ISSUANCE AND PAYMENT OF SAID NOTES, AND TO TAKE OTHER NECESSARY ACTIONS AND TO PREPARE, EXECUTE AND DELIVER OTHER NECESSARY DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the City of San José (the “City”) is authorized by its charter to issue notes from time to time for the purpose of financing capital project costs in connection with the Norman Y. Mineta San José International Airport (“Airport”) and to refund such notes; and

WHEREAS, on October 2, 1984, the City Council of the City (the “City Council”) adopted Resolution No. 57794 providing for the issuance of obligations secured by and payable from the revenues of the Airport Enterprise, as defined in said resolution (said resolution, as supplemented and amended from time to time, the “Master Bond Resolution”); and

WHEREAS, the City Council adopted Resolution No. 69199 (the “Tenth Supplemental Resolution”), amending and supplementing the Master Bond Resolution to provide for the issuance of obligations secured by and payable from the revenues of the Enterprise on a subordinate lien basis to the Airport revenue bonds issued and outstanding under the Master Bond Resolution; and

WHEREAS, the City Council adopted Resolution No. 69200 authorizing the issuance of not to exceed \$100,000,000 of the City’s San José International Airport Subordinated Commercial Paper Notes (the “Notes”), consisting of Series A Notes (the “Series A Notes”), Series B Notes (the “Series B Notes”) and Series C Notes (the “Series C Notes”); and

WHEREAS, the City Council adopted Resolution No. 70532 amending and restating the Master Bond Resolution in the form of a Master Trust Agreement dated as of July 1, 2001, between the City and The Bank of New York Trust Company, N.A. (successor to BNY Western Trust Company), as trustee (the “Trustee”), and the

City and the Trustee have subsequently entered into amendments and supplements to the Master Trust Agreement (collectively, the "Master Trust Agreement"); and

WHEREAS, the City Council adopted Resolution No. 73252 amending Resolution No. 69200 in order to increase the maximum authorized amount of Notes that may be issued pursuant to said Resolution from \$100,000,000 to \$200,000,000; and

WHEREAS, the City Council desires now to further amend Resolution No. 69200 in order to increase the maximum authorized amount of Notes that may be issued pursuant to said Resolution from \$200,000,000 to \$450,000,000; and

WHEREAS, this City Council is the applicable elected representative required to approve the issuance of the Series B Notes (AMT) within the meaning of Section 147(f) of the Internal Revenue Code (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of such Series B Notes (AMT) on January 9, 2007, and now desires to approve the issuance of such Series B Notes (AMT);

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

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

Section 2. Resolution No. 69200, as amended by Resolution No. 73252, is hereby further amended by deleting the reference to the amount "\$200,000,000" appearing therein and substituting therefore the amount "\$450,000,000." Resolution No. 69200 is hereby ratified and confirmed and shall continue in full force and effect in accordance with the terms and provisions thereof, as amended and supplemented, including as amended and supplemented by this Resolution.

Section 3. The issuance of the Notes in an amount not to exceed \$450,000,000 by the City to provide interim financing, including debt service on the Series 2004A Airport Revenue Bonds, for Airport terminal and ancillary facilities which are included in or are consistent with the Airport Master Plan, approved in June, 1997 and as subsequently amended (the "Facilities") is hereby approved. All of the Facilities will be located at the Airport or on property formerly known as the "FMC Property" leased by the City for Airport purposes located at 1125 Coleman Avenue and 328 West Brokaw Road in the Cities of San José and Santa Clara, California, respectively. Without limiting the generality of Section 2 above, the issuance of the Series C Notes in order to pay lease payments for the property formerly known as the FMC Property, as previously authorized by Resolution No. 73252, is hereby ratified. It is the purpose and intent of this Council that this Resolution constitute approval of the Series B Notes (AMT) by the applicable elected representative of the issuer of the Series B Notes (AMT) and the applicable elected representative of the governmental unit having

jurisdiction over the area in which the financed improvements are located, in accordance with Section 147(f) of the Code.

Section 4. All actions heretofore taken by the officers and agents of the City with respect to the sale, issuance and delivery of the Notes and the other transactions authorized and contemplated herein are hereby approved, confirmed and ratified, and the officers and employees 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. The Director of Finance of the City and the other officers and employees of the City are hereby authorized and directed to execute and deliver any and all certificates and representations, including signature certificates, no-litigation certificates, arbitrage bond certificates and tax certificates necessary and desirable to accomplish the transactions set forth above.

Section 5. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any remaining provisions hereof.

Section 6. This Resolution shall take effect from and after its adoption.

ADOPTED this 9th day of January, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CONSTANT, CORTESE, LICCARDO, NGUYEN, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	NONE
DISQUALIFIED:	NONE
VACANT:	DISTRICT 4, DISTRICT 6

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk

CITY CLERK'S CERTIFICATE

I, Lee Price, City Clerk of the City of San José, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the City Council of said City duly, regularly and legally held at the San José City Hall, 200 E. Santa Clara Street, San José, California, on January 9, , 2007 and entered into the minutes thereof, of which meeting all of said members of the Council had due notice and at which a quorum thereof were present.

At said meeting said resolution was adopted by the following vote:

Ayes: Campos, Chirco, Constant, Cortese, Liccardo, Nguyen, Pyle, Williams; Reed

Noes: None

Absent: None

Disqualified: None

Vacant: District 4, District 6

An agenda of said meeting was posted at least 72 hours before said meeting at 200 E. Santa Clara Street, San José, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original synopsis of said meeting on file and of record in my office. Said original resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: January 10, 2007.

LEE, PRICE, MMC, City Clerk of the City of
San Jose, California