

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AND A LEASE AGREEMENT; APPROVING THE EXECUTION AND DELIVERY BY SAN LUIS MUNICIPAL PROPERTY CORPORATION OF A GROUND LEASE, A LEASE AGREEMENT, AN INDENTURE OF TRUST AND A BOND PURCHASE PROPOSAL; APPROVING AN OFFERING CIRCULAR; APPROVING THE ISSUANCE OF \$75,000 AGGREGATE PRINCIPAL AMOUNT OF SAN LUIS MUNICIPAL PROPERTY CORPORATION LEASE REVENUE BONDS, SERIES 1984 (TOWN OF SAN LUIS MUNICIPAL LIBRARY PROJECT), PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS FOR THE PAYMENT THEREOF AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND DECLARING AN EMERGENCY

WHEREAS, San Luis Municipal Property Corporation, an Arizona nonprofit corporation (the "Corporation"), was organized and established as a nonprofit corporation for the purpose of assisting the Town of San Luis, Arizona (the "Town") by financing the acquisition and construction of real and personal property for use by the Town; and

WHEREAS, the Corporation is authorized and empowered to make contracts and incur liabilities appropriate to enable it to accomplish any or all of its purposes; to borrow money for its corporate purposes; to issue its bonds; and to secure such bonds by pledge of all or any part of its property and income; and

WHEREAS, the Town has requested that the Corporation undertake the financing of the costs of acquiring, constructing and equipping a building suitable for use as a public library (the "Project"); and

WHEREAS, the Corporation, pursuant to the provisions of a Ground Lease, dated as of February 1, 1984 (the "Ground Lease", a form of which is attached hereto as Exhibit A), by and between the Town and the Corporation, will lease from the Town the land on which the Project is to be located; and

WHEREAS, the Town, pursuant to the provisions of a Lease Agreement, dated as of February 1, 1984 (the "Agreement", a form of which is attached hereto as Exhibit B), by and

between the Corporation and the Town, will lease the Project from the Corporation, and

WHEREAS, the Corporation, in order to finance the cost of acquisition, construction and equipping of the Project, will issue its Lease Revenue Bonds, Series 1984 (Town of San Luis Municipal Library Project) (the "Bonds") in the aggregate principal amount of \$75,000 pursuant to a resolution of the Corporation and an Indenture of Trust, dated as of February 1, 1984 (the "Indenture", a form of which is attached hereto as Exhibit C), by and between the Corporation and The Valley National Bank of Arizona, as Trustee (the "Trustee"), which Bonds are to be payable solely from the lease rentals and receipts derived from the leasing of the Project to the Town pursuant to the Agreement, which lease rentals and receipts will be payable on such dates and in such amounts as will provide for the payment of the entire principal of, premium, if any, and interest on the Bonds issued by the Corporation under the Indenture; and

WHEREAS, the Clerk of the Town has presented to the Mayor and Council of the Town at this meeting (1) the proposed form of the Ground Lease; (2) the proposed form of the Agreement; (3) the proposed form of the Indenture; (4) a Bond Purchase Proposal, dated January 17, 1984 (the "Bond Purchase Proposal"), by and between the Corporation and Boettcher & Company (the "Underwriter"), relating to the purchase of the Bonds, which is attached hereto as Exhibit D; and (5) the proposed form of the Offering Circular (the "Offering Circular") relating to the Bonds, which is attached hereto as Exhibit E.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF SAN LUIS, ARIZONA, THAT:

Section 1. The Mayor and Council of the Town hereby find and determine that the financing of the cost of acquisition, construction and equipping of the Project pursuant to the terms of the Ground Lease, the Agreement and the Indenture is in furtherance of the purposes of the Town and in the public interest and that the construction, acquisition and equipping of the Project and the financing thereof through the issuance and sale by the Corporation of its Bonds will enhance the standard of living within the Town and within the State of Arizona.

Section 2. The forms, terms and provisions of the Ground Lease and the Agreement, in the forms of such documents (including the exhibits thereto) presented at this meeting are hereby approved, with such insertions, omissions and changes as shall be approved by the Mayor of the Town, the execution of such documents being conclusive evidence of such approval; and

the Mayor and Clerk of the Town are hereby authorized and directed to sign the Ground Lease and the Agreement.

Section 3. The forms, terms and provisions of the the Indenture, the Bond Purchase Proposal and the Offering Circular, in the forms of such documents (including exhibits thereto) presented at this meeting are hereby approved, with such insertions, omissions and changes as shall be approved by the President of the Corporation, the execution of such documents being conclusive evidence of such approval.

Section 4. The Town hereby requests the Corporation to take any and all action necessary in connection with the issuance of the Bonds.

Section 5. The Town hereby approves the issuance and delivery of the Bonds, as hereinafter described, by the Corporation. The Bonds shall be designated "San Luis Municipal Property Corporation Lease Revenue Bonds, Series 1984 (Town of San Luis Municipal Library Project). The Bonds shall be issued in an aggregate principal amount of \$75,000. The Bonds shall be in the denomination of \$5,000 each, shall be dated February 1, 1984, and shall bear interest from such date payable on January 1 and July 1 of each year, commencing July 1, 1984, and shall be subject to registration as provided in the Indenture. The Bonds shall bear interest at the rate per annum set forth in the Bond Purchase Proposal and shall mature on January 1 in the year and principal amount as follows:

<u>Principal Amount</u>	<u>Year</u>
\$75,000	1999

The forms, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange redemption and number shall be as set forth in the Indenture and are hereby approved.

Section 6. The Town hereby requests the Corporation to sell the Bonds to the Underwriter pursuant to the Bond Purchase Proposal at a purchase price of \$70,000, and upon the other terms and conditions contained in the Bond Purchase Proposal.

Section 7. For the payment of the principal of and premium, if any, and interest on the Bonds, the Town hereby agrees to pay and transfer to the Trustee the Rental Payments (as defined in the Agreement) and the other amounts required to be paid by the Town pursuant to the provisions of the Agreement.

Section 8. To secure the payment of Rental Payments under the Agreement, the Town hereby pledges the Pledged Revenues (as defined in the Agreement). The Town intends that this pledge shall be a first lien upon said Pledged Revenues, except as otherwise provided in the Agreement or the Indenture. The Town further covenants and agrees that, to the extent permitted by law, it will impose sales, transaction or privilege taxes at such rates as to provide Pledged Revenues sufficient to pay all Rental Payments due under the Agreement.

Section 9. The obligation of the Town to make Rental Payments and to make other payments due under the Agreement is limited to payment from Pledged Revenues and the obligations of the Town under the Agreement shall not constitute, nor give rise to, a general obligation of the Town, or any claim against its ad valorem taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the Town.

Section 10. The Town covenants that it will do all things necessary to assist the Corporation in the issuance and delivery of the Bonds.

Section 11. The Town also covenants with the holders of the Bonds that:

A. Except as otherwise provided in the Agreement or the Indenture, it will not create or suffer to be created any pledge, lien or charge which would be prior to, or on a parity with, the use of the Pledged Revenues.

B. To the full extent permitted by the laws of the State of Arizona now or from time to time hereafter in force, the Town agrees to levy and collect sufficient excise taxes, including but not limited to Town sales, transaction, transient occupancy or privilege taxes so that the aggregate amount of Pledged Revenues received by the Town in each fiscal year will be at least three times the next succeeding fiscal year's aggregate required Rental Payments due under the Agreement.

Section 12. After any of the Bonds are delivered by the Trustee to the Underwriter upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Bonds and the interest thereon shall have been fully paid, cancelled and discharged.

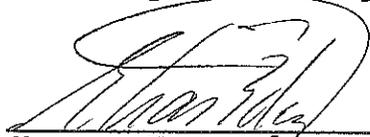
Section 13. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 14. All orders and resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order or resolution or any part thereof.

Section 15. The immediate operation of this Resolution is necessary for the preservation of the public health and welfare and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the Town of San Luis, Arizona, as required by law, and it is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

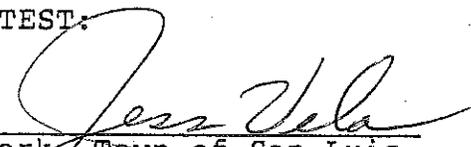
PASSED AND ADOPTED this 17th day of January, 1984.

(SEAL)



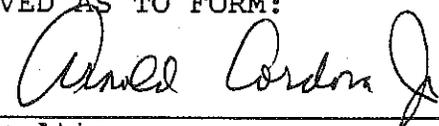
Mayor, Town of San Luis,
Arizona

ATTEST:



Clerk, Town of San Luis,
Arizona

APPROVED AS TO FORM:

By 

Town Attorney