

RESOLUTION NO. 2002 - 149

RESOLUTION AUTHORIZING THE GREATER CLEVELAND  
REGIONAL TRANSIT AUTHORITY TO ENTER INTO A LEASE TO  
SERVICE TRANSACTION AND AUTHORIZING DOCUMENTS  
RELATING THERETO.

WHEREAS, this Board of Trustees has heretofore determined the necessity of entering into a Lease to Service transaction (the "Lease Transaction") with CIBC World Markets Corp. as lessee advisor; and

WHEREAS, the parties to the Lease Transaction will include, among others, ICX Corporation and KBC Bank, as the equity investors; trusts to be established by the equity investors with Wells Fargo Bank Northwest, NA, as trustee; and Financial Security Assurance, Inc., and related entities, as the lender, the payment undertaker and the strip surety provider; and

WHEREAS, this Board of Trustees desires to authorize the execution of documents related to the Lease Transaction; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

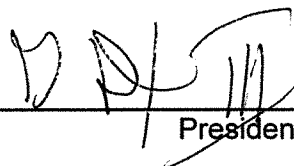
SECTION 1. That it is necessary to enter into the Lease Transaction pursuant to the general laws of the State of Ohio particularly Chapter 306 of the Ohio Revised Code.

SECTION 2. Subject to the approval of the Federal Transit Administration, the Secretary-Treasurer of this Authority or the President of the Board of Trustees is hereby authorized without further action of this Board of Trustees to execute and deliver each participation agreement, each lease agreement, each head lease, each insurance and indemnity agreement, each tax indemnification agreement, each payment agreement, each agreement for assignment on default and all other documents and certificates related to the Lease Transaction, the execution thereof by such officer to be conclusive evidence of such authorization and approval.

SECTION 3. That it is found and determined that all formal actions of this Board of Trustees concerning and relating to the adoption of this resolution were adopted in an open meeting of this Board of Trustees, and that all deliberations of this Board of Trustees and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law, including Section 121.22 of the Revised Code of Ohio.

SECTION 4. That this Resolution shall become effective immediately upon its adoption.

Adopted: August 20, 2002

  
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President

Attest:   
\_\_\_\_\_  
CEO, General Manager/Secretary-Treasurer



Greater Cleveland Regional Transit Authority  
**STAFF SUMMARY AND COMMENTS**

<b>TITLE/DESCRIPTION:</b> RESOLUTION AUTHORIZING THE GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY TO ENTER INTO A LEASE TO SERVICE TRANSACTION AND AUTHORIZING DOCUMENTS RELATING THERETO.	<b>Resolution No.:</b> 2002- 149
	<b>Date:</b> August 20, 2002
	<b>Initiator:</b> Finance & Administration
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will authorize the Authority to enter into a Lease to Service transaction and further authorize the Secretary-Treasurer to execute the documents without further action of the Board of Trustees.
- 2.0 **DESCRIPTION/JUSTIFICATION:** During 2002, the Authority plans to enter in one or more lease to service transactions. This resolution is necessary to give the Secretary-Treasurer the Authority to execute the documents needed to enter into a lease to service agreement. The service transaction is subject to FTA approval.
- 3.0 **PROCUREMENT BACKGROUND:** The Authority secured the Services of an Independent Counsel, Independent Financial Advisor, Lessee Advisor, Lessee Transaction Counsel, and Equity Investors through a competitive process for the proposed Lease Transaction.
- 4.0 **DBE/AFFIRMATIVE ACTION BACKGROUND:** Does not Apply
- 5.0 **POLICY IMPACT:** The Lease to Service transaction is being completed within the constraints of the general laws of the State of Ohio particularly Chapter 306 of the Ohio Revised Code.
- 6.0 **ECONOMIC IMPACT:** The Lease to Service will result in a substantial revenue source for the Authority.
- 7.0 **ALTERNATIVES:** Rejection of this resolution will prevent the Authority of closing the Lease to Service transaction, which will result in the Authority not realizing the revenue opportunity.
- 8.0 **RECOMMENDATION:** It is recommended that this resolution be adopted.
- 9.0 **ATTACHMENTS:** None

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

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CEO, General Manager/Secretary-Treasurer