

CHARTER OF THE CITY OF SAN DIEGO

Section 90

1. Original Charter section approved by voters April 7, 1931

Section 90: Contracting Bonded Indebtedness

(a) Whenever the Council shall determine that the public interest or necessity demands the acquisition, construction or completion of any municipal improvement authorized to be acquired, constructed, completed or maintained by The City of San Diego, the cost of which will be too great to be paid out of the ordinary annual income and revenue of said City, the Council may contract bonded indebtedness for said purposes or any of them, pledging the credit of the City or the property or revenue of any public utility owned by the City and the proceedings taken for incurring such indebtedness shall be in accordance with the mode and manner prescribed by the provisions of the general laws of the State of California relative to incurring bonded indebtedness by municipalities in force at the time such proceedings are taken. Every ordinance or resolution determining that the public interest or necessity demands such improvement shall be adopted only by a vote of five members of the Council and it shall require a vote of two-thirds of the electors voting on each proposition at a regular or special election for the issuance of such bonds before said indebtedness or liability for said improvements may be incurred, except ordinances authorizing such bond issues as are specified in Section 92 of this Article. No bonds, except such bonds as have been heretofore or maybe hereafter issued for the purpose of acquiring, constructing or completing improvements for the development, conservation and furnishing of water as hereinafter provided, shall be issued on the credit of the City which will increase the bonded indebtedness of said City beyond ten per cent of the assessed valuation of all real and personal property of said City subject to direct taxation as shown by the last preceding valuation for City taxes.

(b) Whenever the Council shall determine that the public interest or necessity demands the acquisition, construction or completion of any municipal improvement for the development, conservation and furnishing of water, whether in the County of San Diego or elsewhere, the Council may contract bonded indebtedness for such improvement for the development, conservation and furnishing of water whenever authorized to do so by a vote of two-thirds of the electors voting at an election held for that purpose in the manner and mode prescribed by the general laws of the State of California in force at the time of holding said election. Bonds issued by virtue of the authority of this paragraph (b) including all bonds now outstanding for the purpose of development,

conservation and furnishing of water, shall not exceed in amount the sum of fifteen per cent of the assessed valuation of all real and personal property of said City subject to direct taxation as shown by the last preceding valuation for City taxes. The fifteen per cent limitation contained herein shall be in addition to the amount authorized to be issued for other improvements as set forth in paragraph (a) of this section, it being the intent and purpose of this language to permit the City to incur a bonded indebtedness in an amount not to exceed ten per cent for all municipal improvements other than the development, conservation and furnishing of water, and in addition thereto to authorize bonds in an amount not to exceed fifteen per cent of the assessed valuation for the development, conservation or furnishing of water; provided, however, that indebtedness and liability for municipal improvements of every kind and character authorized to be incurred by the provisions of this Charter shall not exceed in amount the sum of twenty-five per cent of the assessed valuation of all real and personal property of said City subject to direct taxation as shown by the last preceding valuation for City taxes.

(c) Every issue of bonds authorized by the provisions of this Section shall be payable within a term of years not to exceed the estimated period of usefulness of the property or improvement for which issued, and in no case to exceed the constitutional limit; provided, that at any time the Council may postpone the payment on all bonds issued for an income-producing utility for a period of five years from date of issue, but shall provide for the interest payment from the date of issue.

(d) When the municipal improvement for which the bonds were voted, as provided in the foregoing Subdivisions of this Section, has been fully completed, all or any surplus money derived from the sale of said bonds remaining in the City Treasury shall be used exclusively for the purpose of redeeming said bonds or paying the interest thereon.

2. Amendment voted 06-07-2016; effective 07-18-2016

See current Charter.