

RESOLUTION NO. 208250 JUN 26 1973

A RESOLUTION EXPRESSING APPROVAL IN PRINCIPLE OF A PROPOSAL OF VILLA VIEW COMMUNITY HOSPITAL FOR ACQUISITION OF AN EXISTING HOSPITAL AND THE CONSTRUCTION OF AN ADDITION THERETO TO BE FINANCED BY ISSUANCE OF TAX EXEMPT OBLIGATIONS.

WHEREAS, this Council has been advised that Villa View Community Hospital, a California nonprofit corporation, proposes to acquire an existing hospital facility and to construct an addition thereto, all to be equipped and operated as an acute care hospital; and

WHEREAS, Villa View Community Hospital proposes to finance the purchase and construction of such improvements and equipment of the hospital and related costs by issuance of bonds or other obligations of Villa View Community Hospital, payable primarily from the revenues generated by the operation of the hospital and secured by a mortgage of the hospital facility; and

WHEREAS, in this acquisition, financing and operation of the hospital, Villa View Community Hospital proposes to issue its obligations pursuant to Revenue Ruling 63-20, a copy of which is on file with the City Clerk as Document No. 739862, and to apply to the Internal Revenue Service for a ruling that the interest payable on bonds or obligations of Villa View Community Hospital issued to finance the acquisition are obligations of a political subdivision and will therefore be exempt from federal income taxes; and

WHEREAS, said Revenue Ruling 63-20 provides that the state or a political subdivision thereof must have a beneficial interest in the corporations issuing bonds while the bond

indebtedness remains outstanding and that the political subdivision must obtain full legal title to the property upon retirement of the bond indebtedness and Villa View Community Hospital proposes that the City be the political subdivision as above required; and

WHEREAS, assurance has been given that the proposal of Villa View Community Hospital outlined above to provide an acute care hospital and to finance the acquisition of the hospital by the issuance of tax exempt obligations will not impose any obligation or burden upon The City of San Diego; and

WHEREAS, it is necessary for the City to adopt a resolution approving the project under the provisions set forth in said Revenue Ruling 63-20; and

WHEREAS, such a resolution will be submitted to the Council at a later time; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

That this Council does approve in principle the above proposal with the understanding that before adoption of the resolution required by the Internal Revenue Service (1) the documents referred to in that Report to the Council from the City Manager and City Attorney dated May 21, 1973, on file in the office of the City Clerk as Document No. 743892, be submitted to the City Attorney and to the City Council for approval; (2) that the Council will receive such legal opinion and other assurance as it may require that The City of San Diego

cannot be compelled to exercise any taxing power or to apply any of its funds toward payment of the obligations of Villa View Community Hospital either with respect to the payment of bonds or with respect to any legal liability arising out of the operation of the hospital; and (3) that by adopting this resolution the City Council does not in any way assume any obligation to approve the specific proposal to be set forth in the resolution to be submitted to the Council in the future.

APPROVED: JOHN W. WITT, City Attorney

By Peter D. Bulens  
Peter D. Bulens, Deputy

PDB:lc  
5/24/73

208250

JUN 26 1973

Passed and adopted by the Council of The City of San Diego on \_\_\_\_\_  
by the following vote:

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Councilmen  
Gil Johnson  
Maureen F. O'Connor  
Henry L. Landt  
Leon L. Williams  
Floyd L. Morrow  
Bob Martinet  
Allen Hitch  
Jim Bates  
Mayor Pete Wilson

Yeas	Nays	Excused	Absent
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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AUTHENTICATED BY:

PETE WILSON  
Mayor of The City of San Diego, California.

(Seal)

EDWARD NIELSEN  
City Clerk of The City of San Diego, California.

By *Mary Anne Neuse*, Deputy.

Office of the City Clerk, San Diego, California

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