

RESOLUTION NO. R- 254654

(R-82-102)  
(REV.)

A RESOLUTION APPROVING THE ORGANIZATION OF SHARP CABRILLO HOSPITAL AND MEMBERS OF ITS GOVERNING BODY, THE SALE BY DOCTORS HOSPITAL OF SAN DIEGO, INCORPORATED OF A HOSPITAL TO SUCH ORGANIZATION AND ACCEPTING SUCH HOSPITAL.

JUL 20 1981

WHEREAS, by its Resolution No. 206158 heretofore adopted, this Council approved a proposal of Doctors Hospital of San Diego, Incorporated ("Doctors Hospital") for the acquisition, remodeling and conversion of a hospital facility (the "Hospital Facility") within the City of San Diego through the corporation's issuance and sale of its First Mortgage Hospital Revenue Bonds (the "Bonds") and its Hospital Subordinated Limited Revenue Notes (the "Notes"); and

WHEREAS, Doctors Hospital proposed to sell the Hospital Facility to Sharp Cabrillo Hospital ("Sharp Cabrillo"), a California nonprofit corporation and a subsidiary of San Diego Hospital Association ("Sharp Hospital"), and Sharp Hospital would guarantee the payment of the Bonds and Notes; and

WHEREAS, the Bonds were issued pursuant to an Indenture of Mortgage and Deed of Trust (the "Indenture") pursuant to which a Corporation Grant Deed and a Bill of Sale were placed in escrow, to be delivered to the City when the Bonds and Notes had been paid; and

WHEREAS, Sharp Cabrillo will enter into a Supplemental Indenture and Deed of Trust (the "Bond Supplemental Indenture"), by which it will assume the obligations of Doctors Hospital

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with respect to the Bonds and under which a Corporation Grant Deed and a Bill of Sale from Sharp Cabrillo will be substituted for similar instruments placed in escrow by Doctors Hospital; and

WHEREAS, Sharp Cabrillo will enter into an agreement (the "Note Agreement"), by which it will assume the obligations of Doctors Hospital with respect to the Notes; and

WHEREAS, the City has now received from Doctors Hospital draft copies of the following documents, the forms of which are on file with the Clerk of City as Document No. RR-254654-1 *thru-11*

1. Bond Supplemental Indenture;
2. Note Agreement;
3. Articles of Incorporation of Sharp Cabrillo;
4. Bylaws of Sharp Cabrillo;
5. Corporation Grant Deed from Sharp Cabrillo;
6. Bill of Sale from Sharp Cabrillo;
7. Indemnity Agreement from Sharp Cabrillo to the City;
8. Indemnity Agreement from San Diego Hospital Association to the City;
9. Indemnity Agreement from Doctors Hospital to the City;
10. Opinion Letter of Counsel for Doctors Hospital (Gray, Cary, Ames and Frye) to the City; and Opinion Letter of Dorsey, Marquart, Windhorst, West and Halladay to the City; and Opinion Letter of Counsel

for Sharp Cabrillo Hospital and San Diego Hospital Association (Scales, Elsworth and Corbett) to the City; and

11. Memorandum of transaction for recording.

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

1. It is hereby found, determined and declared that the proposal of Doctors Hospital for the sale of the Hospital Facility and the assumption of the Bonds and Notes by Sharp Cabrillo will be in the interest of the residents of San Diego and will not impose any obligation or burden upon the City prior to the vesting of title to the Hospital Facility in the City.

2. The organization and purposes of Sharp Cabrillo specified in its Articles of Incorporation and Bylaws as set forth in the forms on file with the Clerk of City as Document No. RL-254654-3 and -4 are hereby approved.

3. The following named persons are hereby approved as directors of Sharp Cabrillo:

(See attached list)

4. This Council, on behalf of The City of San Diego, hereby accepts from Sharp Cabrillo the transfer of the Hospital Facility as defined in the forms of the above-referenced documents which are on file with the Clerk of City as Document No. RL-254654-5, when all of the Bonds and Notes have been paid, and hereby agrees that title thereto will

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vest in the City of San Diego upon such payment and after delivery to the City of San Diego of the Corporation Grant Deed and the Bill of Sale on the Hospital Facility, and hereby accepts the option to purchase the Hospital Facility before that date upon certain events and conditions specified in the Indenture.

5. By this action and adoption of this resolution, this Council hereby approves the Corporation Grant Deed and the Bill of Sale but it does not release or reconvey any right, title or interest the City has or may have in said Hospital Facility by reason of the prior transaction referred to in its Resolution No. 206158.

6. The City hereby approves the Bonds and Notes and the assumption thereof by Sharp Cabrillo as provided in the form of Bond Supplemental Indenture and Note Agreement in the forms of such documents on file with the Clerk of City as Document No. R-254654-1 and -2

7. The City Manager is hereby authorized, on behalf of the City, to accept the Indemnity Agreement.

8. This resolution shall be come effective upon acceptance of the Indemnity Agreement referred to in Section 7.


9. Upon the approval of the City Manager or his designee, non-material and non-substantive modifications to the foregoing documents filed with the City Clerk may be made prior to August 31, 1981, so long as such modifications do not impair

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or adversely affect the rights or interests of the City and so long as a copy of the finalized documents with any modifications approved by the City Manager or his designee are filed with the City Clerk.

APPROVED: JOHN W. WITT, City Attorney

By   
Harold O. Valderhaug, Deputy

HOV:ps:502.1.5  
7/20/81 (Revised)  
Or.Dept. Rules

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BOARD OF DIRECTORS  
OF  
SHARP CABRILLO HOSPITAL  
AND  
SAN DIEGO HOSPITAL ASSOCIATION

Hewes A. Bell	<p><u>TELEPHONE SERVICE-Vice President</u>            Off: Pacific Telephone Company                  P. O. Box 524                  San Diego                   92112       238-2151            Res: 1150 Anchorage Lane                  San Diego                   92106       225-0555</p>
Robert K. Bench, M.D.	<p><u>PHYSICIAN-Chief of Staff-Executive Medical Board</u>            Off: 7910 Frost, #104                  San Diego                   92123       565-0104            Res: 5916 Citadel Circle                  La Jolla                    92037       459-3249</p>
Dr. Ellis Benson	<p><u>CONSULTANT-San Diego Community College District</u>            Off: 3375 Camino del Rio South                  San Diego                   92108       230-2072            Res: 2160 Ranch View Terrace                  Olivenhain                 92024       753-6412</p>
Clayton H. Brace	<p><u>TELEVISION-Vice President and General Manager</u>            Off: McGraw-Hill Broadcasting                  P. O. Box 81047                  San Diego                   92138       237-6212            Res: 5970 Madra Avenue                  San Diego                   92120       583-7008</p>
Elliott L. Cushman Secretary	<p><u>PUBLISHER</u>            Off: Cushman Associates                  2901 Fifth Avenue                  San Diego                   92103       299-4160            Res: 1001 Genter Street                  Apt. 9H                  La Jolla                    92037       459-1194</p>
Kim Fletcher	<p><u>SAVINGS AND LOAN ASSOCIATION-President</u>            Off: Home Federal Savings &amp; Loan Association                  701 Broadway                  San Diego                   92101       238-7691            Res: 569 San Elijo                  San Diego                   92106       222-2677</p>
Douglas R. Giddings	<p><u>AGRICULTURAL PROCESSOR</u>            Off: 1200 Third Avenue                  Suite 1200                  San Diego                   92101       234-5484            Res: 3025 Qualtrough                  San Diego                   92106       223-0693</p>
Philip L. Gildred	<p><u>BUILDING MANAGEMENT</u>            Off: Gildred Building Company                  770 B Street                  San Diego                   92101       232-6361            Res: 3545 Via Flores                  San Diego                   92106       222-1288</p>

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James C. Haugh  
President

PROPERTY DEVELOPMENT AND INVESTMENTS

Off: Haugh Enterprises  
P. O. Box 1271  
San Diego 92112 238-0264  
Res: 887 Golden Park Avenue  
San Diego 92106 222-1718

Will Hippen, Jr.

HONORARY COUNSUL GENERAL

Off: Consulate General of Japan  
House of Hospitality, Studio 2  
Balboa Park  
San Diego 92101 238-1177  
Res: 4479 Trias  
San Diego 92103 295-1003

Oliver B. James  
Treasurer

TRUST AND SAVINGS-Executive Vice President

Off: San Diego Trust and Savings Bank  
540 Broadway  
San Diego 92101 238-4865  
Res: 1504 Buckingham Drive  
La Jolla 92037 454-4519

Evan V. Jones  
Vice President

AUTO PARKS-President

Off: Ace Auto Parks  
1111 Seventh Avenue  
San Diego 92101 233-6624  
Res: 530 San Fernando  
San Diego 92106 222-6143

Victor H. Krulak  
(Lt. General)

CONSULTANTS-MANAGEMENT-Chairman of the Board

Off: Clark Management Corporation of California  
1335 Hotel Circle South, Suite 203  
San Diego 92108 299-8967  
Res: 3665 Carleton  
San Diego 92106 224-9475

W. Daniel Larsen

CONTRACTOR-GENERAL

Off: W. Daniel Larsen Construction Company  
P. O. Box A-80456  
San Diego 92138 232-3066  
Res: 1405 Savoy Circle Drive  
San Diego 92107 222-7015

Dorothy Larson  
(Mrs. William)

AUXILIARY-President

Donald N. Sharp Memorial Community Hospital  
Res: 3216 Westcliffe Place  
San Diego 92106 222-6883

Francis Montalbano, M.D.

PHYSICIAN-Vice Chairman-Executive Medical Board

Off: 7910 Frost Street, Suite 109  
San Diego 92123 279-1230  
Res: 1730 Avenida Del Mundo - #1202  
Coronado 92118 435-1863

Kathleen Porter  
(Mrs. David E.)

COMMUNITY LEADER

Res: 4024 St. James Place  
San Diego 92103 288-1571

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David J. Primuth

DIVERSIFIED BUSINESS-President

Off: Wickes Corporation  
1010 Second Avenue 92101 238-0304  
Res: 20 Lake Helix Drive  
La Mesa 92041 462-9637

Carl L. Sadler

AEROSPACE COMPONENTS-Chairman & Chief Executive Officer

Off: Rohr Industries, Inc.  
P. O. Box 878  
Chula Vista 92012 575-2861  
Res: 1830 Avenida del Mundo  
#1606  
Coronado 92118 435-8322

Hal Sadler

ARCHITECTURAL FIRM-Partner

Off: Tucker, Sadler and Associates  
2411 Second Avenue  
San Diego 92101 236-1662  
Res: 3860 Narragansett  
San Diego 92107 222-9663

Marc Sandstrom

SAVINGS & LOAN ASSOCIATION-First Vice President/  
General Counsel

Off: San Diego Federal Savings & Loan Assoc.  
600 B Street  
San Diego 92101 231-6191  
Res: 6930 Via Estrada  
La Jolla 92037 459-7967

Joseph F. Sinnott

RETIRED

Res: 2265 Juan Street  
San Diego 92103 295-6974

Jack E. Thomas

UTILITIES-Vice President-Group Customer Services  
Division

Off: San Diego Gas & Electric  
P. O. Box 1831  
San Diego 92112 232-4252  
Res: 605 Via Del Norte  
La Jolla 92037 454-6995

Samuel J. Tibbitts

HOSPITAL ADMINISTRATION-President

Off: Lutheran Hospital Society of So. California  
1423 South Grand  
Los Angeles 90015 748-0191  
Res: 1224 Adair Street  
San Marino 91103 284-3949

James H. West

PUBLIC ACCOUNTING FIRM-Partner

Off: McGladrey Hendrickson & Company  
2550 Fifth Avenue, Suite 1009  
San Diego 92103 234-6775  
Res: 3311 Lucinda  
San Diego 92106 225-8490

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**JUL 20 1981**

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

Councilmen	Yeas	Nays	Not Present	Ineligible
Bill Mitchell	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bill Cleator	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leon L. Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fred Schnaubelt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mike Gotch	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dick Murphy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lucy Killea	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Pete Wilson	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

**PETE WILSON**

Mayor of The City of San Diego, California.

**CHARLES G. ABDELNOUR**

City Clerk of The City of San Diego, California.

(Seal)

By *Raymond L. Balceron*, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number R-254654 Adopted JUL 20 1981