

ORDINANCE NUMBER O- 19220 (New Series)

ADOPTED ON SEP 29 2003

AN ORDINANCE PLEDGING CERTAIN AMOUNTS PAID INTO THE ENVIRONMENTAL GROWTH FUND TO DEBT SERVICE ON SAN DIEGO OPEN SPACE PARK FACILITIES DISTRICT NO. 1 GENERAL OBLIGATION BONDS REFUNDING SERIES 2003; APPROVING A FORM OF PAYING AGENT AGREEMENT AND AUTHORIZING THE APPOINTMENT OF A PAYING AGENT.

WHEREAS, there has heretofore been established pursuant to Section 103.1a of the Charter of the City of San Diego [City Charter] a fund in the Treasury of the City of San Diego [City Treasury] called the Environmental Growth Fund [Fund] for the purpose of preserving and enhancing the environment of the City of San Diego [City]; and

WHEREAS, the City has not issued bonds of any nature for the acquisition, improvement and/or maintenance of open space to be used for park or recreational purposes within the meaning of Section 103.1a of the City Charter; and

WHEREAS, the San Diego Open Space Park Facilities District No. 1 [District], a district formed by the City pursuant to Ordinance No. O-12027 (New Series) adopted by the Council of the City on February 27, 1977, and Resolution No. R-220486 adopted by the Council of the City on March 20, 1977, currently has bonds outstanding, the proceeds of which have been applied to the preservation and enhancement of the environment of the City within the meaning and in the manner described in the last sentence of Section 103.1a of the City Charter; and

WHEREAS, said bonds of the District constitute the general obligation of the District supported by its full faith and credit, and have been issued in several series in the name of and for the District by its governing body in a total aggregate principal amount not exceeding \$65,000,000;

WHEREAS, the District desires to refund a portion of its General Obligation Bonds Refunding Series 1994 [Prior Bonds] by issuing San Diego Open Space Park Facilities District No. 1 General Obligation Bonds Refunding Series 2003 [Refunding Bonds]; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City, as follows:

Section 1. The City hereby pledges, for the purpose of paying the principal of and interest on the Refunding Bonds, to pay into the bond fund maintained by the City Treasurer [Bond Fund], on or before July 15 of each year, commencing July 15, 2004, an amount equal to the lesser of two-thirds of the moneys paid into the Fund or such amount from said fund as is necessary to pay debt service on the Refunding Bonds coming due on January 1 and July 1 of the next calendar year until the final maturity of the Refunding Bonds or earlier redemption thereof; provided, however, if there are insufficient funds on deposit in the Bond Fund on July 15 of each year to make the next two debt service payments on the Refunding Bonds, due on January 1 and July 1, the City shall levy, on the next tax roll, a property tax on behalf of the District to cover the amount of the shortfall; provided further, however, that with respect to the debt service payment due on July 1, 2004, the City shall, on the date of issuance and delivery of the Refunding Bonds, deposit in the Payment Fund an amount sufficient to make said debt service payment.

Section 2. The Council of the City finds and determines that the pledge described in the preceding section is consistent with the intent and purpose of the last sentence of Section 103.1a of the City Charter.

Section 3. In connection with the issuance and sale of the Refunding Bonds, the Council of the City hereby approves the form of Paying Agent Agreement submitted to the Council of the City and the City Manager, the Deputy City Manager, the City Treasurer and the Deputy City

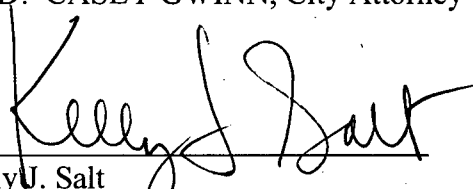
Treasurer or their respective designees are hereby authorized and directed to execute the same. The City Treasurer, for and on behalf of the District, is hereby authorized and directed to appoint a bank or trust company doing business and having an office in California having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision or examination by federal or state authority, as Paying Agent for the purpose of receiving all moneys which the District and the City are required to deposit with the Paying Agent under the Paying Agent Agreement, to allocate, use and apply the same as provided in the Paying Agent Agreement and otherwise to hold all the offices and to perform all the functions and duties provided in the Paying Agent Agreement.

Section 4. That a full reading of this ordinance is dispensed with prior to its final passage, since a written or printed copy having been made available to the Council of the City and the public a day prior to its final passage.

Section 5. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

Section 6. This ordinance shall be published in the official city newspaper within fifteen days after its passage.

APPROVED: CASEY GWINN, City Attorney

By 
Kelly J. Salt
Deputy City Attorney

KJS:mb
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Or.Dept:Treas.
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