

(R-2003-614) Cor. Copy
10/30/02

RESOLUTION NUMBER R- 297518

ADOPTED ON JAN 07 2003

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF
THE CITY OF SAN DIEGO TO INCUR BONDED
INDEBTEDNESS WITHIN PROPOSED IMPROVEMENT
AREA NO. 4 OF COMMUNITY FACILITIES DISTRICT NO. 2
(SANTALUZ)

WHEREAS, the City Council [City Council] has received a petition as provided in Section 53339.2 of the Government Code of the State of California and has instituted proceedings to annex certain property to Community Facilities District No. 2 (Santaluz) [Community Facilities District No. 2 or the District] and to designate such property as a separate improvement area therein [Improvement Area No. 4] pursuant to the Mello-Roos Community Facilities Act of 1982, commencing with Section 53311 of the Government Code of the State of California [Act], as amended; and

WHEREAS, on the date hereof, the City Council has adopted Resolution No. R- ~~297517~~ declaring its intention to commence annexation proceedings for the Property to finance (1) the purchase, construction, modification, expansion, improvement or rehabilitation of public facilities identified in Exhibit A hereto and incorporated herein by this reference, including all furnishings, equipment and supplies related thereto [collectively, the Facilities]; and (2) the incidental expenses to be incurred in financing the Facilities and forming and administering the District [Incidental Expenses]; and

WHEREAS, the City Council estimates that the amount required to finance the Facilities and Incidental Expenses is approximately \$10,500,000; and

WHEREAS, in order to finance the Facilities and Incidental Expenses, the City Council intends to authorize the issuance of bonds for proposed Improvement Area No. 4 in the maximum aggregate principal amount of \$10,500,000; and

WHEREAS, the repayment of the bonds of Improvement Area No. 4 is to be secured by special taxes levied in Improvement Area No. 4 in accordance with Section 53328 of the Act, other than those properties exempted from taxation in the rate and method of apportionment for Improvement Area No. 4 set forth in Exhibit C to Resolution No. R- 297517; NOW, THEREFORE,

BE IT RESOLVED, by the City Council as follows:

1. The above recitals are true and correct.
2. It is necessary to incur bonded indebtedness within the proposed boundaries of Improvement Area No. 4 of proposed Community Facilities District No. 2 in an amount not to exceed \$10,500,000, to finance the costs of the Facilities and Incidental Expenses, as permitted by the Act.
3. The bonds for Improvement Area No. 4 will be issued for the purpose of financing the costs of the Facilities and the Incidental Expenses, including, but not limited to, the funding of reserve funds for the bonds, the financing of costs associated with the issuance of the bonds and all other costs and expenses necessary to finance the Facilities which are permitted to be financed pursuant to the Act.

4. It is the intent of the City Council to authorize the sale of bonds for Improvement Area No. 4 in one or more series, in the maximum aggregate principal amount of \$10,500,000 and at a maximum interest rate not in excess of 12 percent per annum, or a higher rate not in excess of the maximum rate permitted by law at the time that the bonds are issued. The term of the bonds of each series shall be determined pursuant to a resolution of this City Council acting in its capacity as the legislative body of the District authorizing the issuance of the bonds of such series, but such term shall in no event exceed thirty years from the date of issuance of the bonds of such series, or such longer term as is then permitted by law.

5. A public hearing [Hearing] on the proposed debt issue for Improvement Area No. 4 shall be held at 10:00 a.m. or as soon thereafter as practicable, on FEB 11, 2003, at the City Council Chambers, 202 C Street, San Diego, California, which date is not less than thirty days nor more than sixty days after the date hereof.

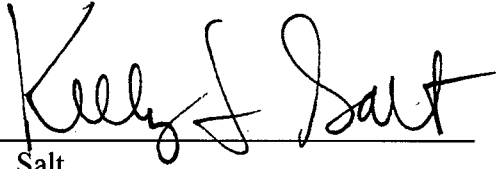
6. At the time and place set forth in this Resolution for the Hearing, any interested persons, including all persons owning land or registered to vote within Community Facilities District No. 2 and the property proposed to be annexed as Improvement Area No. 4, may appear and be heard.

7. The City Clerk is hereby directed to publish a notice [Notice] of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the District. Such publication shall be completed at least seven days prior to the date of the Hearing. The City Clerk is further directed to mail a copy of the Notice to each of the landowners within the boundaries of proposed Improvement Area No. 4 at least fifteen days prior to the Hearing.

8. This Resolution shall take effect upon its adoption.

APPROVED: CASEY GWINN, City Attorney

By


Kelly J. Salt
Deputy City Attorney

KJS:pev
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EXHIBIT A

**Types of Facilities To Be
Financed By Proposed Improvement Area No. 4 of
Community Facilities District No. 2 (Santaluz)**

**The proposed public facilities and expenses to be financed by proposed
Improvement Area No. 4 of Community Facilities District No. 2 (Santaluz) include:**

- 1. El Camino Real from Derby Downs Road to San Dieguito Road**
- 2. A community park located on Carmel Valley Road east of Black Mountain Road**
- 3. Offsite Water and Sewer Improvements**