

RESOLUTION NUMBER R- 297875

ADOPTED ON APR 21 2003

RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO APPROVING THE EXECUTION AND DELIVERY OF
CERTIFICATES OF PARTICIPATION (FOR THE BALBOA
PARK/MISSION BAY PARK REFUNDING

WHEREAS, the San Diego Facilities and Leasing Corporation [Corporation] is a non-profit public benefit corporation organized and existing under the laws of the State of California with the authority to assist the City of San Diego [City] in the financing of public facilities and improvements; and

WHEREAS, the City has proposed that the Corporation assist the City in the refinancing of the acquisition, construction and installation of a portion of the public improvements made to Balboa Park and Mission Bay Park [Balboa Park and Mission Bay Park Capital Improvements Program], which portion was financed by the City of San Diego Certificates of Participation (Balboa Park and Mission Bay Park Capital Improvements), Series 1993, and shall constitute the "Project"; and

WHEREAS, the Council has previously authorized certain lease/leaseback transactions pursuant to Ordinance No. O-19161 and Resolution No. R-297692 and, as a refinancing mechanism, City of San Diego 2003 Certificates of Participation (1993 Balboa Park/Mission Bay Park Refunding) [Certificates] will be executed and delivered evidencing the proportionate interests of the owners thereof in certain Lease Payments to be made by the City to the Corporation; and

WHEREAS, a portion of the Certificates may be treated as "qualified 501(c)(3) bonds" within the meaning of the Internal Revenue Code of 1986, as amended, [Code]; and

WHEREAS, notice of a public hearing regarding the execution and delivery of the Certificates has been duly published in accordance with the requirements of Section 147(f) of the Code; and

WHEREAS, for the sole purpose of compliance with Section 147(f) of the Code, the Council has conducted a public hearing regarding the issuance of the Certificates, notice of which public hearing has been duly published in accordance with the requirements of Section 147(f), the form of which is attached hereto as Exhibit A; and

WHEREAS, members of the Council are the applicable elected representatives with authority to approve the execution and delivery of the Certificates following said public hearing;

NOW, THEREFORE,

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

1. The above recitals, and each of them are true and correct.
2. In accordance with the procedures set forth in Section 147(f) of the Code, the Council hereby approves the execution and delivery of the Certificates for the refinancing of the Project in an amount not to exceed \$22,000,000; the proceeds of the Series 1993 Certificates were used for the purposes and for the facilities to be owned, operated or managed by the users set forth in the notice of public hearing attached hereto as Exhibit A. It is the purpose and intent of this Council that this Resolution constitute approval of the issuance of obligations by applicable elected representatives at the governmental unit having jurisdiction over the area in which the program is to be conducted, in accordance with Section 147(f) of the Code.

3. This Resolution shall take effect immediately upon its adoption..

APPROVED: CASEY GWINN, City Attorney

By



Kelly J. Salt
Deputy City Attorney

KJS:pev

3/25/02

Or.Dept:Fin.Svcs

Aud.Cert:N/A

R-2003-1161

Form=r&t.frm

EXHIBIT A

NOTICE OF PUBLIC HEARING

CITY OF SAN DIEGO

NOTICE IS HEREBY GIVEN in accordance with Section 147(f) of the Internal Revenue Code of 1986 (the "Code") that on April 21, 2003, at 2:00 o'clock p.m. Council Chambers, 12th Floor, at 202 "C" Street, City Administration Building, San Diego, California, the Council of the City of San Diego (the "City") will conduct a public hearing at which it will hear and consider information concerning the possible execution and delivery on behalf of the City of Certificates of Participation (the "Certificates") in an aggregate principal amount not to exceed \$22,000,000 to refund the City of San Diego Certificates of Participation (Balboa Park and Mission Bay Park Capital Improvements), Series 1993 executed and delivered to finance the facilities described below:

Maximum aggregate principal amount of Certificates: not to exceed \$22,000,000

1. Facilities which were financed and approximate net cost of each component financed from the 1993 Certificates:

- a. Improvements to Mission Bay Park; a 4600 acre aquatic park located nine miles north of downtown San Diego: approximately \$6.2 million for shoreline reclamation activities and \$464,000 for park improvements;
- b. Improvements to Balboa Park; a 1200 acre centrally located municipal park owned by the City of San Diego adjacent to downtown; (a) Federal Building preliminary engineering, architectural, and construction costs: approximately \$723,000: initial operator - San Diego Hall of Champions, Inc., a California non-profit public benefit corporation; (b) House of Hospitality and Persian Fountain, preliminary engineering, architectural, and construction costs: approximately \$7,400,000: initial operator- House of Hospitality Association (c) House of Charm, an approximately 75,000 square foot building reconstruction: approximately \$8 million: initial operator or manager - San Diego Art Institute, a California non-profit corporation, Old Globe Theater, a California non-profit corporation, the Mingei International, Inc., a California non-profit corporation; (d) Japanese Friendship Garden, preliminary engineering consulting costs related to miscellaneous capital improvements with respect to the Japanese Friendship Garden: approximate cost \$28,000: initial operator, Japanese Friendship Garden Society of San Diego, a California non-profit corporation; and (e) Starlight Bowl, preliminary engineering and architectural consultant costs: approximate cost \$329,000 related to miscellaneous capital improvements with respect to the Starlight Bowl: initial operator, San Diego Civic Light Opera Association, Inc., a California non-profit corporation;
- c. Municipal Gymnasium owned and operated by the City of San Diego: approximate contribution \$755,000; and

- d. Miscellaneous municipal improvements in conjunction with City's Balboa Park and Mission Bay Park Capital Improvements Program.

The Certificates, to be executed and delivered, will be secured by lease payments to be made by the City to the San Diego Facilities and Equipment Leasing Corporation pursuant to a Lease Agreement.

This item may begin at any time after the time specified. Any interested person may address the City Council to express support or opposition to this issue. Time allocated to each speaker is determined by the chair and in general is limited to three (3) minutes; moreover, collective testimony by those in support or opposition shall be limited to no more than fifteen (15) minutes total per side.

Those unable to attend the hearing may write a letter to the Mayor and City Council, Attention: City Clerk, City Administration Building, 202 "C" Street, San Diego, CA 92101-3862, Mail Station 2A. All communications will be forwarded to the Mayor and City Council.

This material is available in alternative formats upon request. To order information in braille, oversized print or voice cassette tape, please call the Clerk's office at least 5 days prior to the meeting at 533-4000 (voice) or 236-7012 (TT).

ALL PERSONS HAVING ANY INFORMATION RELEVANT TO THE PROPOSED ISSUANCE OF THE CERTIFICATES DESCRIBED ABOVE ARE HEREBY INVITED TO APPEAR AT THE TIME AND PLACE MENTIONED ABOVE TO PRESENT SUCH INFORMATION TO THE CITY COUNCIL.

Dated: April __, 2003

City Clerk of the City of San Diego

Publish: April __, 2003