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RESOLUTION NUMBER R- 306021

DATE OF FINAL PASSAGE JUL 26 2010

RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO, CALIFORNIA, EXTINGUISHING THE SPECIAL
TAX LEVIED TO PAY THE COST OF ACQUIRING OR
CONSTRUCTING CERTAIN FACILITIES AND EXPENSES
OF IMPROVEMENT AREA NO. 2 WITHIN COMMUNITY
FACILITIES DISTRICT NO. 2 (SANTALUZ)

WHEREAS, on February 8, 2000, the Council of the City of San Diego (Council) adopted Resolution No. R-292754 declaring its intention to form Community Facilities District No. 2 (Santaluz) (CFD No. 2) consisting of three improvement areas (Improvement Area No. 1, Improvement Area No. 2, and Improvement Area No. 3), pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code § 53311, *et seq.*) (Mello-Roos Act); and

WHEREAS, on February 8, 2000, the Council also adopted Resolution No. R-292753 stating its intention to incur bonded indebtedness within proposed CFD No. 2 for purposes of financing the purchase, construction, modification, expansion, improvement or rehabilitation of the types of public facilities identified in that resolution (Facilities) and the incidental expenses to be incurred in financing the Facilities and forming and administering CFD No. 2 (Incidental Expenses); and

WHEREAS, on March 14, 2000, after providing all notices required by the Mello-Roos Act, the Council held a noticed public hearing to determine whether it should proceed with the formation of CFD No. 2; issue bonds within each of Improvement Area Nos. 1, 2, and 3 to pay for the Facilities and Incidental Expenses; and authorize the rate and method of apportionment

of a special tax to be levied within Improvement Area Nos. 1, 2, and 3 for the purposes described in Resolution No. R-292753; and

WHEREAS, on March 14, 2000, a public hearing was held on matters pertaining to the formation of CFD No. 2, the designation of Improvement Area Nos. 1, 2, and 3, and the proposed levy of the special tax within each Improvement Area to pay for the Facilities and Incidental Expenses; and

WHEREAS, on March 14, 2000, after the close of the public hearing, the Council adopted Resolution Nos. R-292868 (Resolution of Formation) and R-292869 (Resolution to Incur Bonded Indebtedness) which called a special election to occur on March 14, 2000 within Improvement Area Nos. 1, 2, and 3 on propositions relating to the levying of a special tax, the incurring of bonded indebtedness, and the establishment of an appropriations limit for CFD No. 2; and

WHEREAS, on March 14, 2000, a special election was held for each Improvement Area at which time the qualified electors approved by more than a two-thirds vote Propositions A through I authorizing the levy of a special tax within each Improvement Area in the manner described in the Resolution to Incur Bonded Indebtedness; and

WHEREAS, the Council, acting as the legislative body of CFD No. 2, issued bonds and levied a special tax upon the parcels of land within Improvement Area Nos. 1 and 3 but not upon Improvement Area No. 2; and

WHEREAS, development on the parcels of land within Improvement Area No. 2 did not proceed as originally anticipated and bonds were not issued; and

WHEREAS, under the rate and method of apportionment, no special tax is required to be levied on Improvement Area No. 2; and

WHEREAS, Government Code § 53330.5 provides that a special tax may be levied only so long as it is needed to pay the principal and interest on debt incurred to construct facilities under authority of the Mello-Roos Act, or so long as it is needed to pay the costs and incidental expenses of services or of the construction of facilities authorized by the Mello-Roos Act; and

WHEREAS, a Notice of Special Tax Lien for Improvement Area No. 2 (Notice) of CFD No. 2 (Santaluz) was filed with the San Diego County Recorder's Office on March 24, 2000 as Document No 2000-0148590 which Notice states that it shall continue in force and effect until, among other things, a Notice of Cessation of Special Tax is recorded in accordance with Government Code § 53330.5; and

WHEREAS, the Council may, by resolution, determine that the special tax shall cease to be levied and direct the City Clerk to record a Notice of Cessation of Special Tax that states that the obligation to pay the special tax has ceased and the lien imposed by the Notice of Special Tax Lien filed on March 24, 2000 and recorded as recorder's Document No. 2000-0148590 in the records of the County Recorder of San Diego County, State of California, is extinguished; NOW THEREFORE,

BE IT RESOLVED by the City Council as follows:

1. Development on the parcels of land within Improvement Area No. 2 did not proceed as originally anticipated and bonds were not issued.

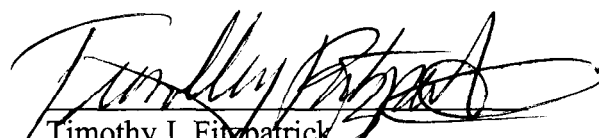
2. Under the rate and method of apportionment, a special tax is not needed to pay the principal and interest on debt incurred to construct facilities associated with Improvement Area No. 2 or to pay the costs and incidental expenses associated with Improvement Area No. 2.

3. In accordance with Government Code § 53330.5, the special tax authorized to be levied as a result of an anticipated need to pay principal and interest on debt proposed to be incurred for the construction of facilities in Improvement Area No. 2, and for the incidental costs and expenses of such services, should cease to be levied.

4. The City Clerk is directed to record a Notice of Cessation of Special Tax that shall state that the obligation to pay the special tax has ceased and that the lien imposed by the Notice of Special Tax Lien recorded on March 24, 2000 as recorder's Document No. 2000-0148590 in the records of the County Recorder of San Diego County, State of California, is extinguished.

5. The City Clerk is further directed to identify in the Notice of Cessation of Special Tax the book and page of the Book of Maps of Assessment and Community Facilities Districts wherein the map of the boundaries of the district is recorded.

APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Timothy J. Fitzpatrick
Deputy City Attorney

TJF:jdf
07/06/2010
Or.Dept:Debt Mgmt.
R-2011-16

I hereby certify that the foregoing Resolution ~~2010~~ ^{JUL 20 2010} was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By *Sara Richardson*
Deputy City Clerk

Approved: 7-26-10
(date)

JSL
JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor