

Article 7: City of San Diego Health Facility Revenue Bond Law
(“City of San Diego Health Facility Revenue Bond Law”
added 11–13–1979 by O–15074 N.S.)

Division 1: General Provisions and Definitions
(“General Provisions and Definitions”
added 11–13–1979 by O–15074 N.S.)

§47.0101 Citation

This article may be cited as The City of San Diego Health Facility Revenue Bond Law.
(“Citation” added 11–13–1979 by O–15074 N.S.)

§47.0102 Declaration of Necessity

The Council hereby finds and declares that it is necessary, essential, a public purpose and a municipal affair for the City to be authorized to provide financing to health institutions within the City that provide essential services to residents of the City in order to aid such health institutions in containing costs and thereby to enable such health institutions to establish lower rates and charges than would otherwise prevail and to provide better service at such rates and charges. Unless the City intervenes to provide such financing, such rates and charges may increase at an ever accelerated pace because such health institutions cannot obtain financing at equivalent cost from private sources.
(“Declaration of Necessity” added 11–13–1979 by O–15074 N.S.)

§47.0103 Definitions

Unless the context otherwise requires, the terms defined in this article shall have the following meanings:

- (a) “Bonds” means any bonds, notes, certificates, debentures or other obligations issued or entered into by the City pursuant to this article and payable exclusively from revenues as in this article defined and from any other funds specified in this article upon which such obligations may be made a charge and from which they are made payable.
- (b) “City” means The City of San Diego.

- (c) “Cost” means the total of all costs incurred by or on behalf of a participating health institution necessary or incident to the acquisition, construction, rehabilitation or improvement of a health facility, or the refunding or refinancing of obligations incurred to finance such acquisition, construction, rehabilitation or improvement. “Cost” shall include all such costs which under generally accepted accounting principles are not properly chargeable as an expense of operation and maintenance, including, without limitation, the cost of all lands, structures, real or personal property, franchises, rights and interests acquired or used in connection with a health facility, the cost of demolishing or removing any structures (including the cost of acquiring any lands to which such structures may be moved), the cost of engineering, architectural, financial and legal services, plans, specifications, studies, surveys, estimates, administration expenses or other expenses necessary or incident to determining the feasibility of or to acquiring, constructing, rehabilitating, improving or financing a health facility, including all costs of issuance of bonds for such purposes.
- (d) “Council” means the City Council of The City of San Diego.
- (e) “Health facility” means any facility, place or building within the City which is maintained and operated for the diagnosis, care, prevention and treatment of human illness, physical or mental, including convalescence, rehabilitation and care during and after pregnancy or for any one or more of these services, and which provides and will continue providing to residents of the City essential health care services designated as such in an agreement between the City and the participating health institution providing or operating such facility, place or building.

Health facility includes a portion of one of the above types of facilities and includes the following facilities if operated in conjunction with one of the above types of facilities: a laboratory, a laundry, a nurses’ or interns’ residence, a housing facility for patients, staff or employees and the families of any of them, an administration building, a research, maintenance, storage, utility or parking facility and all structures, facilities, equipment and furnishings related to any of the foregoing or required or useful for the operation of a health facility.

Health facility shall not include any facility, place or building used or to be used primarily for sectarian instruction or study or as a place for devotional activities or religious worship.

- (f) “Participating health institution” means a private nonprofit corporation or association authorized by the laws of the State to provide or operate a health facility as defined in this article and which, pursuant to the provisions of this article, undertakes the financing of the acquisition, construction, rehabilitation or improvement of a health facility or undertakes the refunding or refinancing of obligations incurred to finance such acquisition, construction, rehabilitation or improvement.
- (g) “Revenues” means amounts received by the City as repayment of principal, interest, and all other charges with respect to a loan under this article, any proceeds received by the City from mortgage, hazard or other insurance on or with respect to such a loan (or any property securing such loan), all other rents, charges, fees, income and receipts derived by the City from the financing of a health facility under this article (whether by loan, lease, installment sale or any other method authorized by this article), any amounts received by the City as investment earnings on moneys deposited in any fund or account securing bonds, and such other moneys as the Council may, in its discretion, lawfully designate as revenues.

(“Definitions” added 11-13-1979 by O-15074 N.S.)