

NOTICE OF EVENT

NAME OF ISSUER: Public Facilities Financing Authority of the City of San Diego

NAME OF ISSUE: Lease Revenue Bonds Series 2015A (Capital Improvement Projects) and Lease Revenue Bonds Series 2015B (Capital Improvement Projects) (the "Bonds")

CUSIPS: See Exhibit

DATE OF ISSUANCE: April 21, 2015

NOTICE IS HEREBY GIVEN pursuant to Section 5(c) of that certain Continuing Disclosure Certificate, dated as of April 1, 2015, executed in connection with the above referenced Bonds, that on January 15, 2016, the California Court of Appeal, Fourth Appellate District (the "Court") overturned the trial court's order dismissing the lawsuit filed by San Diegans for Open Government (the "Appellant") in the Series 2015B Bonds Litigation on the grounds that Appellant failed to serve necessary parties. The Court remanded the case back to the trial court for further proceedings as described below. Capitalized terms used and not defined herein shall have the meanings set forth in the Official Statement for the Bonds, dated April 7, 2015.

As described in the Official Statement under the caption "PENDING LITIGATION CHALLENGING 2015 BONDS — Series 2015B Bonds Litigation," Appellant filed a lawsuit initiating the Series 2015B Bonds Litigation in the Superior Court of San Diego County, seeking to invalidate various actions taken with respect to the authorization of the issuance of the Series 2015B Bonds. On January 12, 2015, the trial court in the Series B Bonds Action entered an order of dismissal with prejudice on the grounds that Appellant failed to serve the Attorney General of the State of California and the Treasurer of the State of California with a copy of the complaint in the Series 2015B Bonds Litigation as required by Government Code Section 6599. Appellant then filed a motion requesting relief from the trial court for Appellant counsel's failure to properly serve the complaint in a timely manner. On January 27, 2015, that motion was denied by the trial court.

On March 3, 2015, Appellant filed a notice of appeal requesting that the appellate court overturn the trial court's January 27, 2015 order denying relief from dismissal in the Series 2015B Bonds Litigation. On January 15, 2016, the appellate court issued its decision in the Series 2015B Bonds Litigation in an unpublished opinion ruling that the service error by Appellant did not require dismissal. The appellate court remanded the Series 2015B Bonds Litigation back to the trial court for further proceedings, including a hearing on the fully-briefed motion for summary judgment filed by the San Diego Entities. The ruling by the appellate court on the service error issue was consistent with its November 20, 2015 ruling in the Series 2015A Bonds Litigation where the appellate court also ruled in favor of the San Diego Entities on the merits of the claim. The appellate court's ruling in the Series 2015A Bonds Litigation is described in the event notice filed by the City on November 24, 2015. <http://emma.msrb.org/ER924996-ER722540-ER1123917.pdf>

When the Series 2015B Bonds Litigation is returned to the trial court, the City expects that, unless the California Supreme Court were to intervene as described below, a judgment on

the merits will be entered in favor of the San Diego Entities because the trial court will be required to follow the law set forth by the appellate court's published opinion in the Series 2015A Bonds Litigation .

Following the appellate court's ruling in favor of the San Diego Entities in the Series 2015A Bonds Litigation, Appellant petitioned the California Supreme Court for review of the ruling. The Supreme Court is required to rule on Appellant's petition for review by March 28, 2016. If the California Supreme Court grants Appellant's petition for review of the Series A Bonds Appeal before the trial court in the Series B Bonds Litigation rules on the San Diego Entities' motion for summary judgment, the trial court in the Series B Bonds Litigation can be expected to delay ruling on the motion for summary judgment until after the California Supreme Court issues an opinion in the Series A Bonds Litigation.

Dated: 1/29, 2016

CITY OF SAN DIEGO

By: Mary Lewis
Mary Lewis
Chief Financial Officer

EXHIBIT

Lease Revenue Bonds Series 2015A (Capital Improvement Projects) CUSIPS

797299KA1
797299KB9
797299KC7
797299KD5

Lease Revenue Bonds Series 2015B (Capital Improvement Projects) CUSIPS

797299KE3
797299KF0
797299KG8
797299KH6
797299KJ2
797299KK9
797299KL7
797299KM5
797299KN3
797299KP8
797299KQ6
797299KR4
797299KS2
797299KT0
797299KU7
797299KV5
797299KW3
797299KX1