

Ratings Services
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Vincent Orgo
Bond Insurance
Public Finance Ratings

Standard & Poor's

A Division of The McGraw-Hill Companies 

February 24, 1999

Ms. Eileen Kirchoff
First Vice President
Ambac Assurance Corporation
Client Information Services
One State Street Plaza - 17th Floor
New York, NY 10004

**Re: \$30,515,000 Public Facilities Financing Authority of the City of San Diego, California,
Refunding Revenue Bonds, (Reassessment District No. 1999-1), Series 1999-A, Senior Lien
Bonds, dated their date of delivery, due: September 2, 1999-2017,
(POLICY #16092BE/17839)**

Dear Ms. Kirchoff:

Pursuant to your request for a Standard & Poor's ("S&P") rating on the subject obligations, we have reviewed the information submitted and have assigned a rating of 'AAA'.

This reflects our assessment of the likelihood of repayment of principal and interest based on the bond insurance policy your company is providing.

Rating adjustments may result from changes in the financial position of your company or from alterations in documents governing the issue. With respect to the latter, please notify us of any changes or amendments over the term of the issue.

When using the S&P's rating, include the definition of the rating together with a statement that this may be changed, suspended or withdrawn as a result of changes in, or unavailability of, information. This rating is not a "market rating", because it is not a recommendation to buy, hold or sell the obligations.

Please remember that complete documentation relating to this issue must be submitted no later than 90 days after the date of this letter. If you have any questions, please contact us.

Very truly yours,

Vincent S. Orgo

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