

RESOLUTION NUMBER R- 307244

DATE OF FINAL PASSAGE JAN 30 2012

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO, DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS TO FINANCE SPECIFIED EXPANSION, CONSTRUCTION, RECONSTRUCTION, REPLACEMENT, REHABILITATION, UPGRADE, EQUIPPING, AND RELATED EXPENDITURES OF THE SAN DIEGO CONVENTION CENTER.

WHEREAS, the City of San Diego (City) is a municipal corporation and charter city duly organized and existing under a charter pursuant to which the City has the right and power to make and to enforce all laws and regulations with respect to municipal affairs and certain other matters in accordance with and as more particularly provided in article XI, sections 3, 5 and 7 of the California Constitution and San Diego Charter; and

WHEREAS, the City Council of the City duly adopted its Resolution No. 307193 (Resolution of Intention) on December 6, 2011, wherein the City Council declared its intention to and proposed to establish a Convention Center Facilities District under and pursuant to San Diego Municipal Code Chapter 6, Article 1, Division 27 (Division), to be known and designated as "Convention Center Facilities District No. 2012-1, City of San Diego, County of San Diego, State of California" (Convention Center Facilities District), and to levy a special tax therein to finance the contiguous expansion, construction, reconstruction, rehabilitation, equipping, replacement or upgrade of the San Diego Convention Center and related expenditures (Facilities); and

WHEREAS, the City Council also adopted its Resolution No. 307194 (Resolution to Incur Bonded Indebtedness) on December 6, 2011, declaring its intention to incur a bonded

indebtedness in the principal amount not to exceed \$575,000,000 over the life of the Convention Center Facilities District to finance the Facilities; and

WHEREAS, the Resolution to Incur Bonded Indebtedness fixed a time and place for a public protest hearing (Public Hearing) to be held by the City Council to consider incurring the proposed debt and to consider any other matters set forth in the Resolution to Incur Bonded Indebtedness; and

WHEREAS, pursuant to the Resolution to Incur Bonded Indebtedness, the Public Hearing was set by the City Council for Tuesday, the 24th day of January, 2012, at the hour of 2:00 p.m., in the City Council Chambers in the San Diego City Administration Building, 12th floor, 202 "C" Street, San Diego, California; and

WHEREAS, at the time and place specified, the City Council conducted the Public Hearing, all persons interested, including, but not limited to, all taxpayers, property owners, and operators of hotels within the Convention Center Facilities District, were given an opportunity to appear and to be heard, and to present any matters relating to the necessity for incurring the bonded indebtedness to finance the costs of the acquisition and construction of the Facilities; and the testimony of all interested persons and all taxpayers, property owners and hotel operators for or against the authorization to issue bonds to be conferred upon the City Council by the Convention Center Facilities District or any other matters set forth in the Resolution to Incur Bonded Indebtedness, was heard and considered; and

WHEREAS, all owners of land within the boundaries of the proposed Convention Center Facilities District (and where hotels are located on land owned by public agencies, the holders of the leasehold interests) that would not be exempt from the proposed levy of Special Tax, were allowed to submit written protests to any aspect of the proposals contained in the Resolution to

Incur Bonded Indebtedness, and were permitted to withdraw their protests prior to the close of the Public Hearing; and

WHEREAS, the City Council has adopted on this date San Diego Resolution No. ^{R.} 307243 establishing the Convention Center Facilities District (Resolution of Formation) which sets forth the special tax to be authorized within the Convention Center Facilities District and the Facilities that may be financed with the proceeds of the special tax collections; and

WHEREAS, there are on file with the City Clerk a proof of publication of the Notice of Public Hearing in the *SAN DIEGO DAILY TRANSCRIPT*, and a Certificate of Mailing of Notice of Public Hearing showing mailed notice to each owner of hotel property within the Convention Center Facilities District (except in cases where the land is owned by a public agency in which case the mailing was to the lessee of the public agency) and each hotel operator within the Convention Center Facilities District; and

WHEREAS, the City Council is fully advised in this matter; NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of San Diego, as follows:

1. That this Resolution is adopted pursuant to the provisions of the Division and other applicable laws.
2. That the City Council hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to municipal affairs of the City and that the statements, findings, and determinations of the City Council set forth above are true and correct.
3. That except to the extent inconsistent with this Resolution, the Resolution to Incur Bonded Indebtedness is reaffirmed, and its provisions and findings are, to that same extent, incorporated herein by this reference.

4. That the City Council accepts the proof of publication of the Notice of Public Hearing, the Certificate of Mailing the Notice of Public Hearing, and finds, based thereon, that proper notice of the Public Hearing has been given in accordance with the Division, the California Government Code, and the State and Federal Constitutions, and that the Public Hearing was conducted with proper and legal notice in all respects.

5. That the City Council finds and determines that at the close of the Public Hearing, the written protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, submitted by Landowners (as defined in section 61.2705 of the Division) of property not exempt from the Special Tax and weighted in accordance with section 61.2709 of the Division, did not constitute a majority protest under the Division. Thus, the City Council finds that it is not precluded, by the Division, from proceeding further in this matter. The City Council hereby further orders and determines that all protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, have been considered and are hereby overruled.

6. That the City Council hereby declares that the public convenience and necessity require that a bonded indebtedness be incurred to finance the construction and equipping of the Facilities (as that term is defined in the Resolution of Intention). The cost of financing the construction and equipping of the Facilities includes incidental expenses for the Facilities comprising the costs of planning and designing the Facilities, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the Convention Center Facilities District, the issuance of bonds, the determination of the amount of any special taxes or the collection or enforcement of any special taxes, and costs otherwise incurred in order

to carry out the authorized purposes of the Convention Center Facilities District, together with any other expenses incidental to the construction and equipping of the Facilities.

7. That the amount of the proposed bonded indebtedness to be incurred to finance the construction and equipping of the Facilities, which is supported by the special taxes combined with other revenues, shall not exceed \$575,000,000, which amount may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the bonded indebtedness is proposed to be incurred, including but not limited to the estimated costs of acquisition of interests in real property; capacity or connection fees; satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the bonds are issued pursuant to the Division; architectural, engineering, inspection, legal, fiscal, and financial consultant fees; bond and other reserve funds; underwriter's discount; interest on any bonds authorized by the Convention Center Facilities District for the periods allowed by law; election costs; and all costs of issuance of the bonds, including but not limited to fees for bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit and other credit-enhancement costs, and printing costs.

8. That the term of any series of bonds shall not exceed 30 years.

9. That the maximum annual rate or rates of interest to be paid on any Debt shall not exceed twelve percent (12%) per annum, payable at least annually the first year and semiannually thereafter.

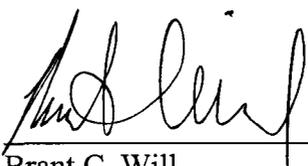
10. That it is the intention of the City Council that any Debt issued be callable (may be redeemed prior to its maturity date) in accordance with the Division.

11. That under the Division and pursuant to Section 53353.5 of the Act (as defined in the Division), the authority to levy the special tax to finance the Facilities, the question of setting the appropriations limit for the Convention Center Facilities District, and the question whether the Convention Center Facilities District will authorize the issuance of the Debt described above shall be combined into a single ballot question and submitted to the qualified electors of the Convention Center Facilities District at a special mailed-ballot election, with ballots to be delivered to the City Clerk no later than 8:00 p.m. on Monday, April 23, 2012.

12. That the election shall be conducted in accordance with the City Council's Resolution Calling Special Mailed-Ballot Election, to be adopted this date, to which reference is made for further particulars.

13. That if the ballot proposition receives the approval of two-thirds or more of the votes cast within the Convention Center Facilities District, with votes allocated as provided in section 61.2710(c) of the Division, the Debt may be issued and sold for the purposes for which it is authorized.

APPROVED: JAN I. GOLDSMITH, City Attorney

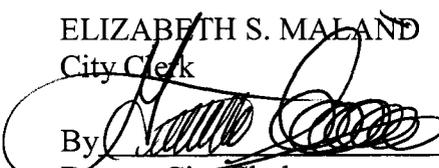
By 

Brant C. Will
Deputy City Attorney

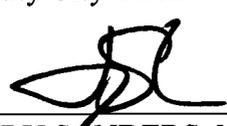
BCW:jab
1/9/2012
Or.Dept:Debt Mgmt.
Doc. No.: 300454

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JAN 24 2012.

ELIZABETH S. MALAND
City Clerk

By: 
Deputy City Clerk

Approved: 1-30-12
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor