

**COUNTY OF SAN DIEGO  
BOARD OF SUPERVISORS  
TUESDAY, JUNE 03, 2025**

**MINUTE ORDER NO. 23**

**SUBJECT: APPROVAL OF THE DELIVERY AND EXECUTION OF RELATED  
FINANCING DOCUMENTS FOR THE REFUNDING CERTIFICATES OF  
PARTICIPATION FOR THE COUNTY OPERATIONS CENTER, SERIES 2025  
(DISTRICTS: ALL)**

**OVERVIEW**

Pursuant to Board Policy B-65, Financial Management and Long-Term Obligations Policy and the Refunding Policy of the County of San Diego (County) Debt Advisory Committee (DAC), the County continues to review its outstanding long-term financial obligations and seeks opportunities to refinance these obligations when economically advantageous. Current market conditions have created an opportunity to lower annual payments related to the \$105,330,000 San Diego Regional Building Authority Lease Revenue Refunding Bonds (County Operations Center), Series 2016A (2016 LRBs). Currently, \$70,675,000 of the 2016 LRBs are outstanding.

Today's recommendations will direct County staff to refund the outstanding 2016 LRBs through the sale and delivery of the County of San Diego Certificates of Participation, Series 2025 COPs (2025 Refunding COPs) on a current refunding basis, so long as market conditions allow for a refunding that meets the requirements stated in the DAC Refunding Policy: 1) a minimum net present value (NPV) savings target of 3% of Refunded Par; 2) a minimum of \$1 million of NPV savings; and 3) annual cash flow savings of at least \$100,000. Today's recommendations will also approve the forms of the documents necessary to execute the refunding.

**RECOMMENDATION(S)**

**CHIEF ADMINISTRATIVE OFFICER**

Adopt the Resolution entitled:

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO  
PROVIDING FOR THE EXECUTION AND DELIVERY OF A SITE LEASE, A FACILITY LEASE,  
A TRUST AGREEMENT, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE  
AGREEMENT, APPROVING THE EXECUTION AND DELIVERY OF COUNTY OF SAN DIEGO  
REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2025 (COUNTY OPERATIONS  
CENTER) EVIDENCING PRINCIPAL IN AN AGGREGATE AMOUNT OF NOT TO EXCEED  
\$65,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN  
CONNECTION WITH THE OFFERING AND SALE OF SUCH CERTIFICATES AND  
AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND  
RELATED ACTIONS RELATED THERETO.**

**EQUITY IMPACT STATEMENT**

Approval of the 2025 Refunding COPs for the County Operations Center will generate savings and the potential to reallocate resources to benefit the overall County of San Diego operations and programs that support the most vulnerable population across the region.

## **SUSTAINABILITY IMPACT STATEMENT**

Today's action supports sustainability/economy through an overall estimated reduction in costs resulting from the sale and delivery of the 2025 Refunding COPs for the County Operations Center, that could allow reallocation of available operational resources to maintain fiscal stability and ensure long-term solvency.

## **FISCAL IMPACT**

Funds for the debt service payments for the 2016 LRBs are included in the Fiscal Year 2024-25 Operational Plan and the Fiscal Year 2025-26 CAO Recommended Operational Plan and will be included in future Operational Plans based on General Purpose Revenue. If approved, the Board's approval of the 2025 Refunding COPs will result in budgetary savings to benefit the General Fund beginning in Fiscal Year 2026-27. Based on current market practice, the County is able to eliminate the need for a debt service reserve fund, and will apply amounts on deposit in the reserve fund for the 2016 LRBs to the refunding.

Based on current market conditions, the proposed 2025 Refunding COPs are estimated to generate annual lease payment savings of approximately \$1.3 million beginning in Fiscal Year 2026-27 and through Fiscal Year 2035-36, which equates to \$13.0 million in total cash flow savings over the remaining term of the obligation and \$6.6 million of present value savings (9.4% of refunded par). The 2025 Refunding COPs will not exceed the final maturity of the 2016 LRBs (Fiscal Year 2036). The actual amount of savings will be determined based on interest rates at the time of sale of the 2025 Refunding COPs. The 2025 Refunding COPs will be awarded to the purchaser presenting the lowest interest rate in accordance with the Notice Inviting Bids as of the time of sale.

The Resolution authorizes a not to exceed amount for the 2025 Refunding COPs of \$65 million. A good faith estimate of the finance charge of the 2025 Refunding COPs which includes the costs of issuance (rating agencies, special counsel, disclosure counsel, municipal advisor, title insurance, etc.) and underwriter's discount is \$542,142. If approved, the County will only complete the transaction if it meets the requirements of the Refunding Policy at the time of sale of the 2025 Refunding COPs.

## **BUSINESS IMPACT STATEMENT**

N/A

## **ACTION:**

Noting for the record that this item was heard on June 4, 2025; ON MOTION of Supervisor Lawson-Remer, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended, adopting Resolution No. 25-043, entitled: RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO PROVIDING FOR THE EXECUTION AND DELIVERY OF A SITE LEASE, A FACILITY LEASE, A TRUST AGREEMENT, AN ESCROW AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, APPROVING THE EXECUTION AND DELIVERY OF COUNTY OF SAN DIEGO REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2025 (COUNTY OPERATIONS CENTER) EVIDENCING PRINCIPAL IN AN AGGREGATE AMOUNT OF NOT TO EXCEED \$65,000,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH CERTIFICATES AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS RELATED THERETO.

AYES: Anderson, Lawson-Remer, Montgomery Steppe, Desmond  
ABSENT: (District 1 Seat Vacant)

State of California)  
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER  
Clerk of the Board of Supervisors



**Signed**  
**by** Andrew Potter