

EXHIBIT 1

ESLIE E. DEVANEY
ANITA M. NOONE
LESLIE J. GIRARD
SUSAN M. HEATH
GAEL B. STRACK
ASSISTANT CITY ATTORNEYS

KELLY J. SALT
DEPUTY CITY ATTORNEY

OFFICE OF
THE CITY ATTORNEY
CITY OF SAN DIEGO

Casey Gwinn
CITY ATTORNEY

CIVIL DIVISION
1200 THIRD AVENUE, SUITE 1100
SAN DIEGO, CALIFORNIA 92101-4100
TELEPHONE (619) 533-5800
FAX (619) 533-5856

May 20, 2003

City of San Diego/MTDB Authority
202 "C" Street
San Diego, California

Banc of America Securities LLC
600 Montgomery Street, 7th Floor
San Francisco, California

Ambac Assurance Corporation
One State Street Plaza
New York, New York

Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California

Ladies and Gentlemen:

Re: \$15,255,000 City of San Diego/MTDB Authority 2003 Lease Revenue Refunding Bonds
(San Diego Old Town Light Rail Transit Extension Refunding)

This office has served as counsel to the City of San Diego [City] in connection with the sale and issuance of the above-referenced bonds [Bonds] to Banc of America Securities LLC [Underwriter], pursuant to that certain Trust Indenture dated as of May 1, 2003 [Indenture], by and between the City of San Diego/MTDB Authority [Authority] and Wells Fargo Bank, National Association, as Trustee.

We are of the opinion that:

1. The City is a chartered city duly organized, validly existing and in good standing under the laws of the State of California.

City of San Diego/MTDB Authority
Banc of America Securities LLC
Ambac Assurance Corporation
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2. The City has full legal power and adequate corporate authority to enter into the Amended and Restated Lease Agreement dated as of May 1, 2003 [Lease Agreement], by and between the City and the Authority, the Amended and Restated Sublease Agreement dated as of May 1, 2003 [Sublease Agreement], by and between the City and the San Diego Metropolitan Transit Development Board, the Continuing Disclosure Agreement dated as of May 1, 2003 [Disclosure Agreement], by and between the City, acting on behalf of the Authority, and Wells Fargo Bank, National Association, as Trustee, the Escrow Agreement dated as of May 1, 2003 [Escrow Agreement], by and among the City, the Authority and U.S. Bank National Association, as Escrow Bank, and the Financial Guaranty Agreement dated as of May 20, 2003 [Guaranty Agreement], by and among the City, the Authority and Ambac Assurance Corporation, and to own its properties and to carry on its business as presently conducted.

3. Each of the Lease Agreement, the Sublease Agreement, the Guaranty Agreement, the Disclosure Agreement and the Escrow Agreement has been validly authorized, executed and delivered by the City and constitutes the legal, valid and binding agreement of the City, enforceable in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought. The issuance of the Bonds by the Authority has been duly authorized by valid ordinance of the City which ordinance was duly introduced and adopted at meetings of the City Council of the City which were called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout; such ordinance is in full force and effect and has not been modified, amended or rescinded.

4. No consent, approval, authorization or order of any court or governmental body is required for the consummation by the City of the transactions contemplated by the Indenture, the Lease Agreement, the Sublease Agreement, the Guaranty Agreement, the Disclosure Agreement or the Escrow Agreement, except such as have been obtained and except such as may be required under the State securities or Blue Sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

5. Council Resolution No. R-297693, adopted March 3, 2003, approving and authorizing the Authority to issue its revenue refunding bonds has been duly adopted at a meeting of the governing body of the City which meeting was called and held pursuant to law and at which a quorum was present and acting throughout; such resolution is in full force and effect and has not been modified, amended or rescinded.

ATT-KSA-044-1482

6. Council Ordinance No. O-19162, adopted March 3, 2003, approving and authorizing the Lease Agreement, the Sublease Agreement, the Guaranty Agreement, the Disclosure Agreement and the Escrow Agreement, and authorization for the Authority to issue its revenue refunding bonds has been duly adopted at a meeting of the governing body of the City which meeting was called and held pursuant to law and at which a quorum was present and acting throughout; such ordinance is in full force and effect and has not been modified, amended or rescinded.

7. There are no legal governmental proceedings pending or to the best of the undersigned's knowledge and information threatened against the City which are required to be disclosed in the Official Statement, other than those disclosed therein.

8. To my actual knowledge, the information contained in the Official Statement concerning the City, including in the Appendices thereto, is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

9. Other than as disclosed in the Official Statement, there is no action, suit or proceeding, inquiry or investigation by or before any court, public board or body pending or, to the best knowledge of the undersigned, threatened against or affecting the City (a) contesting in any way the completeness or accuracy of the Official Statement; (b) wherein an unfavorable decision, ruling or finding is likely to impair the ability of the City to repay the Lease Payments; or (c) which is likely to adversely affect the validity or enforceability of, or the authority or ability of the City to perform its obligations under, the Resolution, the Bonds, the Lease Agreement, the Sublease Agreement, the Escrow Agreement or the Indenture.

10. The execution and delivery of the Lease Agreement, the Sublease Agreement, the Guaranty Agreement, the Disclosure Agreement or the Escrow Agreement by the City, the performance by the City of its obligations thereunder and the authorization of the issuance of the Bonds by ordinance of the City, will not conflict with or result in a breach of any of the terms, conditions or provisions of any agreement or instrument to which the City is a party or constitute a default thereunder, and all consents, approvals, authorizations and orders of a governmental or regulatory authority, if any, which are required to be obtained by the City for the consummation of the transactions contemplated thereby or as conditions precedent to the issuance of the Bonds have been obtained (provided no opinion is expressed herein as to any action required under the

City of San Diego/MTDB Authority
Banc of America Securities LLC
Ambac Assurance Corporation
Stradling Yocca Carlson & Rauth

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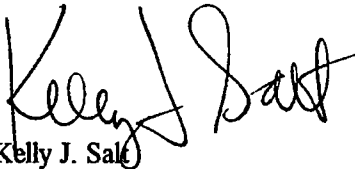
May 20, 2003

State securities or Blue Sky laws in connection with the purchase or distribution of the Bonds by the Underwriter).

All capitalized items used herein and not otherwise defined shall have the meaning set forth in the Indenture.

Sincerely yours,

CASEY GWINN, City Attorney

By 
Kelly J. Salt
Deputy City Attorney

KJS:pev

LESLIE E. DEVANEY
ANITA M. NOONE
LESLIE J. GIRARD
SUSAN M. HEATH
GAEL B. STRACK
ASSISTANT CITY ATTORNEYS

JACQUELINE LINDSAY
DEPUTY CITY ATTORNEY

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CITY OF SAN DIEGO

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SAN DIEGO, CALIFORNIA 92101-4100
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FAX (619) 533-5856

July 1, 2002

Zions First National Bank
One South Main Street, Suite 1340
Salt Lake City, UT 84111

First Albany Corporation
One Penn Plaza, 40th Floor
New York, NY 10119

Re: \$93,200,000 City of San Diego, California
2002-03 Tax Anticipation Notes Series A

Ladies and Gentlemen:

In connection with the issuance and delivery by the City of its \$93,200,000 aggregate principal amount of 2002-03 Tax Anticipation Notes Series A which are being delivered to Zions First National Bank and First Albany Corporation, as underwriters (collectively, the "Underwriter") today, I am of the opinion that:

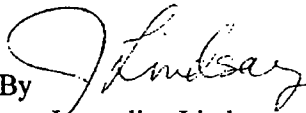
1. The City is a chartered city duly organized and validly existing under its charter and the Constitution and laws of the State of California.
2. Resolution No. R-296500 of the City Council including the Accompanying Document No. RR-296500-1 thereto (collectively, the "Resolution") was duly adopted on May 14, 2002 at a meeting of the City Council which was called and held pursuant to law with all public notice required by law and at which a quorum was present and acting throughout, and the Resolution is in full force and effect and has not been amended, modified or rescinded.
3. The City has full right and lawful authority to execute and deliver the Official Statement, the Notes and the Paying Agent Agreement, dated as of July 1, 2002, by and between the City and JP Morgan Chase, as paying agent (the "Paying Agent Agreement") and the City has duly authorized, executed and delivered the Official Statement, the Notes and the Paying Agent Agreement.

4. The Resolution, the Notes, and the Paying Agent Agreement are legally valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as enforcement may be affected by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditors' rights generally and by principles of equity if equitable remedies are sought.
5. The adoption of the Resolution and the execution and delivery of the Official Statement, the Notes, and the Paying Agent Agreement and compliance with the provisions thereof by the City under the circumstances contemplated thereby do not and will not conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument applicable to or binding upon the City or any of its properties or the City Charter, or any existing law, regulation, court order or consent decree to which the City or any of its properties is subject.
6. Other than as disclosed in the Official statement, there is no action, suit or proceeding, inquiry or investigation by or before any court, public board or body pending or, to my knowledge, threatened against or affecting the City (a) contesting in any way the completeness or accuracy of the Official Statement, (b) wherein an unfavorable decision, ruling or finding is likely to impair the ability of the City to repay the Notes, or (c) which is likely to adversely affect the validity or enforceability of, or the authority or ability of the City to perform its obligations under, the Resolution, the Notes or the Paying Agent Agreement.
7. To my actual knowledge, the information contained in the Official Statement concerning the City is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Official Statement.

Sincerely yours,

CASEY GWINN, City Attorney

By 
Jacqueline Lindsay
Deputy City Attorney

JL:rd

\$15,255,000
CITY OF SAN DIEGO/MTDB AUTHORITY
2003 LEASE REVENUE REFUNDING BONDS
(SAN DIEGO OLD TOWN LIGHT RAIL TRANSIT EXTENSION REFUNDING)

CLOSING CERTIFICATE OF THE CITY

The undersigned, on behalf of the City of San Diego (the "City") hereby represents and warrants to Banc of America Securities LLC, Wells Fargo Bank, National Association, as trustee (the "Trustee"), and Stradling Yocca Carlson & Rauth that:

1. The City is a chartered city and municipal corporation of the State of California, duly organized and validly existing pursuant to the Constitution and laws of the State of California and has all necessary power and authority to enter into and perform its duties under the Amended and Restated Lease Agreement dated as of May 1, 2003, by and between the City and the City of San Diego/MTDB Authority (the "Authority"), the Amended and Restated Sublease Agreement dated as of May 1, 2003, by and between the City and the San Diego Metropolitan Transit Development Board, the Continuing Disclosure Agreement dated as of May 1, 2003, by and between the City, on behalf of the Authority, and the Trustee, the Escrow Agreement dated as of May 1, 2003, by and among the City, the Authority and U.S. Bank Trust National Association, as Escrow Bank, and the Financial Guaranty Agreement dated as of May 20, 2003, by and among the City, the Authority and Ambac Assurance Corporation (collectively, the "City Documents"), and when executed and delivered by the Authority, the City Documents will constitute the legal, valid and binding obligations of the City enforceable in accordance with their terms.

2. The execution and delivery of the City Documents, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, the City's duties under said documents or any law, administrative regulation, court decree, resolution, charter or other agreement to which the City is subject or by which it is bound.

3. Except as may be required under Blue Sky or other securities Laws of any state and any applicable building codes of the City related to the development of the Project, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the City required for the issuance and sale of the Bonds or the consummation by the City of the other transactions contemplated by the Official Statement.

4. To the best knowledge of the City, there is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the City to restrain or enjoin the delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents, or contesting the powers of the City to enter into or perform its obligations under the City Documents.

5. The information contained in the Official Statement with respect to the City is true and correct in all material respects and such information does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. All representations of the City contained in the City Documents are true and correct as of the date hereof.

7. By official action of the City prior to or concurrently with the execution of the City Documents, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents and the consummation by it of all other transactions contemplated by the Official Statement.

8. The City is not in breach of or in default under any applicable law or administrative regulation of the State of California or the United States, or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject which would have an adverse impact on the City's ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under such instrument.

Capitalized terms used herein have the meanings given them in the Trust Indenture dated as of May 1, 2003, by and between the Authority and the Trustee, a copy of which has been received by the City.

Dated: May 20, 2003

CITY OF SAN DIEGO

By: 
Its: Deputy City Manager

SLIE E. DEVANEY
ANITA M. NOONE
LESLIE J. GIRARD
SUSAN M. HEATH
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June 17, 2003

City of San Diego
San Diego, California

Citigroup Global Markets Inc.
Los Angeles, California

Ambac Assurance Corporation
New York, New York

Stradling Yocca Carlson & Rauth
Newport Beach, California

Ladies and Gentlemen:

*\$17,425,000 City of San Diego 2003 Certificates of Participation
(1993 Balboa Park/Mission Bay Park Refunding)*

As Deputy City Attorney to the City of San Diego, California [City], a chartered city and municipal corporation created, organized and existing under the laws of the State of California in connection with the sale, execution and delivery of the above-referenced certificates of participation [Certificates], I have examined the Facilities Lease dated as of June 1, 2003 [Facilities Lease], by and between the San Diego Facilities and Equipment Leasing Corporation [Corporation] and the City, the Site and Facilities Lease dated as of June 1, 2003 [Site and Facilities Lease], by and between the City and the Corporation, the Trust Agreement dated as of June 1, 2003 [Trust Agreement], by and among the Corporation, the City and Wells Fargo Bank, National Association, as Trustee, the Escrow Agreement dated as of June 1, 2003 [Escrow Agreement], by and among the City, the Corporation and BNY Western Trust Company, as Escrow Bank, the Continuing Disclosure Agreement dated as of June 1, 2003 [Disclosure Agreement], executed by the City and Wells Fargo Bank, National Association, and the Guaranty Agreement dated June 17, 2003 [Guaranty Agreement], by and between the City and Ambac Assurance Corporation, approved by the Council of the City of San Diego under Ordinance No. O-19161 (New Series) on March 17, 2003, and the Official Statement dated May 29, 2003

City of San Diego
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Citigroup Global Markets Inc.
Los Angeles, California
Ambac Assurance Corporation
New York, New York
Stradling Yocca Carlson & Rauth
Newport Beach, California

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June 17, 2003

[Official Statement], of the City relating to the Certificates and have made such other investigations of law and fact as I have deemed necessary to render the following opinion.

It is my opinion that:

1. The City is a municipal corporation of the State of California duly organized and validly existing under the City's Charter, and has full legal right, power and authority under the City's Charter (a) to enter into the Facilities Lease, the Site and Facilities Lease, the Trust Agreement, the Escrow Agreement, the Disclosure Agreement, the Escrow Agreement and the Guaranty Agreement [collectively, the City Documents], (b) to sell, execute and deliver the Certificates to the Underwriter, (c) to use the proceeds from the sale of the Certificates for purposes stated in the City Documents, and (d) to carry out and consummate the transactions contemplated by the City Documents and the Official Statement; and the City has complied, and is in compliance in all respects, with the terms of the City's Charter as they pertain to such transactions.
2. Council Resolution Nos. R-297692 and R-297875 dated March 3, 2003 and April 21, 2003, respectively, have been duly adopted at meetings of the governing body of the Council which were called and held pursuant to law and at which a quorum was present and acting throughout, and such Resolutions are in full force and effect and have not been modified, amended or rescinded.
3. Ordinance No. O-19161 (New Series) dated March 17, 2003 has been duly introduced and adopted at meetings of the governing body of the Council which were called and held pursuant to law and at which a quorum was present and acting throughout, and such Ordinance is in full force and effect and has not been modified, amended or rescinded.
4. The City Documents have been duly approved by the Council of the City of San Diego in accordance with the City's Charter, and the City Documents, and the consummation by the City of all other transactions contemplated by the City Documents constitute legal, valid and binding obligations of the City enforceable in accordance with their terms.
5. The City is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any related loan agreement, indenture, bond, note, ordinance, resolution, agreement or other instrument to which the City is a party or to which the City is otherwise

ATT-KSA-047-1908

City of San Diego
San Diego, California
Citigroup Global Markets Inc.
Los Angeles, California
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Newport Beach, California

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June 17, 2003

subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the City under any such instrument; and the execution and delivery of the Certificates, and the execution of the City Documents, and compliance with the provisions on the City's part contained therein, will not conflict with or constitute a breach of or default by the City under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, ordinance, resolution, agreement or other instrument to which the City is a party or to which the City is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the Property or under the terms of any such law, regulation or instrument, except as provided in the Certificates and the City Documents.

6. No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, to the best of my knowledge, threatened against the City, affecting the corporate existence of the City or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Certificates or the pledge or application of any moneys or security provided for the payment of the Certificates or the use of the Certificates proceeds or in any way contesting or affecting the validity or enforceability of the Certificates or the City Documents or contesting the tax-exempt status of the Certificates, or contesting in any way the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the City for the issuance of the Certificates, the execution of the City Documents, nor to the best of my knowledge, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Certificates or the City Documents.

7. No information has come to the attention of the City which causes us to believe that the Official Statement as of its date contained, or as of the date hereof contains, any untrue statement of a material fact or as of its date omitted, or as of the date hereof omits, to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that we express no view with respect to any financial, statistical or economic data or forecasts, numbers, charts, graphs, estimates, appraisals, projections, assumptions or expressions of opinion therein, any information about Ambac Assurance Corporation and its Financial Guaranty Insurance Policy and Surety Bond or The

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June 17, 2003

Depository Trust Company and the book-entry system or CUSIP numbers therein, or any of Appendices C, D, E, F and G thereto).

Except as otherwise defined herein, capitalized terms used herein shall have the respective meanings set forth with respect thereto in the Official Statement.

I am furnishing this letter solely for your benefit. This letter is not to be used, circulated, quoted or otherwise referred to for any purpose except as described in the Official Statement.

Sincerely yours,

CASEY GWINN, City Attorney

By 

Kelly J. Salt
Deputy City Attorney

KJS:pev