

CITY CLERK FOR PLACEMENT ON NEXT  
REGULAR COUNCIL AGENDA TO BE POSTED

**MOTION**

#52

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REGULAR COUNCIL AGENDA TO BE POSTED


AIDS Healthcare Foundation, a California nonprofit public benefit corporation (Borrower), has requested that the Public Finance Authority (Authority) issue, from time to time, pursuant to a plan of finance, one or more series of its tax-exempt revenue bonds and/or taxable revenue bonds in an aggregate principal amount not to exceed \$152,000,000 (Bonds) for the purpose of financing, refinancing and/or reimbursing the cost of the acquisition, construction, improvement, rehabilitation, equipping and furnishing various capital facilities in the state of Florida, the city of Dallas, Texas, the city of Gardena, California and the city of Los Angeles, California. The proceeds of the Bonds will be loaned by the Authority to the Borrower and/or a successor or related entity. A portion of the proceeds of the Bonds in the amount of \$46,300,000 (Local Project Bonds) will be used for facilities in the City of Los Angeles. This portion of the proceeds will be used to: (a) finance, refinance and/or reimburse the Borrower for the cost of the acquisition, construction, improvement, rehabilitation, equipping and furnishing of facilities located at: 2425 N. San Fernando Road in Council District 1 in an amount up to \$5,300,000; 6520 W. Sunset Boulevard in Council District 13 in an amount up to \$9,000,000; and 4905 Hollywood Boulevard in Council District 4 in an amount up to \$32,000,000 (Local Facilities); (b) provide one or more debt service reserve funds for the benefit of all or a portion of the Local Project Bonds, if deemed necessary or desirable; (c) pay a portion of the interest to accrue on the Local Project Bonds, if deemed necessary or desirable; (d) pay certain working capital expenditures, if deemed necessary or desirable; and (e) pay certain costs of issuance of the Local Project Bonds. The Local Facilities will be owned and operated by the Borrower or by a related entity in connection with its mission to eradicate HIV and AIDS through innovative medicine, advocacy, and prevention. The remaining amount of the proceeds of the Bonds (\$105,700,000) will be used for facilities located in other jurisdictions and to refinance other debt.

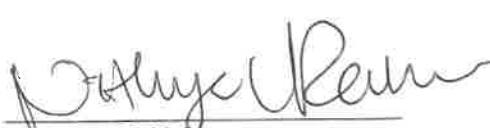
No City funds are or will be directed to the Facilities, as the Local Project Bonds are payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the Local Project Bonds. The City is required by federal law to review and approve the issuance of bonds or revenue obligations for projects within its jurisdiction and conduct a public hearing.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) and as part of the issuance of the Bonds, the Borrower has requested that the City conduct the required public hearing (TEFRA Hearing) and approve the issuance of the Bonds by PFA.

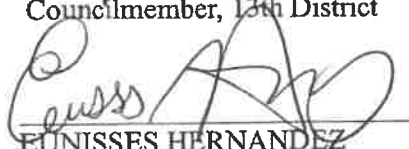
**I THEREFORE MOVE** that City Council allow the Public Finance Authority to issue bonds in an amount not to exceed \$46,300,000 for the financing, refinancing and/or reimbursing the Borrower for the cost of the acquisition, construction, installation, renovation, expansion, equipping and furnishing of facilities located at: 2425 N. San Fernando Road in Council District 1 in an amount up to \$5,300,000; 6520 W. Sunset Boulevard in Council District 13 in an amount up to \$9,000,000; and 4905 Hollywood Boulevard in Council District 4 in an amount up to \$32,000,000; and hold a TEFRA Hearing and adopt the attached Resolution at the City Council Meeting to be held on December 3, 2024 at 10:00 a.m. located at 200 North Spring Street, Room 340, Los Angeles, California 90012.

PRESENTED BY:

  
HUGO SOTO-MARTINEZ  
Councilmember, 13th District

  
NITHYA RAMAN  
Councilmember, 4th District

Seconded By:

  
EUNISSES HERNANDEZ  
Councilmember, 1st District

ORIGINAL



## **RESOLUTION**

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES APPROVING THE ISSUANCE BY THE PUBLIC FINANCE AUTHORITY OF NOT TO EXCEED \$46,300,000 AGGREGATE PRINCIPAL AMOUNT OF THE PUBLIC FINANCE AUTHORITY'S REVENUE BONDS FOR THE PURPOSE OF FINANCING, REFINANCING AND/OR REIMBURSING THE COST OF ACQUISITION, CONSTRUCTION, IMPROVEMENT, REHABILITATION, EQUIPPING AND FURNISHING OF FACILITIES FOR THE BENEFIT OF AIDS HEALTHCARE FOUNDATION AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

**WHEREAS**, AIDS Healthcare Foundation, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Borrower"), has requested that the Public Finance Authority (the "Authority") a Wisconsin bond issuing commission created under Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, as amended (the "Act"), to issue its tax-exempt and/or taxable revenue bonds, issued in one or more series or issuances as part of a plan of finance, in an aggregate principal amount not to exceed \$152,000,000 (the "Bonds") for the purposes of, financing, refinancing and/or reimbursing the cost of the acquisition, construction, improvement, rehabilitation, equipping and furnishing of certain capital facilities for the benefit of the Borrower pursuant to the Act; and

**WHEREAS**, a portion of the proceeds of the Bonds in an amount not to exceed \$46,300,000 (the portion of the Bonds related to such proceeds, the "Local Project Bonds") will be used for the purpose of (a) finance, refinance and/or reimburse the Borrower for the cost of the acquisition, construction, improvement, rehabilitation, equipping and furnishing of (i) a retail thrift store, warehouse and vehicle storage facility located at 2425 N. San Fernando Road, Los Angeles, California 90065, consisting of an approximately 25,000 square foot parcel of land with an approximately 10,240 square foot commercial building in an amount up to \$5,300,000; (ii) an approximately 9,300 square foot, two story administrative and medical office building, and related and ancillary facilities, located at 6520 W. Sunset Boulevard, Los Angeles, California 90028 in an amount up to \$9,000,000, and (iii) an approximately 36,000 square foot one story building consisting of administrative offices and a pharmacy, and related and ancillary facilities, located at 4905 Hollywood Boulevard, Los Angeles, California 90027 in an amount of up to \$32,000,000 (collectively, the "Local Facilities"); (b) providing one or more debt service reserve funds for the benefit of all or a portion of the Local Project Bonds, if deemed necessary or desirable; (c) paying a portion of the interest to accrue on the Local Project Bonds, if deemed necessary or desirable; (d) paying certain working capital expenditures, if deemed necessary or desirable; and (e) paying certain costs of issuance of the Local Project Bonds; and

**WHEREAS**, the issuance of the Local Project Bonds must be approved by the governmental unit on behalf of which the Local Project Bonds are issued and a governmental unit having jurisdiction over the territorial limits in which the Local Facilities are located pursuant to the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

**WHEREAS**, the Local Facilities are located within the territorial limits of City of Los Angeles (the "City") and the City Council of the City (the "City Council") is the elected legislative body of the City; and

**WHEREAS**, the Authority and the Borrower have requested that the City Council approve the issuance of the Local Project Bonds by the Authority and the financing, refinancing or reimbursing of the Borrower for the cost of the Local Facilities with the proceeds of the Local Project Bonds pursuant to Section 147(f) of the Code; and

**WHEREAS**, the Local Facilities and the Borrower provide significant benefits to the City's residents by providing a facility to repurpose clothing, home décor and furniture and through the Borrower's mission to eradicate HIV and AIDS through innovative medicine, advocacy, and prevention; and

**WHEREAS**, the Authority's issuance of the Local Project Bonds will result in a more economical and efficient issuance process because of the Authority's expertise in the issuance of conduit revenue Bonds; and

**WHEREAS**, it is intended that this Resolution shall comply with the public approval requirements of Section 147(f) of the Code; provided, however, that this Resolution is neither intended to nor shall it constitute an approval by the City Council of the Local Facilities for any other purpose; and

**WHEREAS**, pursuant to Section 147(f) of the Code, the City Council of the City, following notice duly given, held a public hearing regarding the issuance of the Local Project Bonds and now desires to approve the issuance of the Local Project Bonds by the Authority; and

**WHEREAS**, in recognition of the City's objective of addressing the needs of residents with disabilities, the Borrower has agreed that (a) any Los Angeles Facilities to be constructed with the proceeds of the Obligations will comply with the Americans with Disabilities Act, 42 U.S.C. Section

12101 *et seq.* and the 2010 ADA Standards, Chapter 11 of Title 24 of the California Code of Regulations, (b) the Borrower will not discriminate in its programs, services or activities on the basis of disability or on the basis of a person's relationship to, or association with, a person who has a disability and (c) the Borrower will provide reasonable accommodation upon request to ensure equal access and effective communication to its programs, services and activities.

**NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the City Council of the City as follows:

**Section 1.** The City Council hereby finds and determines that all of the recitals are true and correct. The City Council finds that the Local Facilities will provide the significant benefit set forth in the recitals above. The City Council hereby approves the issuance of the Local Project Bonds by the Authority, which Local Project Bonds may be tax-exempt and/or taxable as approved by the Authority in its resolution, in one or more series in an aggregate principal amount not to exceed \$46,300,000, to finance, refinance and/or reimburse the Borrower for the cost of the Local Facilities, to fund a debt service reserve fund for the Local Project Bonds, if deemed necessary or desirable, to pay interest on the Local Project Bonds, if deemed necessary or desirable, fund working capital costs, if deemed necessary or desirable, and pay certain costs of issuance in connection with the issuance of the Local Project Bonds. This resolution shall constitute approval of the issuance of the Local Project Bonds within the meaning of Section 147(f) of the Code and shall constitute the approval of the issuance of the Local Project Bonds within the meaning of the Act; provided, however, that this Resolution shall not constitute an approval by the City Council of the Local Facilities for any other purpose. The City shall not bear any responsibility for the tax-exempt status of the Local Project Bonds, the repayment of the Local Project Bonds or any other matter related to the Local Project Bonds.

**Section 2.** All actions heretofore taken by the officers, employees and agents of the City with respect to the approval of the Local Project Bonds are hereby approved, confirmed and ratified, and the officers and employees of the City and their authorized deputies and agents are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents which they or special counsel may deem necessary or advisable in order to consummate the Local Project Bonds and otherwise to effectuate the purposes of this Resolution.

**Section 3.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the City Council of the City of Los Angeles, California this \_\_ day of [\_\_\_\_], 2024.

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

[SEAL]

Attest:

By: \_\_\_\_\_

[Deputy] City Clerk, City of Los Angeles, California

