

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

#56

MOTION

Sierra Canyon High School Foundation, a California 501(c)(3) nonprofit public benefit corporation (Borrower) has requested that the California Enterprise Development Authority (CEDA) issue one or more series of its revenue bonds or other obligations in an aggregate principal amount not to exceed \$95,000,000 (Obligations) for the purpose of financing, refinancing, or reimbursing the Borrower for the cost of acquiring, developing, improving, installing, equipping, and furnishing the real property and improvements located at: (a) 20801 Rinaldi Street, (b) 11023 Lurline Avenue, (c) 11022 and 11052 Independence Avenue, (d) 11047 and 11049 De Soto Avenue, and (e) 20845 and 20855 Rinaldi Street in Council District 12 (Facilities). These Facilities consist of classrooms, science labs, tutorial rooms, teacher's lounge, a performing arts theatre, gymnasium, aquatic complex, audio visual computer center, main office, athletic facilities, meeting and similar school rooms and related facilities. Bond proceeds may also be used for providing one or more debt service reserve funds, paying a portion of the interest to accrue on the Bonds, and paying certain costs of issuance.

The Facilities are owned and will be used by the Borrower in connection with its mission of providing an academically excellent college preparatory school committed to an empowering environment in which students realize their greatest creative, ethical, intellectual, and physical promise.

In accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), a public hearing is required to move forward with bond issuance. No City funds will be directed to this Project, as the Bonds are payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the Bonds. The City is required by federal law to review and approve all projects within its jurisdiction and conduct a public hearing. Nothing in this Motion precludes any approval otherwise required by the City. The Project will be funded primarily through the Bonds. Following the TEFRA public hearing, the Council should adopt the attached Resolution.

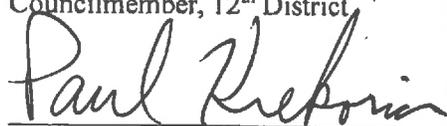
I THEREFORE MOVE that City Council approve the issuance of bonds by the California Enterprise Development Authority in an aggregate principal amount not to exceed \$95,000,000 to finance, refinance, or reimburse the cost of acquiring, developing, improving, installing, equipping, and furnishing the real properties and improvements located at 20801 Rinaldi Street, 11023 Lurline Avenue, 11022 and 11052 Independence Avenue, 11047 and 11049 De Soto Avenue, and 20845 and 20855 Rinaldi Street in Council District 12; and hold a TEFRA public hearing and adopt the attached TEFRA Resolution at the City Council Meeting to be held on Tuesday, November 23, 2021 at 10:00am, located at 200 North Spring Street, Room 340, Los Angeles.

PRESENTED BY



JOHN S. LEE
Councilmember, 12th District

SECONDED BY



ORIGINAL

NOV 09 2021



**RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF LOS ANGELES**

APPROVING THE ISSUANCE BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY OF NOT TO EXCEED \$95,000,000 AGGREGATE PRINCIPAL AMOUNT OF THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY'S REVENUE OBLIGATIONS FOR THE PURPOSE OF FINANCING, REFINANCING OR REIMBURSING THE COST OF ACQUISITION, DEVELOPMENT, REHABILITATION, IMPROVEMENT, FURNISHING AND EQUIPPING OF FACILITIES FOR THE BENEFIT OF SIERRA CANYON HIGH SCHOOL FOUNDATION AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED

WHEREAS, Sierra Canyon High School Foundation, a nonprofit public benefit corporation, duly organized and existing under the laws of the State of California (the "Borrower"), has submitted and the California Enterprise Development Authority (the "Authority") has accepted, an application requesting the Authority to issue, from time to time, pursuant to a plan of finance, its tax-exempt revenue bonds or other obligations in an aggregate principal amount not to exceed \$95,000,000 (the "Obligations") for the benefit of the Borrower pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State (commencing with Section 6500) (the "Act"); and

WHEREAS, the proceeds of the Bonds will be used for the purpose of for the purpose of

- (a) (1) refinancing certain outstanding obligations of the Borrower the proceeds of which were used for acquiring, constructing, improving, equipping and furnishing the Borrower's educational facilities located at: (i) 20801 Rinaldi Street (in an amount not exceeding \$25,000,000), (ii) 11023 Lurline Avenue (in an amount not exceeding \$5,000,000), (iii) 11022 and 11052 Independence Avenue (in an amount not exceeding \$25,000,000), (iv) 11047 and 11049 De Soto Avenue (in an amount not exceeding \$10,000,000), and (v) 20845 and 20855 Rinaldi Street (in an amount not exceeding \$20,000,000), all of which locations are in Chatsworth, California 91311, consisting of classrooms, science labs, tutorial rooms, teacher's lounge, performing arts theatre, gymnasium, aquatic complex, audio visual computer center, main office, athletic facilities, meeting and similar school rooms and related facilities; and (2) financing the construction, installation, furnishing and equipping of an outdoor amphitheater located at 11052 Independence Avenue, Chatsworth, California 91311 in an amount not exceeding \$10,000,000 (collectively, the "Facilities"), (b) providing one or more debt service reserve funds for the benefit of all or a portion of the Bonds, if deemed necessary or desirable; (c) paying a portion of the interest to accrue on the Bonds, if deemed necessary or desirable; and (d) paying certain costs in connection with the Obligations; and

WHEREAS, the issuance of the Bonds must be approved by the governmental unit on behalf of which the Obligations are issued and a governmental unit having jurisdiction over the territorial limits in which the Facilities 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 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 School have requested that the City Council approve the issuance of the Obligations by the Authority and the financing, refinancing or reimbursing of the Borrower for the cost of the Facilities with the proceeds of the Obligations pursuant to Section 147(f) of the Code; and

WHEREAS, the Facilities provide significant benefits to the City's residents through the educational services provided by the Borrower and the Facilities will also create and retain employment opportunities for City's residents; and

WHEREAS, the Authority's issuance of the Obligations will result in a more economical and efficient issuance process because of the Authority's expertise in the issuance of conduit revenue obligations; 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 Facilities for any other purpose;

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 Obligations and now desires to approve the issuance of the Obligations 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) the 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 School 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 Facilities will provide the significant benefits set forth in the recitals above. The City Council hereby approves the issuance of the Obligations by the Authority, which Obligations may be tax-exempt and/or taxable as approved by the Authority in its resolution, in an amount not to exceed \$95,000,000 to finance, refinance or reimburse the Borrower for the cost of the Facilities and to pay financing and costs of issuance of the Obligations. This resolution shall constitute "host" approval and "issuer" approval of the issuance of the Obligations within the meaning of Section 147(f) of the Code and shall constitute the approval of the issuance of the Bonds within the meaning of the Act; *provided, however*, that

this Resolution shall not constitute an approval by the City Council of the Facilities for any other purpose. The City shall not bear any responsibility for the tax-exempt status of the Obligations, the repayment of the Obligations or any other matter related to the Obligations.

Section 2. All actions heretofore taken by the officers, employees and agents of the City with respect to the approval of the Obligations 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 Obligations 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 this ____ day of _____, 2020.

AYES:

NOES:

ABSTAIN:

ABSENT:

[SEAL]

Attest:

By: _____
City Clerk

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that at 10:00 a.m. on November __, 2021, a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), will be held with respect to the issuance by the California Enterprise Development Authority (the "Authority") from time to time, pursuant to a plan of finance, of its revenue obligations (the "Bonds"). The proceeds of the Bonds in an amount not to exceed \$95,000,000.00 will be loaned by the Authority to Sierra Canyon High School Foundation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "School"), for the purpose of (a) (1) refinancing certain outstanding obligations of the School the proceeds of which were used for acquiring, constructing, improving, equipping and furnishing the School's educational facilities located at: (i) 20801 Rinaldi Street (in an amount not exceeding \$25,000,000), (ii) 11023 Lurline Avenue (in an amount not exceeding \$5,000,000), (iii) 11022 and 11052 Independence Avenue (in an amount not exceeding \$25,000,000), (iv) 11047 and 11049 De Soto Avenue (in an amount not exceeding \$10,000,000), and (v) 20845 and 20855 Rinaldi Street (in an amount not exceeding \$20,000,000), all of which locations are in Chatsworth, California 91311, consisting of classrooms, science labs, tutorial rooms, teacher's lounge, performing arts theatre, gymnasium, aquatic complex, audio visual computer center, main office, athletic facilities, meeting and similar school rooms and related facilities; and (2) financing the construction, installation, furnishing and equipping of an outdoor amphitheater located at 11052 Independence Avenue, Chatsworth, California 91311 in an amount not exceeding \$10,000,000 (collectively, the "Facilities"), (b) providing one or more debt service reserve funds for the benefit of all or a portion of the Bonds, if deemed necessary or desirable; (c) paying a portion of the interest to accrue on the Bonds, if deemed necessary or desirable; and (d) paying certain costs of issuance of the Bonds. The Facilities are owned and operated by the School in connection with its mission of providing an academically excellent college preparatory school committed to an empowering environment in which students realize their greatest creative, ethical, intellectual, and physical promise.

The Bonds will not be deemed to constitute a debt or liability of the City, the State of California (the "State") or any political subdivision thereof, but will be payable solely from the funds provided therefor by the School. The Authority will not be obligated to pay the principal of the Bonds, or the redemption premium, if any, or interest thereon, except from funds provided from loan repayments by the School.

Neither the faith and credit nor taxing power of the City, the State or any political subdivision thereof, will be pledged to the payment of the principal or redemption premium, if any, or interest on the Bonds. The issuance of the Bonds will not directly, indirectly or contingently obligate the City, the State or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for their payment. The City is conducting the public hearing as an accommodation to the School to facilitate the financing and refinancing of the Facilities. The City will not be the issuer of the Bonds and takes no responsibility for the financing and refinancing of the Facilities.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Code. In conformity with the Governor's Executive Order N-29-20 (March 17,

2020), Government Code Section 54953(e), and due to concerns over COVID-19, the City Council meeting will be conducted entirely telephonically. City Council meetings are broadcast live on cable television channel 35 and on the internet at: <https://www.lacity.org/government/follow-meetings/city-council-meetings>. Live Council meetings can also be heard at: (213) 621-CITY (Metro), (818) 904-9450 (Valley), (310) 471-CITY (Westside) and (310) 547-CITY (San Pedro Area).

Members of the public who wish to offer public comment to the Council should call 1-669-254-5252 and use Meeting ID No. 160 535 8466. After entering the Meeting ID press #. Press # again when prompted for participant ID. Once admitted into the meeting, press *9 to request to speak. Members of the public who wish to offer public comment to the Council may also call 1-833-719-1313 (Toll Free) and use Meeting ID: 160 535 8466. After entering the Meeting ID press #. Press # again when prompted for participant ID. Once admitted into the meeting, press *9 to request to speak. In addition, members of the public who wish to offer public comment to the Council should call 1-855-588-2540, enter conference number 2133124009#, and enter passcode number 4009# between 9:45 a.m. and 10:00 a.m. on the date of the hearing to be connected to the Council meeting.

Requests for reasonable modification or accommodation from individuals with disabilities, consistent with the Americans with Disabilities Act can be made by contacting the City Clerk's Office at (213) 978-1133.

Those wishing to comment on the proposed financing, the nature and location of the Facilities and the financing of the Facilities with the proceeds of the Obligations may either call into the meeting or submit written comments, which must be received by the City prior to the hearing. Written comments should be sent to the City Clerk, City of Los Angeles, Room 360, City Hall, 200 North Spring Street, Los Angeles, California 90012.

Dated this November __, 2021