

ORDINANCE NO. _____

An ordinance approving the lease and sublease of certain real property by the City of Los Angeles (City), as lessor and sublessee, to and from the Municipal Improvement Corporation of Los Angeles (MICLA), as lessee and sublessor, in connection with the issuance by MICLA of its lease revenue commercial paper notes in one or more series (MICLA CP Notes) under an existing MICLA commercial paper notes program, as described in Ordinance No. 186106. The MICLA CP Notes are issued to, among other things, finance and refinance the costs of the acquisition of certain equipment and the acquisition, construction and improvement of certain real property on behalf of the City. This ordinance supersedes Ordinance No. 186106.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section. 1. The Council of the City of Los Angeles (Council) finds and determines that the public interest and convenience require the lease of certain real property described in the table below (MICLA CP Notes Properties) to MICLA pursuant to a site lease, as amended and supplemented (Site Lease), and the subleasing of the MICLA CP Notes Properties by the City from MICLA pursuant to a sublease, as amended and supplemented (Sublease), for sublease rental payments in amounts sufficient to pay principal and interest on the MICLA CP Notes, preliminarily named "Municipal Improvement Corporation of Los Angeles Lease Revenue Commercial Paper Notes, Tax-Exempt Series A" and "Municipal Improvement Corporation of Los Angeles Lease Revenue Commercial Paper Notes, Taxable Series B," with additional series or subseries designations as may be determined by the City, and to pay certain other related expenses.

DESCRIPTION OF THE MICLA CP NOTES PROPERTIES

The MICLA CP Notes Properties are generally described as follows and as more particularly described in the Site Lease and Sublease. The approximate values that follow reflect estimates, as of February 2022, prepared by the Department of General Services, Real Estate Services Division.

| <u>Description/Location</u> | <u>Approximate Value</u> |
|---|--------------------------|
| 1. Central Facilities Building 251 E. 6th St. Los Angeles, California 90013 | \$38,302,833 |
| 2. Fire Station No. 9 430 E. 7th St. Los Angeles, CA 90014 | \$6,331,888 |

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| 3. Fire Station No. 27 1327 N. Cole Avenue Los Angeles, CA 90028 | \$58,625,952 |
| 4. Fire Station No. 52 4957 Melrose Avenue Los Angeles, California 90028 | \$6,416,868 |
| 5. Fire Station No. 59 11505 Olympic Blvd. Los Angeles, California 90064 | \$27,747,869 |
| 6. Fire Station No. 61 5821 W. 3rd St. Los Angeles, California 90036 | \$7,663,835 |
| 7. Fire Station No. 63 1930 Shell Avenue Venice, California 90291 | \$12,600,312 |
| 8. Fire Station No. 68 5021 W. Washington Blvd. Los Angeles, California 90019 | \$7,630,440 |
| 9. Fire Station No. 83 4960 Balboa Blvd. Encino, California 91331 | \$14,514,470 |
| 10. Foothill Police Station 12732 Osborne St. Pacoima, California 91331 | \$11,804,530 |
| 11. Hollywood Police Station 1358 N. Wilcox Avenue Hollywood, California 90028 | \$8,611,000 |
| 12. LAPD Training Center 5651 W. Manchester Avenue Westchester, California 90045 | \$90,589,000 |
| 13. Newton Police Station 3400 S. Central Avenue Los Angeles, California 90011 | \$13,865,000 |

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|---|--------------|
| 14. North Hollywood Police Station 11640 W. Burbank Blvd. Hollywood, California 91601 | \$25,691,000 |
| 15. Pacific Police Station 12312 Culver Blvd. Venice, California 90066 | \$39,366,000 |
| 16. West LA Police Station 1663 Butler Avenue Los Angeles, California 90025 | \$16,674,000 |
| 17. Wilshire Police Station 4861 Venice Blvd. Los Angeles, California 90019 | \$39,279,000 |
| 18. Van Nuys Headquarters Parking Structure 14320 W. Sylvan St. Van Nuys, California 91401 | \$33,209,000 |
| 19. 77th Street Police Station 7600 S. Broadway Avenue Los Angeles, California 90037 | \$38,259,000 |

Sec. 2. The Council approves the leasing of the MICLA CP Notes Properties to MICLA, and the Council approves the Site Lease. The lease shall be in consideration of MICLA agreeing to sublease the MICLA CP Notes Properties to the City in connection with the issuance and delivery by MICLA of the MICLA CP Notes.

Sec. 3. The Council approves the subleasing of the MICLA CP Notes Properties by the City from MICLA in exchange for sublease rental payments in amounts sufficient to pay principal and interest on the MICLA CP Notes and to pay certain other related expenses, and the Council approves the Sublease, which contains a provision eliminating set-off rights of the City against MICLA for payments due under the Sublease. The City's payments under the Sublease constitute the revenue stream for the payments on the MICLA CP Notes. Section 264 in Article II of the City Charter provides that from any demand upon the Treasury in favor of any person or entity indebted to the City must first be deducted the amount of the indebtedness. The requirement would apply to payments under the Sublease. However, Section 265 of the City Charter provides that nothing in Article II of the City Charter shall interfere with or prevent the payment by the Treasurer of principal and interest on bonds payable by the City. The MICLA CP Notes, based on the Sublease, constitute an obligation to pay with characteristics similar to bonds from the financial markets perspective; and, therefore, the Council wishes to affirm that payments required to be made under the Sublease are not subject to the set-off provisions of Section 264 of the City Charter.

Sec. 4. The City Attorney is authorized and directed to cause the Site Lease and Sublease by which the MICLA CP Notes Properties are leased to MICLA and subleased from MICLA to be prepared, and to further cause memoranda of the Site Lease and Sublease to be prepared for the purpose of recordation and, upon execution, filed with the Los Angeles County Recorder, or to cause the Site Lease or Sublease to be filed with the Los Angeles County Recorder if a memorandum thereof is not prepared. The City Administrative Officer, any Assistant City Administrative Officer and any of their designees are each authorized and directed, for and in the name of and on behalf of the City, to execute the Site Lease and Sublease and any memoranda thereof. All actions heretofore taken by the City Attorney, the City Administrative Officer, any Assistant City Administrative Officer and any of their designees in connection with the Site Lease or the Sublease are hereby approved, confirmed and ratified.

Sec. 5. In accordance with Section 54241 of the California Government Code, the City is authorized to enter into formal agreements with MICLA with respect to the lease by the City to MICLA of the MICLA CP Notes Properties and the leaseback by MICLA to the City of the MICLA CP Notes Properties.

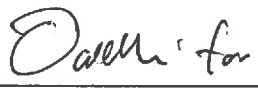
Sec. 6. Pursuant to Section 7.27 of the Los Angeles Administrative Code, the Council hereby determines that the public interest and necessity require the lease of the MICLA CP Notes Properties to MICLA without notice of lease or advertisement for bids.

Sec. 7. This ordinance is subject to the provisions for referendum applicable to the City under Section 460 of the City Charter. This ordinance shall be published in the manner required by Section 251 of the City Charter for ordinances of the City.

Sec. 8. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By 
GERALD KIM
Deputy City Attorney

Date 4/7/22

File No. _____

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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

Ordinance Passed _____

Approved _____