

MOTION


AMDA Inc. (Borrower), a New York nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, has requested that the California Municipal Finance Authority (CMFA) issue one or more series of its revenue bonds or other obligations, in an aggregate principal amount not to exceed \$30,000,000 (Obligations), for the purpose of refinancing all or a portion of the California Municipal Finance Authority Revenue Bonds, Series 2015, as well as the acquisition, construction, renovation, expansion, building improvements, equipping, repairs, and improvements for the facilities located at 6305 Yucca Street, 6301 Yucca Street, 1823 Vine Street, 1641 Ivar Avenue, 1812-1822 1/2 Ivar Avenue, 1810 Ivar Avenue, 6333 Yucca Street, and 6321 Yucca Street (Project) in Council District 13. The Project is owned and operated by the Borrower and will be used for educational, administrative, and ancillary purposes.

No City funds are or will be pledged to support the Project. The Obligations are payable solely from revenues or other funds provided by the Borrower. The City does not incur liability for repayment of the Obligations. 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 Obligations, the Borrower has requested that the City conduct the required public hearing (TEFRA Hearing) and approve the issuance of the Obligations by CMFA.

I THEREFORE MOVE that City Council allow the California Municipal Finance Authority to issue bonds in an amount not to exceed \$30,000,000 for the refinancing of all or a portion of the California Municipal Finance Authority Revenue Bonds, Series 2015, as well as the refinancing, acquisition, construction, renovation, expansion, building improvements, equipping, repairs, and improvements for the facilities located at 6305 Yucca Street, 6301 Yucca Street, 1823 Vine Street, 1641 Ivar Avenue, 1812-1822 1/2 Ivar Avenue, 1810 Ivar Avenue, 6333 Yucca Street, and 6321 Yucca Street in Council District 13; and hold a TEFRA Hearing and adopt the attached TEFRA Resolution at the City Council Meeting to be held on Friday, October 6, 2023 at 10:00am, located at 200 North Spring Street, Room 340, Los Angeles, California, 90012.

PRESENTED BY: 
HUGO SOTO-MARTÍNEZ
Council member, 13th District

SECONDED BY: 

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RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF EDUCATIONAL FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, the AMDA Inc., a New York not-for-profit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Borrower"), has requested that the California Municipal Finance Authority (the "Authority") issue revenue bonds in one or more series from time to time pursuant to a plan of financing in an aggregate principal amount not to exceed \$30,000,000 (the "Bonds") for the purpose of (i) financing certain new money projects as described below (the "New Money Projects"), (ii) refinancing all or a portion of the California Municipal Finance Authority Revenue Bonds (AMDA, Inc. Project), Series 2015 (the "Refunded Bonds"), the proceeds of which were used for the acquisition, construction, renovation, equipping and furnishing of certain educational and ancillary facilities (collectively, the "Refunded Projects" and together with the New Money Projects the "Projects"), (iii) funding one or more debt service reserve funds, (iv) funding the payment of certain swap termination fees and costs related thereto, if applicable, and (v) financing certain of the costs incident to the issuance of such Bonds; and

WHEREAS, the Projects include the acquisition, construction, renovation, expansion, building improvements, equipping, repairs, and improvements for certain educational and ancillary facilities, including dormitory facilities, classrooms, admissions, studios, offices, performance space, facilities used as a conservatory for the performing arts, administrative facilities, and improvements functionally related thereto, all of which are owned and operated, or to be owned and operated, by AMDA Inc. and located at: (1) 6305 Yucca Street, Los Angeles, California, in an amount not expected to exceed \$10,000,000, (2) 6301 Yucca Street, Los Angeles, California, in an amount not expected to exceed \$3,000,000, (3) 1823 Vine Street, Los Angeles, California, in an amount not expected to exceed \$6,000,000; (4) 1641 Ivar Avenue, Los Angeles, California, in an amount not expected to exceed \$15,000,000; (5) 1812-1822 1/2 Ivar Avenue, Los Angeles, California, in an amount not expected to exceed \$3,000,000; (6) 1810 Ivar Avenue, Los Angeles, California, in an amount not expected to exceed \$3,000,000; (7) 6333 Yucca Street, Los Angeles, California, in an amount not expected to exceed \$3,000,000; (8) 6321 Yucca Street, Los Angeles, California, in an amount not expected to exceed \$3,000,000; (9) APN 5546-003-009 in the City of Los Angeles, California, in an amount not expected to exceed \$3,000,000; and (10) APN 5546-003-015 in the City of Los Angeles, California, in an amount not expected to exceed \$3,000,000; and

WHEREAS, the Projects will be used for educational purposes of the Borrower, and will be owned and operated by, and used by, the Borrower; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the City because the Projects are located within the territorial limits of the City; and

WHEREAS, the City Council (the "City Council") is the elected legislative body of the City and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City; and

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

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Los Angeles as follows:

The foregoing resolutions are true and correct.

The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this Resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this Resolution and the financing transaction approved hereby.

The City Council expressly conditions its approval of this Resolution on its understanding that the City shall have no obligation whatsoever to pay any principal, interest, fees or any other costs associated with the Authority's issuance of the Bonds for the financing and/or refinancing of the Projects.

Neither the faith and credit nor taxing power of the City, the State of California 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 of California or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for their payment.

This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Council of the City of Los Angeles this ___ day of _____ 2023.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED AS TO FORM:

HYDEE FELDSTEIN SOTO, City Attorney

By: _____

Assistant City Attorney

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2023.

HOLLY L. WOLCOTT, City Clerk

By: _____

Deputy City Clerk