

For Tuesday, June 26

12-0936

CD4

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

JUN 22 2012 #52

The Buckley School (the "Borrower"), a California nonprofit public benefit corporation and an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, has requested that the California Municipal Finance Authority (CFMA) participate in a plan of finance by incurring one or more tax-exempt loans, an aggregate principal amount not to exceed \$40,000,000 (collectively, the "Loan"). The proceeds of the Loan will be used, pursuant to a plan of finance, for the purpose of making a loan or loans to the Borrower for the purpose of : (1) financing and/or refinancing the acquisition, construction, improvement, renovation, furnishing and equipping of educational facilities, and related administrative and support facilities, at the Borrower's campus located at 3900 Stansbury Avenue in the City of Los Angeles, California which educational facilities are or will be owned and operated by the Borrower; (Project); (2) paying interest with respect to the Loan; and (3) paying costs of issuance with respect to the Loan. The Project includes, but is not limited to, science, mathematics, performing arts and general classrooms, and library, performing arts, athletic and administrative facilities. The Project is located within the territorial limits of the City of Los Angeles, California in Council District 4. There will be no City funds that will be directed to this Project.

In order for the loan to be incurred, it is necessary for the City Council to conduct a public hearing in accordance with the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA). Following the TEFRA public hearing, the Council should adopt the attached Resolution approving the loan by CMFA.

I THEREFORE MOVE that the Council:

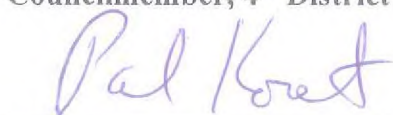
1. Conduct a TEFRA hearing on Wednesday, July 25, 2012 for the Buckley School, a California nonprofit public benefit corporation, to incur one or more tax exempt loans, in an aggregate principal amount not to exceed \$40,000,000 to finance/refinance the acquisition, construction, improvement, renovations, equipping and/or certain other matters relating to the Buckley School located at 3900 Stansbury Avenue, Los Angeles, 91423, (Council District 4).
2. Instruct the City Clerk to schedule a TEFRA Hearing on the agenda for the City Council Meeting to be held on Wednesday, July 25, 2012 located at 200 N. Spring Street, Room 300, Los Angeles, CA 90012.
3. Instruct the City Clerk to place on the Agenda for the City Council Meeting to be held on Wednesday, July 25, 2012 consideration of the TEFRA hearing results and adoption of the TEFRA hearing Resolution to follow the conduct of the public hearing.
4. Authorize Squire Sanders (US) LLP, bond counsel, to publish the required public hearing notice (attached) in an approved local newspaper or periodical, on behalf of the City Council, with publication cost to be reimbursed by the Buckley School.

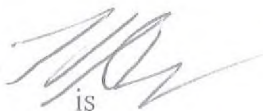
PRESENTED BY:



TOM LABONGE
Councilmember, 4th District

SECONDED BY:




is

ORIGINAL

TEFRA RESOLUTION

**RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES
APPROVING THE INCURRENCE OF A TAX-EXEMPT LOAN OR LOANS BY
THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 FOR THE
PURPOSE OF FINANCING AND/OR REFINANCING THE ACQUISITION,
CONSTRUCTION, IMPROVEMENT, RENOVATION AND/OR EQUIPPING OF
EDUCATIONAL FACILITIES AND CERTAIN OTHER MATTERS RELATING
THERETO**

WHEREAS, The Buckley School, a nonprofit public benefit corporation (the "Borrower"), and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") has requested that the California Municipal Finance Authority (the "Authority") participate in a plan of finance involving the incurrence of one or more tax-exempt loans in an aggregate principal amount not to exceed \$40,000,000 (collectively, the "Loans") for the purpose of financing and/or refinancing the acquisition, construction, improvement, renovation and/or equipping of certain capital improvements relating to the Borrower's educational facilities, and related administrative and support facilities (the "Project") on the Borrower's campus located at 3900 Stansbury Avenue in the City of Los Angeles, California (the "City"), which educational facilities are or will be owned and operated by the Borrower, and include, but are not limited to, science, mathematics, performing arts and general classrooms, and library, performing arts, athletic and administrative facilities; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the incurrence of the Loan by the Authority must be approved by the City because the Project is to be located within the territorial limits of the City; and

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

WHEREAS, the Authority has requested that the City Council approve the incurrence of the Loan 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, a public hearing was held by the City on the ___ day of [_____, 2012], at the meeting which commenced at the hour of _____.m., at the City of Los Angeles, _____, Room _____, Los Angeles, California 90012, following duly published notice thereof in a newspaper of general circulation in the City of Los Angeles, on [_____, 2012], and all persons desiring to be heard have been heard; and

NOTICE IS HEREBY GIVEN that at _____ a.m./p.m., or as soon thereafter as the matter may be heard, on _____, 2012, at _____, Los Angeles, CA 90012, a public hearing (the "Public Hearing") will be conducted concerning the incurrence of one or more tax-exempt loans (collectively, the "Loan") by the California Municipal Finance Authority (the "Issuer"), pursuant to a plan of finance, in an aggregate principal amount not to exceed Forty Million Dollars (\$40,000,000). The proceeds of the Loan will be used, pursuant to a plan of finance, for the purpose of making a loan or loans to The Buckley School (the "Borrower"), a California nonprofit public benefit corporation and an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") for the purpose of financing and/or refinancing the acquisition, construction, improvement, renovation, furnishing and equipping of educational facilities, and related administrative and support facilities, at the Borrower's campus located at 3900 Stansbury Avenue in the City of Los Angeles, California (the "City"), which educational facilities are or will be owned and operated by the Borrower (the "Project"); (2) paying interest with respect to the Loan; and (3) paying costs of issuance with respect to the Loan. The Project includes, but is not limited to, science, mathematics, performing arts and general classrooms, and library, performing arts, athletic and administrative facilities. The Project is located entirely within the territorial limits of the City.

The Loan, and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto, do not constitute indebtedness or an obligation of the Issuer, the State of California, the City or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Loan shall be a limited obligation of the Issuer, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The City is conducting the Public Hearing as an accommodation to the Borrower to facilitate the financing of the Project. The City will not be the issuer of the Loan to finance the Project and takes no responsibility for the proposed financing or the Project. There will be no City funds that will be directed to this Project.

The Public Hearing is intended to comply with the public approval requirements of Section 147(f) of the Code.

Those wishing to comment on the proposed financing and the nature and location of the Project may either appear in person at the Public Hearing or submit written comments, which must be received by the City prior to the Public Hearing. Written comments should be sent to the City of Los Angeles, _____, Attention: _____, fax number (____) ____-____, until _____, on _____, 2012.

Dated this __ day of _____, 2012.
By: _____,
City of Los Angeles

WHEREAS, the Borrower has represented that financing and refinancing the Project through the Authority will result in demonstrable savings in effective interest rate; and

WHEREAS, the City Council now desires to approve the incurrence of the Loan by the Authority;

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

Section 1. The foregoing resolutions are true and correct.

Section 2. The City Council hereby approves the incurrence of the Loan by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Loan 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; *provided, however*, that this Resolution shall not constitute an approval by the City Council of the Project for any other purpose.

Section 3. 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.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council this ___ day of _____, 2012.

I certify that the foregoing Resolution was adopted by the City Council of the City of Los Angeles at its meeting on _____, 2012.

By _____
Title _____