

10/21/15

File No. 15-1206

ECONOMIC DEVELOPMENT COMMITTEE REPORT, RESOLUTIONS and ORDINANCES FIRST CONSIDERATION relative to the issuance of Municipal Improvement Corporation of Los Angeles (MICLA) Taxable Lease Revenue Refunding Bonds and the creation of a MICLA Lease Revenue Commercial Paper Note Program to finance capital improvements to the Los Angeles Convention Center.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

ADOPT the recommendations contained in the City Administrative Officer (CAO) report dated October 8, 2015, attached to Council file No. 15-1206.

Fiscal Impact Statement: The CAO reports that the issuance of up to \$330 million MICLA Taxable Lease Revenue Refunding Bonds, Series 2015-A Los Angeles Convention Center (the Refunding Bonds, Series 2015-A) and the creation of the MICLA Lease Revenue Commercial Paper Note Program for the Los Angeles Convention Center (the CP Program) will be obligations of the General Fund and the resulting lease payments will be paid from funds in the Capital Finance Administration Fund (CFAF). The total lease payments for Fiscal Year 2015-16 are projected to be \$3.6 million and \$2 million for the Refunding Bonds, Series 2015-A and the CP Program, respectively. Both lease payments for Fiscal Year 2015-16 have been budgeted in the CFAF.

Debt Impact Statement: The CAO reports that the issuance of up to \$330 million Refunding Bonds, Series 2015-A and the creation of the CP Program will not cause the City's debt service payments to exceed six percent of General Fund revenues for non-voter approved debt as established in the City's Financial Policies, Debt Management Section. During the life of the Refunding Bonds, Series 2015-A, the projected aggregate cash flow savings for the Refunding Bonds, Series 2015-A is \$11.7 million over the life of the bonds. The Refunding Bonds, Series 2015-A annual average lease payment is estimated to be \$41.46 million over the life of the bonds.

Community Impact Statement: None submitted.

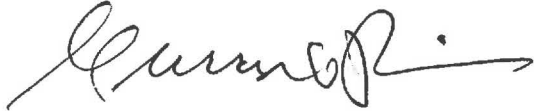
(Budget and Finance Committee report to be submitted in Council. If public hearing is not held in Committee, an opportunity for public comment will be provided.)

(Click on the above hyperlink or go to www.lacouncilfile.com for background documents.)

Summary

At the public hearing held on October 13, 2015, the Economic Development Committee considered a CAO report relative to the issuance of MICLA Taxable Lease Revenue Refunding Bonds and the creation of a MICLA Lease Revenue Commercial Paper Note Program to finance capital improvements to the Los Angeles Convention Center. CAO staff gave the Committee background information on the matter. After an opportunity for public comment, the Committee recommended that Council approve the recommendations contained the CAO report. This matter was also referred to the Budget and Finance Committee for consideration. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Luis R.", written in a cursive style.

ECONOMIC DEVELOPMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PRICE:	YES
CEDILLO:	ABSENT
HARRIS-DAWSON:	YES
KREKORIAN:	YES
MARTINEZ:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-