

**RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES APPROVING THE ISSUANCE OF THE CITY OF LOS ANGELES JUDGMENT OBLIGATION BONDS, SERIES 2017-A, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE AND AUTHORIZING A VALIDATION ACTION AND OTHER MATTERS RELATING THERETO**

**WHEREAS**, the City of Los Angeles (the “City”) is obligated pursuant to the terms of certain judgments and related proceedings (the “Judgments,” as defined below) to make payments to certain persons (the “Judgment Obligees”);

**WHEREAS**, the Judgments are described in Appendix B to the Indenture (defined below) approved pursuant to this Resolution and attached for convenience as Appendix A to this Resolution;

**WHEREAS**, with respect to each of the Judgments consisting of a judgment entered by a court pursuant to the terms of a settlement agreement, Council of the City of Los Angeles (the “Council”) found, based on facts and recommendations presented, that each such settlement is in the best interests of the City;

**WHEREAS**, with respect to each of the Judgments, the Council has determined that, based on information presented by the City Administrative Officer, that there are no other sources of available money to pay such Judgments on a timely basis pursuant to the terms of the related settlement;

**WHEREAS**, additional Judgment Obligations may be approved by the City for financing or refinancing with the proceeds of bonds authorized pursuant to this Resolution prior the filing of any validation action described in Section 4 below so long as the Judgements are consistent with the terms of this Resolution, in which event Appendix B to the Indenture shall be so amended;

**WHEREAS**, City Ordinance No. 184,667, effective January 16, 2017 (the “Ordinance Amendment”), amended certain provisions of Section 11.27 *et.seq.* of the City Administrative Code (together with the Ordinance Amendment, the “Ordinance”), which provides for the issuance of bonds and other evidences of indebtedness (including, but not limited to, interfund borrowings and advances made by the City) to pay or provide for the payment of Judgment Obligations (as defined in the Ordinance, the “Judgment Obligations”);

**WHEREAS**, pursuant to the Judgments, the City is under the legal duty to pay the Judgment Obligees, or has paid the Judgment Obligees with advances or interfund borrowings with the intent to reimburse the City for those advances or interfund borrowings from the proceeds of bonds authorized pursuant to this Resolution;

**WHEREAS**, for the purpose of paying or providing for the payment of Judgment Obligations (including the payment or reimbursement of any advances or interfund borrowings used to pay any Judgment Obligation), the City deems it necessary to incur the indebtedness and authorize the issuance of bonds pursuant to this Resolution;

**WHEREAS**, the City has determined to issue its City of Los Angeles Judgment Obligation Bonds, Series 2017-A (the “Bonds”), in an aggregate principal amount not exceeding the sum of (a) the amount payable to the Judgment Obligees under the Judgment Obligations, including the reimbursement of the City for any advances or interfund borrowings made to pay such Judgment Obligations in anticipation of the issuance of the Bonds, plus (b) the costs of issuance of the Bonds (including underwriter’s discount), plus (c) any original issue discount on the Bonds;

**WHEREAS**, in order to provide for the authentication and delivery of the Bonds and to establish and declare the terms and conditions upon which the Bonds are to be issued and secured, the City proposes to enter into an Indenture with a commercial bank trustee (such Indenture, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Indenture”);

**WHEREAS**, a form of the Indenture, which includes the form of the Bonds in Appendix A thereto, has been prepared and submitted to this meeting; and

**WHEREAS**, the City is empowered to undertake all of the steps hereinabove set forth with respect to the City pursuant to The Charter of The City of Los Angeles and other applicable provisions of the laws of the State of California;

**NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LOS ANGELES AS FOLLOWS:**

**Section 1.** All of the recitals herein contained are true and correct and the Council so finds.

**Section 2.** The Indenture, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. Each of the City Administrative Officer or any Assistant City Administrative Officer or a designee thereof (the “Authorized Officers”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the City, to execute and deliver the Indenture in substantially said form, and the City Clerk is authorized to attest thereto, with such changes, insertions and omissions therein as the Authorized Officer executing the Indenture shall approve as he or she believes is in conformity with the interests of the City, and as approved as to form by the City Attorney, any Assistant City Attorney or Deputy City Attorney (each a “City Attorney Representative”), such approval to be conclusively evidenced by such Authorized Officer’s execution and delivery of the Indenture with such changes, insertions and omissions; provided, however, that such changes, insertions and omissions shall not result in (a) the aggregate principal amount of the Bonds (which in no event shall exceed \$60,000,000) exceeding the sum of (i) the amount payable to the Judgment Obligees under the Judgment Obligations, including the reimbursement of the City for any advances or interfund borrowings made to pay such Judgment Obligations in anticipation of the issuance of the Bonds, plus (ii) the costs of issuance of the Bonds (including underwriters’ discount), plus (iii) any original issue discount on the Bonds, (b) the true interest cost to the City on the Bonds exceeding 7.0%, and (c) the Bonds maturing later than 15 years from their date of issuance thereof.

**Section 3.** The issuance of the Bonds, in substantially the form included in Appendix A to the Indenture, and on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture (with such changes, insertions and omissions therein as are made pursuant to this Resolution), is hereby authorized and approved. Each of the Authorized Officers is hereby authorized, and the City Treasurer and any one of the Authorized Officers is hereby directed, for and in the name of the City, to execute and deliver the Bonds in substantially the form attached to the Indenture, and the City Clerk is authorized to attest thereto, with such changes, insertions and omissions therein (not inconsistent with Section 2 hereof) as the Authorized Officer executing the Bonds shall approve as he or she believes is in conformity with the interests of the City, and as approved as to form by a City Attorney Representative, such approval to be conclusively evidenced by such Authorized Officer's execution and delivery of the Bonds with such changes, insertions and omissions.

**Section 4.** Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the City, to bring a validation action under Section 860 of the California Code of Civil Procedure and the Ordinance to determine the legality and validity of the Bonds, the Indenture and the proceedings authorized pursuant to this Resolution. Norton Rose Fulbright US LLP is hereby authorized to file the complaint for such validation action on behalf of the City, and to take further and appropriate actions in connection therewith.

**Section 5.** The officers of the City are, and each of them hereby is, authorized and directed to do any and all things and to execute and deliver any and all documents which they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

**Section 6.** This Resolution shall take effect immediately upon its adoption.

I hereby certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting held on APR 4 2017.

HOLLY L. WOLCOTT, City Clerk

By *Erika Post*  
Deputy

C.F. No. 16-1420



## APPENDIX A JUDGMENTS

1. Settlement Agreement and Release of Claims, *Independent Living Center of Southern California, et al. v. City of Los Angeles, California, et al.*, Case No. CV 12-0551 FMO (PJWx), filed July 5, 2016, and Judgment Pursuant to Settlement Agreement by and between City of Los Angeles and Plaintiffs, filed August 4, 2016.
2. Order Approving Compromise of Disputed Claim, *J.L.D. v. City of Los Angeles, et al.*, Case No. BC560250, filed November 8, 2016.
3. Stipulated Judgment, *Sheryn Camprone v. City of Los Angeles, et al.*, Case No. BC609615, executed December 29, 2016, and Order Granting the Stipulated Judgment, filed January 13, 2017.
4. Stipulated Judgment and Order, *David Aguilar, et al. v. City of Los Angeles, et al.*, Case No. EC060225, and all related actions (*Barbara Kausch, et al. v. City of Los Angeles, et al.*, Case No. BC510353, and *Beau Maxon, et al. v. City of Los Angeles, et al.*, Case No. BC517514), filed January 19, 2017.
5. Stipulated Judgment [NO – JS6], *Reggie D. Cole v. City of Los Angeles, et al.*, Case No. CV 11-3241 CBM (AJWx), filed January 23, 2017.
6. Stipulated Judgment and Order, *Kim Nguyen v. City of Los Angeles, et al.*, Case No. BC513892, filed February 1, 2017.
7. Amended Judgment, *Maria Elena Montoya v. City of Los Angeles, et al.*, Case No. BC504572, filed October 19, 2016, and the related and subsequent Settlement and Release Agreement, executed as of February 8, 2017.
8. Stipulated Judgment and Dismissal of Entire Action, *Edsell Ford, et al. v. City of Los Angeles, et al.*, Case No. BC574800, filed February 9, 2017.
9. Amended Stipulated Judgment and Dismissal of Entire Action, *Rosa Navas, et al. v. City of Los Angeles, et al.*, Case No. CV 15-09515 SVW (JCx), filed February 9, 2017.
10. Judgment on Stipulation, *Paula J. Solorzano, et al. v. City of Los Angeles, et al.*, Case No. BC515167, filed February 22, 2017.
11. [Document Title], *Christian Rodriguez, et al. v. City of Los Angeles, et al.*, Case No. CV 11-01135 DMG (JEMx), filed \_\_\_\_\_, 2017.]<sup>1</sup>

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<sup>1</sup> Related settlement has been approved by City Council action, but judgment has not been executed.