

CITY OF LOS ANGELES
CALIFORNIA

HOLLY L. WOLCOTT
Interim City Clerk



ERIC GARCETTI
MAYOR

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CITY CLERK

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When making inquiries relative to
this matter, please refer to the
Council File No.

August 5, 2014

To All Interested Parties:

The City Council adopted the action(s), as attached, under Council File No. 14-0980, at its meeting held July 30, 2014.



City Clerk
wrq

OFFICE OF THE TIME
RECEIVED
Mayor's Time Stamp
2014 AUG -1 PM 3:09
CITY OF LOS ANGELES

City Clerk's Time Stamp
CITY CLERK'S OFFICE
2014 AUG -1 PM 3:05
CITY CLERK
BY _____
DEPUTY

SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL FILE NO. 14-0980

COUNCIL DISTRICT _____

COUNCIL APPROVAL DATE July 30, 2014

RE: AUTHORIZING THE ISSUANCE OF CITY OF LOS ANGELES COMMUNITY FACILITIES DISTRICT NO. 4 (PLAYA VISTA - PHASE 1) SPECIAL TAX REFUNDING BONDS, SERIES 2014

LAST DAY FOR MAYOR TO ACT AUG 11 2014
(10 Day Charter requirement as per Charter Section 341)

DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY

APPROVED

_____ ✓

*DISAPPROVED

*Transmit objections in writing
pursuant to Charter Section 341

DATE OF MAYOR APPROVAL OR DISAPPROVAL 8/4/14

E.G.
MAYOR

RECEIVED
CITY CLERK'S OFFICE
2014 AUG -4 PM 4:28
BY _____
CITY CLERK
DEPUTY



Council Action

The City Council ADOPTED the following recommendation(s), contained in a COMMUNICATION FROM THE CITY ADMINISTRATIVE OFFICER (CAO) which was WAIVED, pursuant to Council Rule 17, by the Chair of the Budget and Finance Committee, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. ADOPT the accompanying Resolution Authorizing the Issuance of City of Los Angeles Community Facilities District No. 4 (Playa Vista - Phase 1) Special Tax Refunding Bonds, Series 2014 and other actions, including various documents required to execute the transaction, and authorizes the CAO to take certain actions required to manage the transaction, including costs of issuance.
2. AUTHORIZE the CAO to make technical changes to implement the intent of the Council and Mayor.

Council File No. 14-0980

ADOPTED

JUL 30 2014

LOS ANGELES CITY COUNCIL

ATTACHMENT A

RESOLUTION AUTHORIZING THE ISSUANCE OF CITY OF LOS ANGELES
COMMUNITY FACILITIES DISTRICT NO. 4 (PLAYA VISTA – PHASE 1)
SPECIAL TAX REFUNDINGS BONDS, SERIES 2014

A RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES AUTHORIZING THE ISSUANCE OF CITY OF LOS ANGELES COMMUNITY FACILITIES DISTRICT NO. 4 (PLAYA VISTA-PHASE I) SPECIAL TAX REFUNDING BONDS, SERIES 2014, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$100,000,000, AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE, AN ESCROW AGREEMENT, A BOND PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, the Council (the “City Council”) of the City of Los Angeles (the “City”) has formed the City of Los Angeles Community Facilities District No. 4 (Playa Vista-Phase I) (the “Community Facilities District”) under the provisions of the Mello-Roos Community Facilities Act of 1982 (the “Act”);

WHEREAS, the Community Facilities District is authorized under the Act to levy special taxes (the “Special Taxes”) to pay for the costs of certain public facilities (the “Facilities”) and to issue bonds payable from special taxes (the “Special Taxes”) levied within the Community Facilities District;

WHEREAS, in order to provide funds to finance certain of the Facilities, the Community Facilities District issued \$135,000,000 aggregate principal amount of City of Los Angeles Community Facilities District No. 4 (Playa Vista-Phase I) Special Tax Bonds, Series 2003 (the “Prior Bonds”), pursuant to the Indenture, dated as of April 1, 2003, by and between the Community Facilities District and U.S. Bank National Association, as trustee;

WHEREAS, the Community Facilities District has determined that it would be advantageous to refund the outstanding Prior Bonds;

WHEREAS, in order to provide funds to refund the outstanding Prior Bonds, the Community Facilities District proposes to issue its City of Los Angeles Community Facilities District No. 4 (Playa Vista-Phase I) Special Tax Refunding Bonds, Series 2014 (the “Series 2014 Bonds”), in the aggregate principal amount of not to exceed \$100,000,000;

WHEREAS, in order to provide for the authentication and delivery of the Series 2014 Bonds, to establish and declare the terms and conditions upon which the Series 2014 Bonds are to be issued and secured and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Community Facilities District proposes to enter into an Indenture with U.S. Bank National Association, as trustee (the “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, the moneys to defease and redeem the Prior Bonds will be applied to such purpose pursuant to an Escrow Agreement by and between the Community Facilities District and U.S. Bank National Association, as prior trustee and as escrow bank (such Escrow Agreement, 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 “Escrow Agreement”);

WHEREAS, the City has determined that securing the timely payment of the principal of and interest on the Series 2014 Bonds by obtaining a bond insurance policy with respect thereto could be economically advantageous;

WHEREAS, Piper Jaffray & Co. (the “Underwriter”), has presented the Community Facilities District with a proposal, in the form of a Bond Purchase Agreement, to purchase the Series 2014 Bonds from the Community Facilities District (such Bond Purchase Agreement, 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 “Purchase Agreement”);

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Series 2014 Bonds, the underwriter thereof must have reasonably determined that the Community Facilities District has, or one or more appropriate obligated persons have, undertaken in a written agreement or contract for the benefit of the holders of the Series 2014 Bonds to provide disclosure of certain financial information and certain material events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the Community Facilities District desires to enter into a Continuing Disclosure Agreement with the Trustee (such Continuing Disclosure Agreement, 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 “Continuing Disclosure Agreement”);

WHEREAS, a form of the Preliminary Official Statement to be distributed in connection with the public offering of the Series 2014 Bonds has been prepared (such Preliminary Official Statement, 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 “Preliminary Official Statement”);

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Indenture;
- (b) the Escrow Agreement;
- (c) the Purchase Agreement;
- (d) the Continuing Disclosure Agreement; and
- (e) the Preliminary Official Statement;

WHEREAS, the Community Facilities District desires to proceed to issue and sell the Series 2014 Bonds and to authorize the execution of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and issuance of the Series 2014 Bonds;

WHEREAS, the City Council is the legislative body of the Community Facilities District; and

WHEREAS, all acts, conditions and things required by the Constitution, laws of the State of California and the Charter of the City to exist, to have happened and to have been performed precedent to and in connection with the consummation of the transactions authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such transactions for the purpose, in the manner and upon the terms herein provided;

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

Section 1. The foregoing recitals are true and correct, and the City Council so finds and determines.

Section 2. Subject to the provisions of Section 3 hereof, the issuance of the Series 2014 Bonds, in an aggregate principal amount of not to exceed \$100,000,000, on the terms and conditions set forth in, and subject to the limitations specified in, the Indenture, be and the same is hereby authorized and approved; provided, however, that the Series 2014 Bonds shall be so issued only if the net present value savings achieved as a result of issuing the Series 2014 Bonds to refund the Prior Bonds is not less than 3.00%. The Series 2014 Bonds shall be dated, shall bear interest at the rates, shall mature on the dates, shall be subject to call and redemption, shall be issued in the form and shall be as otherwise provided in the Indenture, as the same shall be completed as provided in this Resolution.

Section 3. The form of the Indenture, copies of which are before this City Council and on file in the Office of the City Administrative Officer, is hereby approved. Each of the City Administrative Officer, any Assistant City Administrative Officer or any of their designees (each, an "Authorized Officer") is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of the Community Facilities District, to execute and deliver the Indenture in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, and as are approved as to form by the City Attorney, such requirement or approval to be conclusively evidenced by the execution of the Indenture by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not authorize an aggregate principal amount of Series 2014 Bonds in excess of \$100,000,000, shall not result in a final maturity date of the Series 2014 Bonds later than September 1, 2031 and shall not result in a true interest cost for the Series 2014 Bonds in excess of 4.50%.

Section 4. The President of this City Council is hereby authorized and directed, for and in the name of the Community Facilities District, to execute and deliver the Series 2014 Bonds in the form attached to the Indenture, as the same shall be completed as provided in this Resolution, with such changes, insertions and omissions as the President of this City Council may require or approve, and as are approved as to form by the City Attorney, such requirement or approval to be conclusively evidenced by the execution of the Series 2014 Bonds by the President of this City Council. The City Clerk is hereby authorized to countersign the Series 2014 Bonds.

Section 5. The refunding of the Prior Bonds is hereby approved. Such refunding shall be accomplished by paying the interest on the Prior Bonds to and including September 1, 2014 and redeeming the Prior Bonds on September 1, 2014 by paying the redemption price therefor. In accordance with Section 53363.8 of the Act, the City Council hereby designates the following costs and expenses as the “designated costs of issuing the refunding bonds:”

(a) all expenses incident to the calling, retiring, or paying of the Prior Bonds and incident to the issuance of the Series 2014 Bonds, including the charges of any agent in connection with the issuance of the Series 2014 Bonds or in connection with the redemption or retirement of the Prior Bonds;

(b) the interest upon the Prior Bonds from the date of sale of the Series 2014 Bonds to the date upon which the Prior Bonds will be paid pursuant to call; and

(c) any premium necessary in the calling or retiring of the Prior Bonds.

Section 6. The form of the Escrow Agreement, copies of which are before this City Council and on file in the Office of the City Administrative Officer, is hereby approved. 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 Community Facilities District, to execute and deliver the Escrow Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, and as are approved as to form by the City Attorney, such requirement or approval to be conclusively evidenced by the execution of the Escrow Agreement by such Authorized Officer.

Section 7. The form of the Purchase Agreement, copies of which are before this City Council and on file in the Office of the City Administrative Officer, is hereby approved. 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 Community Facilities District, to execute and deliver the Purchase Agreement in the form presented to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, and as are approved as to form by the City Attorney, such requirement or approval to be conclusively evidenced by the execution of the Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate underwriter’s discount (not including any original issue discount) from the principal amount of the Series 2014 Bonds in excess of 0.50% of the aggregate principal amount of the Series 2014 Bonds. The City Council hereby finds and determines that the sale of the Series 2014 Bonds at negotiated sale as contemplated by the Purchase Agreement will result in a lower overall cost.