



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

R-23

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-6169 • Fax (562) 570-5836

March 6, 2007

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Receive a report from the City Treasurer regarding the Tax and Equity Fiscal Responsibility Act (TEFRA) public hearing, and adopt the attached resolution approving the issuance of revenue bonds by the California Statewide Community Development Authority (CSCDA) in an amount not to exceed \$985,000,000 to benefit Catholic Healthcare West, including an approximately \$14,000,000 to benefit Long Beach's St. Mary Medical Center. (District 6)

DISCUSSION

Catholic Healthcare West, a non-profit benefit corporation, has requested the California Statewide Communities Development Authority (CSCDA) to issue revenue bonds on its behalf in an aggregate amount not to exceed \$985,000,000 to among other things finance or refinance the acquisition, construction, improvement and equipping of certain medical centers. The City of Long Beach is a member of CSCDA. Catholic Healthcare West owns St. Mary Medical Center (Facilities). Approximately \$14,000,000 of the aggregate amount is to be used for the benefit of the Facilities, in particular for seismic retrofits and equipment acquisition.

The Internal Revenue Service (IRS) Code requires that CSCDA seek approval from the City Council of the bonds issued, because a portion of the bonds will benefit the Facilities located within Long Beach. The approval of the attached resolution in no way indicates responsibility on behalf of the City for debt repayment. A Tax and Equity Fiscal Responsibility Act (TEFRA) public hearing notification was published in the Press-Telegram on February 7, 2007. The TEFRA hearing was held on February 22, 2007 at 9:00 a.m. The public hearing, required by Federal tax law regulations, was conducted by the City Treasurer in the sixth floor conference room at City Hall. No public comment was presented.

This matter was reviewed by Assistant City Attorney Heather A. Mahood on February 21, 2007, and Budget and Performance Management Bureau Manager David Wodyski on February 22, 2007.

TIMING CONSIDERATIONS

City Council action is requested on March 6, 2007 to facilitate the forthcoming issuance.

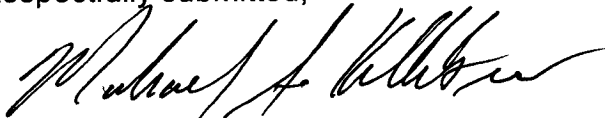
FISCAL IMPACT

The proposed action has no fiscal impact on the City of Long Beach. The City has no financial obligation or liability associated with this financing. No City interest or taxing authority was pledged in support of this financing.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



MICHAEL A. KILLEBREW
DIRECTOR OF FINANCIAL MANAGEMENT

MAK:DN:
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ATTACHMENT

APPROVED:



GERALD R. MILLER
CITY MANAGER

Robert E. Shannon
City Attorney of Long Beach
333 West Ocean Boulevard
Long Beach, California 90802-4664
Telephone (562) 570-2200

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH APPROVING THE ISSUANCE OF
5 REVENUE BONDS BY THE CALIFORNIA STATEWIDE
6 COMMUNITIES DEVELOPMENT AUTHORITY TO
7 BENEFIT CATHOLIC HEALTHCARE WEST
8

9 WHEREAS, Catholic Healthcare West, a nonprofit public benefit
10 corporation (the "Corporation"), has requested that the California Statewide
11 Communities Development Authority (the "Authority") participate in the issuance of
12 revenue bonds in an aggregate principal amount not to exceed \$985,000,000 (the
13 "Bonds") for the purpose of, among other things, financing and/or refinancing the
14 acquisition, construction, improvement and equipping of certain medical facilities known
15 as St. Mary Medical Center, and other health care facilities related thereto, owned and
16 operated by the Corporation (collectively, the "Facilities") and located in the City of Long
17 Beach (the "City"); and

18 WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of
19 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the
20 City because the Facilities are located within the territorial limits of the City; and

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

24 WHEREAS, the Authority has requested that the City Council approve the
25 issuance of the Bonds by the Authority in order to satisfy the public approval
26 requirement of Section 147(f) of the Code and the requirements of Section 9 of the
27 Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988
28 (the "Agreement"), among certain local agencies, including the City; and

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

4
5 NOW, THEREFORE, the City Council of the City of Long Beach resolves
6 as follows:

7 Section 1. The City Council hereby approves the issuance of the Bonds
8 by the Authority for the purposes of financing and/or refinancing the acquisition,
9 acquiring, construction, improvement and equipping of the Facilities. It is the purpose
10 and intent of the City Council that this resolution constitute approval of the issuance of
11 the Bonds by the Authority for the purposes of (a) Section 147(f) of the Code by the
12 applicable elected representative of the governmental unit having jurisdiction over the
13 area in which the Facilities are located, in accordance with said Section 147(f), and (b)
14 Section 9 of the Agreement.

15 Sec. 2. The officers of the City are hereby authorized and directed,
16 jointly and severally, to do any and all things and to execute and deliver any and all
17 documents that they deem necessary or advisable in order to carry out, give effect to
18 and comply with the terms and intent of this resolution and the financing transaction
19 approved hereby.

20 Sec. 3. This resolution shall take effect immediately upon its
21 adoption by the City Council, and the City Clerk shall certify the vote adopting this
22 resolution.

23
24 I hereby certify that the foregoing resolution was adopted by the City
25 Council of the City of Long Beach at its meeting of _____, 2007, by

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the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk

HAM:fl
1/29/07
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