



Legislation Text

File #: 07-0219, **Version:** 1

Recommendation to receive a report from the City Treasurer regarding the Tax and Equity Fiscal Responsibility Act (TEFRA) public hearing, and adopt 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)

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 Wodynski on February 22, 2007.

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

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.

Approve recommendation.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH APPROVING THE
ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA STATEWIDE . COMMUNITIES
DEVELOPMENT AUTHORITY TO BENEFIT CATHOLIC HEAL THCARE WEST**

NAME Michael A. Killebrew
TITLE Director of Financial Management

APPROVED:

GERALD R. MILLER
CITY MANAGER