

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY OF ITS CHARTER SCHOOL REVENUE BONDS (THE LEARNING CHOICE ACADEMY) SERIES 2021 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,000,000 FOR THE PURPOSE OF FINANCING AND/OR REFINANCING THE ACQUISITION, IMPROVEMENT, RENOVATION, CONSTRUCTION, FURNISHING AND EQUIPPING OF CERTAIN PUBLIC CHARTER SCHOOL FACILITIES AND CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, pursuant Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”), certain public agencies (the “Members”) have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), in order to form the California Municipal Finance Authority (the “Authority”), for the purpose of promoting economic, cultural and community development and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the City of Chula Vista (the “City”) is a member of the Authority; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the construction of capital projects; and

WHEREAS, The Learning Choice Academy Facilities LLC (the “Borrower”), a California limited liability company, has requested that the Authority participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$12,000,000 (the “Bonds”) for the purpose of financing and/or refinancing the acquisition, improvement, renovation, construction, furnishing and equipping of certain educational facilities for a public charter school serving kindergarten through grade 12, including but not limited to classrooms, administrative spaces, related and appurtenant facilities, and parking facilities (the “Project”), to be located within the City, owned by the Borrower, and operated by The Learning Choice Academy, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), which is the sole managing member of the Borrower; and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by the City because a portion of the Project is to be located within the territorial limits of the City; and

WHEREAS, the City Council of the City (the “City Council”) is the elected legislative body of the City and is one of the “applicable elected representatives” required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Agreement; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds and no comments were received, and now desires to approve the issuance of the Bonds by the Authority;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista as follows:

Section 1. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

Section 2. The payment of the principal, premium, if any, and interest on the Bonds shall be solely the responsibility of the Borrower. The City shall have no responsibility or liability whatsoever with respect to the Bonds. The Bonds shall not constitute a debt or obligation of the City.

Section 3. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary to the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 4. The officers and officials of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 5. The City Clerk is directed to forward a certified copy of this Resolution to the bond counsel to the Authority with respect to the Bonds, addressed as follows:

Kerrigan R. Bennett
Stradling Yocca Carlson & Rauth
44 Montgomery Street, Suite 4200
San Francisco, CA 94104

Section 6. This resolution shall take effect immediately upon its adoption.

Presented by

Approved as to form by

Tiffany Allen
Director of Development Services

Glen R. Googins
City Attorney