



TO: HONORABLE COUNCIL MEMBERS

FROM: KIELY NOSE, ASSISTANT CITY MANAGER

DATE: APRIL 26, 2021

SUBJECT: AGENDA ITEM NUMBER 4 - PUBLIC HEARING: TEFRA Hearing Oshman Family JCC

Staff is providing an updated TEFRA resolution for agenda item 4 Tefra Hearing and staff report 12146. This updated version makes certain corrections to ensure consistency with the published TEFRA hearing public notice.

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Kiely S. Nose
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Kiely Nose
Assistant City Manager

DocuSigned by:
Ed Shikada
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Ed Shikada
City Manager

Attachment A

NOT YET APPROVED

Resolution No. ____

Resolution of the City Council of the City of Palo Alto Approving the Deemed Reissuance of Certain Revenue Obligations of the California Enterprise Development Authority in an Aggregate Principal Amount Not- To- Exceed \$37,800,000 for the Purpose of Refinancing the Acquisition, Construction, Improvement, Furnishing and Equipping of a Community Center for Oshman Family Jewish Community Center, and Certain Other Matters Relating Thereto

RECITALS

A. Pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), certain public agencies (the "Members") have entered into a Joint Exercise of Powers Agreement relating to the California Enterprise Development Authority, dated as of June 1, 2006 (the "Agreement"), in order to form the California Enterprise Development Authority (the "Authority"), for the purpose of promoting economic, cultural and community development, and in order to exercise powers common to the Members, including the issuance of bonds, notes and other evidences of indebtedness; and

B. The City of Palo Alto (the "City") is a Member of the Authority; and

C. The Authority is authorized to issue and sell revenue bonds or other obligations for the purpose, among others, of financing and refinancing the construction of capital projects; and

D. Oshman Family Jewish Community Center, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Borrower"), has requested that the Authority participate in the reissuance (for federal income tax purposes) of certain revenue obligations in an aggregate principal amount not to exceed \$37,800,000 (the "Obligations"), which will be deemed to refinance the cost of the acquisition, construction, improvement, furnishing and equipping by the Borrower of a 171,000-square-foot community center, which includes: a cultural arts hall, a pre-school, meeting rooms, classrooms, indoor and outdoor pools, a fitness center including a gymnasium, a teen center, a café, a playground and playing field, and regional offices, all located at 3921 Fabian Way, Palo Alto, California 94303 (collectively, the "Project"). The owner and operator of the Project has been and will be the Borrower; and

E. The deemed reissuance of the Obligations must be approved by the governmental unit on behalf of which the Obligations are deemed reissued and a governmental unit having jurisdiction over the territorial limits in which the Project is located pursuant to the public approval requirement of Section 147(f) of the Code and the Treasury Regulations thereunder; and

F. The Project is located within the territorial limits of the City, and the City Council is the elected legislative body of the City on behalf of which the Obligations are being reissued and is therefore the “applicable elected representative” required to approve the deemed reissuance of the Obligations under Section 147(f) of the Code and the Treasury Regulations thereunder; and

G. The Authority has requested that the City Council approve the deemed reissuance of the Obligations by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the Treasury Regulations thereunder; and

H. Pursuant to Section 147(f) of the Code and the Treasury Regulations thereunder, the City Council has, following notice duly given, held a public hearing regarding the deemed reissuance of the Obligations, and now desires to approve such reissuance of the Obligations by the Authority;

NOW, THEREFORE, the City Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. The City Council hereby finds and determines that all of the above recitals are true and correct. The City Council, as the “applicable elected representative” of the governmental unit on behalf of which the Obligations will be reissued and having jurisdiction over the territorial limits in which the Project is located, hereby approves the deemed reissuance of the Obligations by the Authority, which Obligations are in an amount not to exceed \$37,800,000, which are deemed to be used to refinance the Project. This Resolution shall constitute “issuer” approval and “host” approval of the deemed reissuance of the Obligations within the meaning of Section 147(f) of the Code and the Treasury Regulations thereunder, and shall constitute the approval of the deemed reissuance of the Obligations within the meaning of the Act. Neither the City nor any officer of the City shall bear any responsibility for the deemed reissuance of the Obligations, the tax-exempt status of the Obligations, the repayment of the Obligations or any other matter related to the Obligations.

SECTION 3. The deemed reissuance of the Obligations shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. Neither the City nor any officer of the City shall bear any responsibility or liability whatsoever with respect to the Obligations. Neither the City nor any officer of the City has prepared or reviewed the financing documents related to the Obligations, and the City Council and the various officers of the City take no responsibility for the contents thereof.

SECTION 4. The adoption of this Resolution shall not obligate the City or any officer thereof to (i) provide any refinancing of the Project; (ii) make any contribution or advance any funds whatsoever to the Authority; or (iii) take any further action with respect to the Authority or its membership therein.

SECTION 5. The officers 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 6. This Resolution shall take effect immediately upon its adoption.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

City Attorney

City Manager or Designee

Director of Administrative
Services