



Meeting Date: 03/06/07

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input checked="" type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Michael More *mm* Agenda Item No. K-1

Reviewed By: City Manager *MM* City Attorney *DA* Finance *SW* Other (Specify) _____

DATE: February 8, 2007

TO: City Council

FROM: Michael More, Financial Services Manager *Michael M*
Finance Department

SUBJECT: Approval of Tax-Exempt Financing For Catholic Healthcare West

RECOMMENDATION

That City Council adopt a resolution approving for purposes of the Tax Equity and Fiscal Responsibility Act the issuance of revenue bonds by the California Statewide Communities Development Authority to benefit Catholic Healthcare West.

DISCUSSION

Catholic Healthcare West ("CHW"), owner and operator of St. John's Regional Medical Center ("St. John's") in Oxnard, is seeking tax-exempt financing in an amount not to exceed \$985 million through the California Statewide Communities Development Authority ("CSCDA"). The proceeds of the financing will be used for the acquisition, construction, improvement and equipping of certain medical facilities owned and operated by CHW throughout the State, and for refinancing existing debt obligations. Approximately \$47 million of the bonds are proposed to be used for building renovation and equipment replacement at St. John's Regional Medical Facility in Oxnard.

CSCDA is a joint powers authority, of which the City is a member, which was formed by the League of California Cities and the California State Association of Counties. CSCDA will issue the bonds on behalf of CHW. Under the terms of CSCDA's Joint Powers Agreement, the City must adopt the attached resolution (Attachment No. 1) in order for St. John's Regional Medical Center to be eligible for funding from the bond financing since St. John's is within the City's corporate boundaries. The City is not liable for the debt service on the bonds.

The approval does not replace or affect any other City approvals that must be obtained to carry out the project. The public hearing is required pursuant to the Tax Equity and Fiscal Responsibility Act (TEFRA), and relates only to the issuance of bonds.

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FINANCIAL IMPACT

There is no financial impact relative to approval of the attached resolution.

MJM

Attachment #1 - Resolution

000004

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD
APPROVING THE ISSUANCE OF REVENUE BONDS BY THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY TO BENEFIT CATHOLIC HEALTHCARE WEST**

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

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the City because the Facilities are 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 an 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 9 of the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies, including the City; 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 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 Oxnard, State of California, as follows:

Section 1. The City Council hereby approves the issuance of the Bonds by the Authority for the purposes of financing and/or refinancing the acquisition, acquiring, construction, improvement and equipping of the Facilities. 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 Facilities are located, in accordance with said Section 147(f), and (b) Section 9 of the Agreement.

Section 2. 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 that 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 3. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this ____ day of _____, 2007, by the following vote:

AYES:

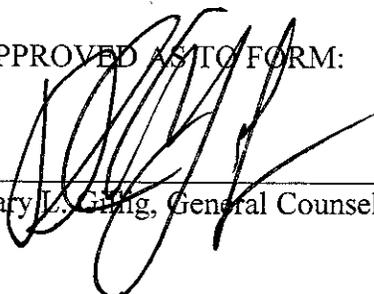
NOES:

ABSENT:

Dr. Thomas E. Holden, Chairman

ATTEST:

APPROVED AS TO FORM:



Gary L. Gang, General Counsel

Daniel Martinez, Secretary