

**STAFF REPORT**  
**City of Lancaster**  
**Lancaster Financing Authority**

Date: September 13, 2016

To: Mayor/Chair Parris and City Council/Authority Members

From: Pam Statsmann, Acting Finance Director

Subject: **Issuance of Lancaster Financing Authority 2016 Assessment Revenue Bonds (Streetlights Acquisition), approve Bond Documents, and authorize certain other actions**

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MVB

**City Council Recommendation:**

Adopt **Resolution No. 16-49**, approving the issuance of Lancaster Financing Authority 2016 Assessment Revenue Bonds (Streetlights Acquisition) in the aggregate principal amount not to exceed \$14,250,000, approving an Installment Purchase Agreement, a Bond Purchase Contract, a Continuing Disclosure Agreement, a Preliminary Official Statement and a Final Official Statement in connection therewith, and authorizing the taking of certain other actions in connection therewith.

**Lancaster Financing Authority Recommendation:**

Adopt **Resolution No. FA 02-16**, approving the issuance of Lancaster Financing Authority 2016 Assessment Revenue Bonds (Streetlights Acquisition) in the aggregate principal amount not to exceed \$14,250,000, approving an Installment Purchase Agreement, a Bond Purchase Contract, a Continuing Disclosure Agreement, a Preliminary Official Statement and a Final Official Statement in connection therewith, and authorizing the taking of certain other actions in connection therewith.

**Fiscal Impact:**

Proceeds from the sale of the bonds will be used to finance the acquisition and installation of certain streetlight improvements within the City. The bonds will be payable solely from Lancaster Lighting Maintenance District assessments previously approved by the City Council.

**Background:**

On March 18, 2016, the California Public Utilities Commission approved the sale of approximately 17,856 streetlights by Southern California Edison to the City of Lancaster. In order to finance the acquisition, the City intends to issue tax-exempt assessment revenue bonds. The bonds will be payable from Lancaster Lighting Maintenance District assessments, which are levied annually and collected via Los Angeles County property tax rolls. Information regarding the bonds and related investment risks are disclosed to investors in the offering document for the bonds (i.e., Preliminary/Final Official Statement).

Approval of the resolutions by the City Council and Lancaster Financing Authority (“Authority”) will authorize the issuance and sale of the Streetlights Acquisition Bonds and make certain findings regarding significant public benefits to the City and Authority. This action also approves the following documents in substantially the form on file with the City Clerk/Authority Secretary:

- Bond Purchase Contract
- Continuing Disclosure Agreement
- Indenture
- Installment Purchase Agreement
- Preliminary Official Statement
- Policies and Guidelines Regarding Post-Issuance Compliance with Federal Tax Requirements Applicable to Tax-Exempt Bonds

Additionally, the approvals allow any of the following Authorized Officers to direct, deliver, and execute said documents, including the Final Official Statement, on behalf of the City and Authority:

- Mayor/Chair (or, in the absence of the Mayor/Chair, the Vice Mayor/Vice Chair)
- City Manager (or in the absence of the City Manager/Executive Director, the Deputy City Manager/Deputy Executive Director)

PS:jt

**Attachments:**

Resolution No. 16-49

Resolution No. FA 02-16