

ORDINANCE NO. 188814

An ordinance approving the lease and leaseback of certain real properties by and between the City of Los Angeles (City) and the Municipal Improvement Corporation of Los Angeles (MICLA) in connection with the issuance of lease revenue bonds by MICLA, to be issued to retire certain maturities of commercial paper notes issued by MICLA.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. The Council of the City of Los Angeles (Council) finds and determines that the public interest and convenience require the lease of some or all of the real properties and the improvements thereon described below (Properties), together with certain equipment, to MICLA pursuant to a site and equipment lease (Site Lease), and the subleasing of the same Properties by the City from MICLA pursuant to a lease agreement (Lease Agreement) for rental payments in amounts, together with other rental payment amounts to be paid by the City to MICLA under the Lease Agreement for certain equipment, sufficient to pay principal of and interest on lease revenue bonds (Bonds) to be issued by MICLA, in one or more series, preliminarily named the Municipal Improvement Corporation of Los Angeles Lease Revenue Bonds, Series 2026-A (Capital Equipment and Real Property), with such additional series and subseries designations as determined by the City, and to pay certain other related expenses:

DESCRIPTION OF THE PROPERTIES

The Properties are generally described as follows and as more particularly described in the Site Lease and Lease Agreement.

<u>Description/Location</u>
1. Fire Station No. 37 1090 Veteran Avenue Los Angeles, California 90024
2. Fire Station No. 39 14615 Oxnard St. Los Angeles, California 91401
3. Fire Station No. 41 1439 N. Gardner Street Los Angeles, California 90046
4. Fire Station No. 56 2759 Rowena Avenue Los Angeles, California 90039

5. Fire Station No. 70
9861 Reseda Blvd.
Los Angeles, California 91324
6. Fire Station No. 92
10556 W. Pico Blvd.
Los Angeles, California 90064
7. Fire Station No. 106
23004 Roscoe Blvd.
Los Angeles, California 91304
8. Los Angeles Fire Department Supply
and Maintenance Division Facility
140 North Avenue 19
Los Angeles, California 90031
9. North Valley Police Station
11121 Sepulveda Blvd.
Mission Hills, California 91345
10. Venice District Street
Maintenance Yard
2000 W. Abbot Kinney Rd.
Los Angeles, California 90018
11. Old Venice City Hall
681 Venice Blvd.
Venice, California 90291
12. North Hollywood Street
Maintenance Yard
10811 W. Chandler Blvd.
Los Angeles, California 91601

Sec. 2. The Council approves the leasing and leaseback of the Properties to MICLA. The lease shall be in consideration of MICLA agreeing to sublease the Properties to the City in connection with the issuance and delivery by MICLA of the Bonds.

Sec. 3. The Council approves the subleasing of the Properties by the City from MICLA in exchange for rental payments in amounts, together with other rental payment amounts to be paid by the City to MICLA under the Lease Agreement for certain equipment, sufficient to pay principal of and interest on the Bonds and to pay certain other related expenses, and the Council approves the Lease Agreement, which

contains a provision eliminating set-off rights of the City against MICLA for payments due under the Lease Agreement. The City's payments under the Lease Agreement constitute the revenue stream for the payments on the Bonds. Section 264 of the City Charter provides that from any demand upon the Treasury in favor of any person or entity indebted to the City must first be deducted the amount of the indebtedness. The requirement would apply to payments under the Lease Agreement. However, Section 265 of the City Charter provides that nothing in Article II of the City Charter, including Section 264, shall interfere with or prevent the payment by the Treasurer of principal of and interest on bonds payable by the City. The Bonds, based on the Lease Agreement, constitute an obligation to pay with characteristics similar to bonds from the financial markets perspective; and, therefore, the Council wishes to affirm, consistent with Section 265, that payments required to be made under the Lease Agreement are not subject to the set-off provisions of Section 264.

Sec. 4. The Council authorizes the City Attorney to cause the Site Lease and the Lease Agreement by which some or all of the Properties are leased to MICLA and subleased from MICLA to be prepared and to further cause memoranda of the Site Lease and the Lease Agreement to be prepared for the purpose of recordation and, upon execution, to be filed with the Los Angeles County Recorder, or to cause the Site Lease or the Lease Agreement to be filed with the Los Angeles County Recorder if a memoranda thereof is not prepared. The City Administrative Officer, any Assistant City Administrative Officer, or any of their designees are each authorized and directed, for and in the name of and on behalf of the City, to execute the Site Lease and the Lease Agreement and any memoranda thereof.

Sec. 5. In accordance with Section 54241 of the California Government Code, the City is permitted to enter into formal agreements with MICLA with respect to the lease by the City to MICLA of the Properties and the leaseback by MICLA to the City of the Properties.

Sec. 6. The Council hereby determines that the public interest and necessity require the lease and leaseback of the Properties to MICLA without notice of lease or advertisement for bids.

Sec. 7. This ordinance is subject to the provisions for referendum applicable to the City under Section 460 of the City Charter. This ordinance shall be published in the manner required by Section 251 of the City Charter for ordinances of the City.

Sec. 8. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

HYDEE FELDSTEIN SOTO, City Attorney

By  _____
AMY PHAM
Deputy City Attorney

Date 01-09-2026

File No. 26-0016


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The Clerk of the City of Los Angeles hereby certifies that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR





Ordinance Passed January 28, 2026

Approved 02/03/2026

Ordinance Published: 02/06/2026
Ordinance Effective Date: 03/09/2026