

STAFF SUMMARY RECOMMENDATION

**UNIVERSITY OF SOUTHERN CALIFORNIA
Amendment to Resolution No. 256**

October 8, 2009

PRIOR AMOUNT APPROVED:	\$1,055,000,000
PRIOR APPROVAL DATE:	May 29, 2008
EXPECTED RATING:	Aa1 (Moody's) / AA+ (S&P)
CREDIT ENHANCEMENT:	None
SENIOR UNDERWRITER:	Morgan Stanley
LOCATION:	Los Angeles, CA, Los Angeles County

PURPOSE OF THE AMENDMENT: The University of Southern California (“USC”) seeks Authority approval to amend the Exhibit A of Resolution No. 256 and the Exhibit A of the Loan Agreements related to the CEFA Series 2009A and 2009B bonds to include an additional project to the authorized project lists.

BACKGROUND: At the May 29, 2008 CEFA board meeting, the Authority adopted Resolution No. 256. Under this Resolution, USC has issued CEFA Series 2009A and 2009B bonds. Bond proceeds were used for the refunding of CEFA bond issues as well as numerous capital improvement projects.

At this time, USC would like to add the following project to the authorized project lists of the 2009A and 2009B Loan Agreements and Resolution No. 256:

Student Health Center – The construction of the approximately 42,000 square-foot Center will consolidate four existing USC health facilities and their staff. The Student Health Center will provide primary and acute care, counseling services, physical therapy, radiology and laboratory functions, insurance and health promotion services and central student administrative functions.

At the time of board approval, this project was not included in the original Exhibit A due to the lack of required CEQA documentation. Since then, USC has provided CEFA with the proper documentation that satisfies the CEFA requirement and therefore would like to use bond proceeds to fund this project.

Combined with Resolution No. 244, the total amount of bonds authorized to be issued is \$1,055,000,000. As of September 30, 2009, USC has issued \$761,205,000 in bonds.

RECOMMENDATION: Staff recommends the Authority approve the amended Exhibit A of Resolution No. 256 and of the 2009A and 2009B Loan Agreements to include an additional project to the authorized project list, subject to all prior provisions and conditions remaining unchanged and in full effect.