

## STAFF SUMMARY RECOMMENDATION

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

October 29, 2009

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

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**PURPOSE OF THE AMENDMENT:** The University of Southern California ("USC") seeks Authority approval to amend Exhibit A of Resolution No. 256 and Exhibit A of the Loan Agreements related to the CEFA Series 2009A and 2009B bonds. The amendment is for the purpose of including an additional project to the authorized project lists.

**BACKGROUND:** At the May 29, 2008 CEFA Authority meeting, the Authority adopted Resolution No. 256. Under this Resolution, USC has previously issued CEFA Series 2009A and 2009B bonds. Bond proceeds were used for the refunding of prior CEFA bond issues and to finance a number of capital improvement projects.

USC requests to add the following project to the authorized project lists in the Loan Agreements and Resolution No. 256 related to the CEFA Series 2009A and 2009B bonds:

Student Health Center – The construction of the approximately 42,000 square-foot facility 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.

*Environmental Benefits:* The Student Health Center will consolidate existing health facilities at one location thereby reducing trips to the downtown center for staff and their patients. The Center will also be built to meet or exceed LEED Silver standards.

At the time of the May 29, 2008 Authority meeting, this project was not included in the original Exhibit A due to the lack of required CEQA documentation. Since then, USC has provided CEFA staff with the proper documentation that satisfies the CEFA requirement and therefore would like to now 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 Exhibits A of Resolution No. 256 and the CEFA Series 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.