

**BOARD OF
SUPERVISORS**

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**Chief
Executive
Office.**

COUNTY OF LOS ANGELES

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, CA 90012
(213) 974-1101
ceo.lacounty.gov

Chief Executive Officer
Fesia A. Davenport

"To Enrich Lives Through Effective and Caring Service"

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

November 06, 2024

25 November 6, 2024

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Edward Yen
EDWARD YEN
EXECUTIVE OFFICER

Dear Supervisors:

**ACQUISITION OF 555 WEST 5TH STREET, LOS ANGELES,
(APN: 5149-029-013),
350 SOUTH FIGUEROA STREET, AND
333 SOUTH FLOWER STREET, LOS ANGELES
APNS: 5151-011-021 (AFFECTS LOT SB-3-B OF PARCEL 1)
5151-011-023 (AFFECTS LOT SB-2-B OF PARCEL 1)
5151-011-025 (AFFECTS LOT SB-1-B OF PARCEL 1)
5151-011-028 (AFFECTS LOT SB-GR OF PARCEL 1)
5151-011-031 (AFFECTS LOT SB-2-LR OF PARCEL 1)
5151-011-032 (AFFECTS LOT SB-2-L OF PARCEL 1)
5151-011-035 (AFFECTS PORTION OF SAID PARCEL 1); AND
APPROVE AN APPROPRIATION ADJUSTMENT
(ALL DISTRICTS) (3 - VOTES)**

SUBJECT

Approval of the recommended actions would authorize the County to execute the Purchase and Sale Agreement (Agreement) with Wilmington Trust, National Association, as Trustee on Behalf of the Holders of GCT Commercial Mortgage Trust 2021-GCT, Commercial Mortgage Pass-Through Certificates, Series 2021-GCT (Seller), for an approximately 1.5 million-square-foot, 54-story commercial office building located at 555 West 5th Street, Los Angeles, California and airspace parcels located at 350 South Figueroa Street and 333 South Flower Street, Los Angeles (collectively 555 West 5th Street, 350 South Figueroa Street, and 333 South Flower Street shall be referred to as the "Gas Company Tower"), approve an appropriation adjustment, and consummate the acquisition of the Gas Company Tower.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of the recommended actions is not a project under the California Environmental Quality Act (CEQA), or, in the alternative, are exempt from CEQA for the reasons stated in this Board letter and the record of the proposed activity.
2. Approve and authorize the Chief Executive Officer, or her designee, to execute the Purchase and Sale Agreement, approved as to form by County Counsel, to acquire the Gas Company Tower for \$200,000,000, including \$100 as independent consideration, plus an amount not to exceed \$5,000,000 for closing costs.
3. Authorize the Chief Executive Officer, or her designee, to take all further actions necessary and appropriate to complete the acquisition, including opening and the management of escrow, any administrative adjustments to the transfer documents, execution of all the requisite documentation for the completion of the acquisition and acceptance of the deed conveying title to the Gas Company Tower to the County; and authorize the Chief Executive Officer, or her designee, to execute any and all agreements, contracts, applications, assignments, and documents necessary for the County's occupancy and operation of the Gas Company Tower following acquisition, upon approval as to form by County Counsel.
4. Establish and approve the 555 West 5th Street, 350 South Figueroa Street, and 333 South Flower Street Acquisition, Capital Project No. 7A004.
5. Approve the enclosed appropriation adjustment to transfer \$205,000,000 as follows: \$133,000,000 from the Provisional Financing Uses budget unit; \$48,000,000 from the Hall of Administration Seismic Retrofit project, Capital Project No. 87599; \$10,000,000 from the Hall of Administration 7th Floor Renovation project, Capital Project No. 87702; \$8,000,000 from the Hall of Administration Electrical System Replacement project, Capital Project No. 87911; \$3,000,000 from the Various Refurbishment Mitigation/Remediation project, Capital Project No. 86612; and \$3,000,000 from the Various Septic System Improvements project, Capital Project No. 86726, to the 555 West 5th Street, 350 South Figueroa Street, and 333 South Flower Street Acquisition, Capital Project No. 7A004.
6. Adopt the Reimbursement Resolution of the Board declaring its intention to reimburse certain capital expenditures from the proceeds of tax-exempt obligations.
7. Instruct the Assessor to place the Gas Company Tower under the complete ownership of the County and remove the Gas Company Tower from the tax roll effective upon the transfer of title to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The recommended actions, including the proposed acquisition of the Gas Company Tower and related actions are not a project under the CEQA, or, in the alternative, are exempt from CEQA, and are to authorize the County to acquire an approximately 1.5 million-square-foot office building, located on a 1.39-acre lot at 555 West 5th Street, in downtown Los Angeles, along with certain airspace parcels at the World Trade Center located at 350 South Figueroa Street and 333 South Flower Street. The Gas Company Tower is comprised of an approximately 54-story building with 978 on-site, underground parking spaces (including tandem spaces), and includes airspace parcels comprised of 1,184 parking spaces at the World Trade Center. The Gas Company Tower is owned

by Wilmington Trust, National Association, as Trustee on Behalf of the Holders of GCT Commercial Mortgage Trust 2021-GCT, Commercial Mortgage Pass-Through Certificates, Series 2021-GCT. The proposed purchase price is \$200,000,000.

ANALYSIS OF GAS COMPANY TOWER ACQUISITION BENEFITS

Currently, the County occupies approximately 16.5 million square feet of office space for 38 departments, comprised of 6.9 million square feet of leased office space and 9.6 million square feet of owned office space. The County spends approximately \$195 million per year on the leased office space. In addition, the County's real estate portfolio is in poor condition and old; as documented in the 2020 Strategic Asset Management Plan, 40 percent of all County-owned space is in very poor or poor condition, and 48 percent is over 50 years old. For these reasons, and to evaluate how best to reposition the County's real estate portfolio in the current market for office space, over the past year, the Chief Executive Office (CEO) conducted an analysis of the County's downtown Los Angeles real estate assets, evaluating high-level costs and schedule to improve the County's owned assets for ongoing, long-term use.

The downtown Los Angeles office market is experiencing an unprecedented decline in real estate prices and an increase in office vacancies. The CEO's analysis determined acquisition of existing Class A office space in downtown Los Angeles at historic low market prices is financially prudent, as it allows the County to take advantage of this exceptional opportunity to purchase a top-quality office building at a below market rate.

Acquiring the Gas Company Tower provides the County with several benefits that will save money over time:

- Provides an opportunity to move staff from both leased space and aging buildings in poor condition, thereby avoiding the cost of significant investment to extend their useful lives, including seismic retrofits, life-safety improvements, building system replacements, and other needed renovations.
- Provides the County an opportunity to implement efficient office space standards, hoteling, and other technologies.
- The size of the Gas Company Tower, allows the County to reduce its office footprint by consolidating owned and leased assets, thereby saving annual operating and maintenance costs.
- Provides the County flexibility to own readily available temporary office space for County departments while County-owned assets selected for long-term use are renovated; this will save the County both time and money by avoiding the process of procuring and paying for short-term leased space.
- Also, if the County elects to complete a seismic retrofit and other improvements to the Gas Company Tower, the County can realize a future return on investment by selling the asset when the market recovers.

An additional benefit of acquiring the Gas Company Tower is that the purchase includes a parking garage. With the acquisition, the County will add 1,763 parking spaces to its current inventory of 3,826 parking spaces in the Civic Center and Chinatown, assuming no tandem parking is used beneath the Gas Company Tower. Given the County plans to use the Gas Company Tower for back-office administrative operations rather than daily public-facing services, increasing the County's parking capacity in the downtown Los Angeles area by 46 percent will benefit County staff.

As part of the CEO's analysis, staff reviewed 42 buildings in the downtown Los Angeles area, narrowed down the list to six buildings, and toured three buildings. Criteria used in this process

included: (1) buildings constructed after 1980, which are expected to be of high-quality construction, have well-maintained and operable building systems such as fire protection, mechanical, electrical, and plumbing systems, and be code-compliant; (2) location and proximity to the Civic Center; (3) low occupancy rate; and (4) lease terms of existing tenants. Of the three buildings toured, the Gas Company Tower best meets the County's criteria.

The Gas Company Tower was constructed in 1991 and is a Leadership in Energy and Environmental Design (LEED) Gold-certified building featuring energy efficient design and building systems. In 2013, the Gas Company Tower was sold for over \$530 million and in 2020 the building was appraised at \$632 million. In January 2023, the ownership defaulted on its loan obligations and, in April 2023, the Gas Company Tower went into receivership. On September 20, 2024, the Gas Company Tower was foreclosed upon, and the principal creditor acquired the Gas Company Tower at the trustee's sale.

Since the principal creditor has owned the Gas Company Tower for a brief period of time, the sale of the building is on an "As-Is, Where-Is" basis, which means the County will purchase the Gas Company Tower in its current condition. The County has been given the opportunity to investigate and inspect the building. The County's Department of Public Works has reviewed the seismic report for the Gas Company Tower and agrees with the findings and recommendations of the seismic report. The "As-Is, Where-Is" condition is also reflected in the discounted purchase price being paid for the Gas Company Tower.

The proposed purchase price has been substantiated by an appraisal report commissioned by the County. Approval of the recommended actions, and the execution of the Agreement by the Chief Executive Officer, or her designee, would allow the County to open escrow; order and review all necessary title documents to ensure the County acquires fee simple absolute title to the Gas Company Tower; deposit funds for the purchase price and escrow fees into escrow; and fulfill the County's obligations associated with the proposed acquisition.

The \$100 independent consideration is a separate payment or exchange of value that is distinct from the purchase price of the Gas Company Tower. It provides consideration for the contract at the onset as the purchase price is paid at closing.

Adoption of the enclosed Reimbursement Resolution is required by Federal tax regulations to enable the County to be reimbursed for prior expenditures related to the proposed acquisition of the Gas Company Tower from the proceeds of future tax-exempt obligations and would enable the County to maximize reimbursement for costs related to acquisition of the Gas Company Tower.

While the Gas Company Tower is privately owned, property taxes are assessed to the owner. The County, as a government agency, is not assessed real property taxes. As such, once the deed is recorded and the County owns the Gas Company Tower, the Gas Company Tower will be removed from the property tax roll.

Implementation of Strategic Plan Goals

The recommended actions support North Star 1 – Make Investments that Transform Lives and North Star 3 – Realize Tomorrow's Government Today and are also consistent with Strategic Asset Management Goal – Maximize use of County space and achieve cost savings and Key Objective No. 3 – Optimize Real Estate Portfolio.

FISCAL IMPACT/FINANCING

If the proposed acquisition is approved, the County would assume the existing tenant leases. Following the County's acquisition of the Gas Company Tower, if approved, the existing tenants will pay possessory interest tax on their leasehold property interest in the building, thus continuing to contribute to the County's property tax roll.

The County plans to retain the Gas Company Tower's existing property management company, Colliers International (Colliers), for the next several years by assuming Colliers existing contract as Colliers is familiar with the existing tenants, major building systems, and repair and maintenance of the Gas Company Tower. We will develop an operating and maintenance plan informed by the first couple of years of building ownership and occupancy.

The enclosed appropriation adjustment would approve the transfer of \$205,000,000 as follows: \$133,000,000 from the Provisional Financing Uses budget unit; \$48,000,000 from the Hall of Administration Seismic Retrofit project, Capital Project No. 87599; \$10,000,000 from the Hall of Administration 7th Floor Renovation project, Capital Project No. 87702; \$8,000,000 from the Hall of Administration Electrical System Replacement project, Capital Project No. 87911; \$3,000,000 from the Various Refurbishment Mitigation/Remediation project, Capital Project No. 86612; and \$3,000,000 from the Various Septic System Improvements project, Capital Project No. 86726, to the 555 West 5th Street, 350 South Figueroa Street, and 333 South Flower Street Acquisition, Capital Project No. 7A004 for the acquisition and associated escrow fees for the Gas Company Tower.

If approved, the County plans to refinance the Gas Company Tower acquisition costs by the issuance of short-term taxable and tax-exempt Lease Revenue Obligation Notes (Notes) through the Los Angeles County Capital Asset Leasing Corporation Lease Revenue Note Program (Note Program). The costs of financing through the Note Program includes interest, insurance, and administrative costs. Any Gas Company Tower acquisition costs initially refunded through the Note Program would be refinanced with the issuance of long-term bonds to allocate the cost of the proposed acquisition over the Gas Company Tower's estimated useful life. The CEO will work closely with the County's Treasurer and Tax Collector to determine the optimal financing plan for the proposed acquisition, and we will return to the Board to request authorization to issue long-term lease revenue bonds. The timing for the issuance of long-term bonds would depend on multiple factors, including the County's occupancy rate of the Gas Company Tower, available capacity in the Note Program, and conditions in the municipal bond market.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Section 25353 of the California Government Code authorizes the Board to purchase real property necessary for use by the County for buildings or for other public purposes. Pursuant to Government Code Sections 6063 and 25350, a Notice of Intention to Purchase was published commencing on October 15, 2024, for the three-week publishing period allowing for the Board to receive public comments and consider consummation of the proposed acquisition at or after the November 6, 2024, Board meeting.

Additionally, as required by Government Code Section 65402, notice of the proposed acquisition was submitted to the City of Los Angeles (City) Planning Department. The City has affirmed that the proposed acquisition is in conformity with the adopted general plan or a part thereof. This zoning and land use designation allows for administrative office and parking uses, as the Gas Company

Tower is currently being used now and would continue to be used after the proposed County acquisition.

County Counsel has approved the Agreement and deed as to form. County Counsel has also reviewed all associated real estate documents and encumbrances on title.

To allow for maximum reimbursement of County expenditures related to proposed acquisition of the Gas Company Tower, section 1.150-2 of the Treasury Regulations requires the Board to adopt an official intent in the form of the Reimbursement Resolution, which includes the following: the Board's intention to reimburse expenditures related to acquisition of the Gas Company Tower from the proceeds of tax-exempt obligations; a general description of the proposed acquisition for which the original expenditures are paid; the maximum principal amount of obligations expected to be issued for the proposed acquisition; and identification of the expected source(s) of funds from which the original expenditures are paid. County Counsel has reviewed the enclosed Reimbursement Resolution.

ENVIRONMENTAL DOCUMENTATION

The proposed acquisition and as-is operation of the Gas Company Tower for office use are not considered a project under the CEQA because the activity is not included in the definition of a project under section 21065 of the Public Resources Code and is administrative activity of government that is exempt from CEQA, pursuant to State CEQA Guidelines section 15378(b). In the alternative, although no improvements or other changes are currently proposed, the activity included in the recommended actions is exempt from CEQA, pursuant to State CEQA Guidelines section 15301 and Class 1(u) of the County's Environmental Document Reporting Procedures and Guidelines, because it consists of operation, maintenance and leasing and change in a method of conveyance of an existing public facility with negligible or no expansion of use, and State CEQA Guidelines section 15332 as in-fill development. The activity is also statutorily exempt from CEQA, pursuant to State CEQA Guidelines section 15061(b)(3), the common sense exemption, since it can be seen with certainty that there is no possibility that the activity in question may have a significant effect in the environment, and section 15183, which applies to projects consistent with existing zoning, community plan or general plan policies. The intent of the County is to acquire and operate the Gas Company Tower to use as it is currently being used and according to existing leases, for office purposes. The proposed acquisition, operation and occupancy involves negligible or no expansion of use and it can be seen with certainty that there is no possibility that the County's proposed acquisition and occupancy of the Gas Company Tower will have a significant effect on the environment.

In addition, based on the records of the proposed activity, it will comply with all applicable regulations, and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled, pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

Documentation in support of the CEQA determination is available upon request from the CEO.

Upon the Board's approval of the recommended actions, the CEO will file a Notice of Exemption with the Registrar-Recorder/County Clerk and with the State Clearinghouse in the Governor's Office of Land Use and Climate Innovation, pursuant to Public Resources Code Section 21152 and will post the Notice to the County's website in accordance with Public Resources Code Section 21092.2.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed acquisition of the Gas Company Tower could create flexibility for the County's evolving current and future work force and allow the County to relocate a portion of its workforce into a LEED-Gold certified, energy efficient, carbon emission-reducing facility. The increased office square footage offered by the Gas Company Tower will provide cost savings to the County by allowing the County to relocate various departments from existing leased facilities around downtown Los Angeles, where the County currently pays high premium rental amounts and parking rates, as well as from other older and distressed County-owned facilities in the metropolitan Los Angeles area, into this substantially-sized building that can meet both the County's current downtown Los Angeles space needs and can accommodate any future long-term growth plans for the County.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Fesia A. Davenport', with a stylized, flowing script.

FESIA A. DAVENPORT

Chief Executive Officer

FAD:JMN:JTC

JLC:HD:RH:gb

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Assessor
Treasurer and Tax Collector

November 06, 2024

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT
DEPARTMENT OF CHIEF EXECUTIVE OFFICER

AUDITOR-CONTROLLER:
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE
FY 2024-25
3 - VOTES

SOURCES	USES
BA DETAIL - SEE ATTACHMENT PAGE 1	BA DETAIL - SEE ATTACHMENT PAGE 1

SOURCES TOTAL	\$ 205,000,000	USES TOTAL	\$ 205,000,000
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JUSTIFICATION

Reflects transfer of \$205M to 555 W. 5th St, 350 S. Figueroa St and 333 S. Flower St Acquisition, Capital Project (CP) 7A004 for property purchase as follows: \$133M from the Provisional Financing Uses budget; \$48M from Hall of Administration (HOA) Seismic Retrofit, CP 87599; \$10M from HOA 7th Fl Renovation, CP 87702; \$8M from HOA Electrical System Replacement, CP 87911; \$3M from Various-Refurb-Mitigation/Remediation, CP 86612; and \$3M from Various-Septic System Improvements, CP 86726.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#25 November 6, 2024

James Yun

Digitally signed by James Yun
Date: 2024.10.23 12:59:56 -07'00'

AUTHORIZED SIGNATURE JAMES YUN, MANAGER, CEO

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

Edward Yen
EDWARD YEN
EXECUTIVE OFFICER

REFERRED TO THE CHIEF EXECUTIVE OFFICER FOR---	<input type="checkbox"/> ACTION	<input checked="" type="checkbox"/> APPROVED AS REQUESTED	Mason Matthews	Digitally signed by Mason Matthews Date: 2024.10.25 09:51:34 -07'00'
	<input checked="" type="checkbox"/> RECOMMENDATION	<input type="checkbox"/> APPROVED AS REVISED		
	BY Andrea Turner Date: 2024.10.23 16:16:24 -07'00'	CHIEF EXECUTIVE OFFICER		
AUDITOR-CONTROLLER	DATE 10/23/24	DATE 10/25/24		
B.A. NO. 043				

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENT

FY 2024-25 3 - VOTES			
SOURCES		USES	
PFU-VARIOUS		VARIOUS CAPITAL PROJECTS	
A01-CB-2000-13749-13760		555 W 5TH ST, 350 S FIGUEROA ST AND 333 S FLOWER ST ACQUISITION	
SERVICES & SUPPLIES		A01-CP-6006-65099-7A004	
DECREASE APPROPRIATION	133,000,000	CAPITAL ASSETS - LAND	
		INCREASE APPROPRIATION	205,000,000
VARIOUS CAPITAL PROJECTS			
HOA SEISMIC RETROFIT			
A01-CP-6014-65099-87599			
CAPITAL ASSETS - B & I			
DECREASE APPROPRIATION	48,000,000		
CHIEF EXECUTIVE OFFICE			
HALL OF ADMINISTRATION 7TH FLOOR RENOVATION			
A01-CP-6014-65076-87702			
CAPITAL ASSETS - B & I			
DECREASE APPROPRIATION	10,000,000		
BOARD OF SUPERVISORS EXECUTIVE OFFICE			
HALL OF ADMINISTRATION ELECTRICAL SYSTEM REPLACEMENT			
A01-CP-6014-65060-87911			
CAPITAL ASSETS - B & I			
DECREASE APPROPRIATION	8,000,000		
VARIOUS CAPITAL PROJECTS			
VARIOUS-RFURB-MITIGATION/REMEDIATION			
A01-CP-6014-65099-86612			
CAPITAL ASSETS - B & I			
DECREASE APPROPRIATION	3,000,000		
VARIOUS CAPITAL PROJECTS			
VARIOUS-SEPTIC SYSTEM IMPROVEMENTS			
A01-CP-6014-65099-86726			
CAPITAL ASSETS - B & I			
DECREASE APPROPRIATION	3,000,000		
SOURCES TOTAL	\$ 205,000,000	USES TOTAL	\$ 205,000,000

BA#043

10/23/24

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#25 November 6, 2024


EDWARD YEN
EXECUTIVE OFFICER

**RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF LOS ANGELES DECLARING
ITS INTENTION TO REIMBURSE CERTAIN
EXPENDITURES FROM THE PROCEEDS OF
TAX-EXEMPT OBLIGATIONS**

WHEREAS, the Board of Supervisors of the County of Los Angeles (the “County”) desires to finance the costs of acquiring, improving and equipping certain capital projects, as described in Exhibit A attached hereto and incorporated herein (the “Project”);

WHEREAS, the County intends to finance the acquisition of the Project or portions of the Project with the proceeds of the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the “Obligations”); and

WHEREAS, prior to the issuance of the Obligations the County desires to incur certain expenditures with respect to the Project from available monies of the County which expenditures are desired to be reimbursed by the County from a portion of the proceeds of the sale of the Obligations;

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

SECTION 1. The County hereby states its intention and reasonably expects to reimburse Project costs incurred prior to the issuance of the Obligations with proceeds of the Obligations. Exhibit A describes the general character of the Project.

SECTION 2. The Obligations are expected to be issued in a principal amount not to exceed \$250,000,000.

SECTION 3. This Resolution is being adopted not later than 60 days after the date (the “Expenditures Date or Dates”) that the County expects to expend monies for the portion of the Project costs to be reimbursed from proceeds of the Obligations.

SECTION 4. Except as described below, the expected date of issue of the Obligations will be within 18 months of the later of the Expenditure Date or Dates and the date the Project is placed in service; provided, the reimbursement may not be made more than three years after the original expenditure is paid. For Obligations subject to the small issuer exception of Section 148(f)(4)(D) of the Internal Revenue Code, the “18 month” limit of the previous sentence is changed to “three years” and the “three year” maximum reimbursement period is disregarded.

SECTION 5. Proceeds of the Obligations to be used to reimburse for Project costs are not expected to be used, within one year of reimbursement, directly or indirectly to pay debt service with respect to any obligation (other than to pay current debt service coming due within the next succeeding one year period on any tax-exempt obligation of the County (other than the Obligations)) or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the County or any entity related in any manner to the County, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

SECTION 6. This resolution is consistent with the budgetary and financial circumstances of the County, as of the date hereof. No monies from sources other than the Obligation issue are, or are reasonably expected to be reserved, allocated on a long-term basis, or otherwise set aside by the County (or any related party) pursuant to their budget or financial policies with respect to the Project costs. To the best of our knowledge, this Board of Supervisors is not aware of the previous adoption of official intents by the County that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 7. The limitations described in Section 3 and Section 4 do not apply to (a) costs of issuance of the Obligations, (b) an amount not in excess of the lesser of \$100,000 or five percent (5%) of the proceeds of the Obligations, or (c) any preliminary expenditures, such as architectural, engineering, surveying, soil testing, and similar costs other than land acquisition, site preparation, and similar costs incident to commencement of construction, not in excess of twenty percent (20%) of the aggregate issue price of the Obligations that finances the Project for which the preliminary expenditures were incurred.

SECTION 8. This Resolution is adopted as an official action of the County in order to comply with Treasury Regulation § 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of County expenditures incurred prior to the date of issue of the Obligations, is part of the County's official proceedings, and will be reasonably available for public inspection within a reasonable period of time after its date of adoption and in the manner governing the public availability of records of other official acts of the County Board of Supervisors.

SECTION 9. All the recitals in this Resolution are true and correct and this Board of Supervisors so finds.

SECTION 10. This Resolution shall take effect from and after its date of adoption.

The foregoing Resolution was on the 6th day of November 2024, adopted by the Board of Supervisors of the County of Los Angeles and *ex officio* the governing body of all other special assessment and taxing district agencies and authorities for which the Board so acts.



EDWARD YEN,
Executive Officer-Clerk of the Board of Supervisors
of the County of Los Angeles

By: 
Deputy

APPROVED AS TO FORM:

DAWYN R. HARRISON
County Counsel

By: 
Senior Deputy County Counsel

EXHIBIT A

DESCRIPTION OF PROJECT

Acquisition of the Gas Company Tower, an office building located at 555 West 5th Street, Los Angeles, California, together with any related improvements including parking stalls, or other costs, and acquisition of certain airspace parcels comprised of parking stalls at the World Trade Center, located at 350 South Figueroa St. and then 333 South Flower St., Los Angeles, California, together with any related improvements, or other costs.