

STAFF REPORT

City of Lancaster

CC 16
6/10/2025
TN

Date: June 10, 2025

To: Mayor Parris and City Council Members

From: Trolis Niebla, City Manager

Subject: Ratification of Tax Certificate Agreement with Antelope Valley Union High School District Related to Joint Aquatic Center Project

Recommendation:

Adopt a resolution ratifying the execution of a Tax Certificate agreement between the City of Lancaster and the Antelope Valley Union High School District (AVUHSD) in connection with the issuance of General Obligation Bonds, 2024 Election, 2025 Series A, for the development of a joint-use aquatic center.

G.C. Section 84308: No

Fiscal Impact:

There is no immediate fiscal impact associated with ratification of the Tax Certificate. The City's participation in the joint-use aquatic center project will be addressed through future agreements and budget appropriations as applicable.

Background:

On June 2, 2025 the City Manager executed a Tax Certificate on behalf of the City of Lancaster in connection with the issuance of General Obligation Bonds by the Antelope Valley Union High School District. These bonds are intended to fund, in part, the construction of a joint-use aquatic center ("Project") to be used by both the City and the District.

The Project will be owned, operated, and maintained by the City and/or the District, and the certificate clarifies that the City does not intend to enter into any contract or agreement that would result in excessive private business use under federal tax law.

This action supports interagency collaboration and enhances public recreation opportunities through a cost-effective shared-use approach. Ratifying the execution of the Tax Certificate ensures the City's compliance with IRS regulations and supports the District's legal and financial process in issuing tax-exempt bonds.

The Certificate affirms the City's commitment to use the aquatic center in compliance with federal tax code requirements for public-use facilities and avoids creating any private activity bond conditions that could jeopardize the tax-exempt status of the bonds.

TN/hb

Attachments:

A: Resolution

B: Executed Tax Certificate