

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

520



**FROM:** County Executive Office

**SUBMITTAL DATE:**  
October 7, 2003

**SUBJECT:** Riverside County Palm Desert Financing Authority Lease Revenue Bonds issuance for the Mecca Clinic, Coachella Valley Animal Campus, and potential refinance of the County Administrative Center in Blythe (Series 1996).

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Approve and authorize the Chairman to execute Resolution No. 2003-480 making a finding of significant public benefit in connection with the issuance and sale of lease revenue bonds (County Facilities projects), 2003 Series A, of the Riverside County Palm Desert Financing Authority; and
2. Approve Resolution No. 2003-481 approving as to form and authorizing the execution and delivery of certain documents in connection with the issuance and sale of lease revenue bonds (County Facilities projects), 2003 Series A, of the Riverside County Palm Desert Financing Authority and authorizing certain other matters relating thereto.

(Continued on Page 2)

Departmental Concurrence

FORM APPROVED  
COUNTY COUNSEL

OCT 01 2003

*Michael E. O'Connor*

*Michael E. O'Connor*

MICHAEL E. O'CONNOR  
Deputy County Executive Officer

|                       |                               |                 |                         |         |
|-----------------------|-------------------------------|-----------------|-------------------------|---------|
| <b>FINANCIAL DATA</b> | Current F.Y. Total Cost:      | \$ 24.8 million | In Current Year Budget: | N/A     |
|                       | Current F.Y. Net County Cost: | \$              | Budget Adjustment:      | N/A     |
|                       | Annual Net County Cost:       | \$              | For Fiscal Year:        | 2003/04 |

|  |   |                          |
|--|---|--------------------------|
| <b>SOURCE OF FUNDS:</b> Riverside County Palm Desert Financing Authority | <b>Positions To Be Deleted Per A-30</b> | <input type="checkbox"/> |
|  | <b>Requires 4/5 Vote</b>                | <input type="checkbox"/> |

**C.E.O. RECOMMENDATION:** APPROVE

**County Executive Office Signature**

*Michael E. O'Connor*

Policy  
 Policy  
 Consent  
 Consent

Dep't Recomm.:  
 Per Exec. Ofc.:

**Prev. Agn. Ref.:** 16.3 a/b of 06/03/03;  
3.2 of 12/17/02; and 3.31 of 02/05/02

**District:** 4 and 5

**Agenda Number:**

9.2

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**  
**SUBJECT: Riverside County Palm Desert Financing Authority Lease Revenue Bonds issuance for the Mecca, Clinic, Coachella Valley Animal Campus, and potential refinance of the CAC in Blythe (Series 1996)**

October 7, 2003

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**BACKGROUND:** Previous Board action on February 5, 2002, reestablished the Riverside County Palm Desert Financing Authority (RCPDFA), a Joint Exercise of Powers of Authority consisting of the County of Riverside and City of Palm Desert Redevelopment Agency.

This Authority has been working on the preparation of certain capital projects. These involve construction and installation of the Mecca Medical Clinic and the Coachella Valley Animal campus. The refinancing of the bonds on the 1996 County Administrative Center in Blythe has also been evaluated.

These projects were included in the approved Capital Improvement Program FY 2003/04 Budget Addendum as two of the "Projects in Progress."

The Mecca Clinic will be constructed by the Economic Development Agency and operated by the County's Health Agency via a contract with a non-profit health provider, "Clinicas de Salud de Pueblo." The land acquisition for this project has been approved by the Board of Supervisors.

The Coachella Valley Animal Campus will be constructed under the management of the Riverside County Palm Desert Financing Authority. Located in Thousand Palms, this 28,260 square foot Coachella Valley Animal Campus will provide a full range of animal services in conjunction with its adjoining neighbor, Animal Samaritans. County Animal Control will operate the Animal Campus, providing seven cities with animal shelter contract services. The cities are Palm Desert, Coachella, Rancho Mirage, Indian Wells, Cathedral City, Desert Hot Springs, and La Quinta.

The capital costs of this facility will be entirely the obligation of the County of Riverside. The payment of debt service will be made with County General fund money. The participating cities will make no payments toward debt service or rental for their proportionate use of the facility.

The Animal Campus' operation will be overseen by a Commission comprised of elected representatives from each of the jurisdictions. The Commission is modeled after the successful Cove Communities Commission, which operates safety services for the Cities of Palm Desert, Indian Wells, and Rancho Mirage using County contracts.

Financing for these projects and the refinancing was reviewed by the County's Debt Advisory Committee (DAC). Based on the DAC's suggestion, the financing was restructured to its current form to more closely operate as a usual County financing of Lease Revenue Bonds.

**RESOLUTION NO. 2003-480**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE MAKING A FINDING OF SIGNIFICANT PUBLIC BENEFIT IN CONNECTION WITH THE ISSUANCE AND SALE OF LEASE REVENUE BONDS (COUNTY FACILITIES PROJECTS), 2003 SERIES A, OF THE RIVERSIDE COUNTY PALM DESERT FINANCING AUTHORITY**

WHEREAS, the Riverside County Palm Desert Financing Authority (the "Authority") proposes to issue and sell its Lease Revenue Bonds (County Facilities Projects), 2003 Series A (the "Bonds"); and

WHEREAS, the County of Riverside (the "County") is a member of the Authority; and

WHEREAS, proceeds of the Bonds are to provide (a) refinancing for the construction costs of certain administrative and related facilities of the County located in the City of Blythe, by effecting a refund of all remaining outstanding Palm Desert Financing Authority Lease Revenue Bonds (Blythe County Administrative Center Project), Series 1996, and (b) financing for the construction costs of additional capital improvements to be leased to the County, including a certain animal shelter and related facilities to be located in the unincorporated community of Thousand Palms and a certain medical clinic and related facilities to be located in the unincorporated community of Mecca; and

WHEREAS, pursuant to Section 6586.5 of the California Government Code and after notice duly published in accordance with law, this Board of Supervisors (this "Board") held a public hearing on this date with respect to the proposed financing and received evidence concerning the public benefits therefrom.

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

Section 1. Recitals. The above recitals, and each of them, are true and correct.

Section 2. Approval of Financing. This Board hereby finds that the refinancing and financing of public capital improvements described above through the issuance by the Authority of the Bonds will result in significant public benefits to the constituents of the County, including demonstrable savings in effective interest rate and more efficient delivery of local agency services to residential and commercial development. The County hereby approves the issuance of the Bonds by the Authority.

Section 3. Other Acts. The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 4. Effective Date. This Resolution shall take effect immediately upon adoption.

APPROVED AND ADOPTED this 7th day of October, 2003.

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Chairman of the Board of Supervisors

ATTEST:

\_\_\_\_\_  
Clerk of the Board of Supervisors

RESOLUTION NO. 2003-481

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING AS TO FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE AND SALE OF LEASE REVENUE BONDS (COUNTY FACILITIES PROJECTS), 2003 SERIES A, OF THE RIVERSIDE COUNTY PALM DESERT FINANCING AUTHORITY AND AUTHORIZING CERTAIN OTHER MATTERS RELATING THERETO

WHEREAS, the Riverside County Palm Desert Financing Authority (the "Authority") proposes to issue and sell its Lease Revenue Bonds (County Facilities Projects), 2003 Series A (the "Bonds"); and

WHEREAS, proceeds of the Bonds are to provide (a) refinancing for the construction costs of certain administrative and related facilities of the County of Riverside (the "County") located in the City of Blythe, by effecting a refund of all remaining outstanding Palm Desert Financing Authority Lease Revenue Bonds (Blythe County Administrative Center Project), Series 1996 (the "1996 Bonds"), and (b) financing for the construction costs of additional public capital improvements to be leased to the County, including a certain animal shelter and related facilities (the "Animal Shelter Facilities") to be located in the unincorporated community of Thousand Palms and a certain medical clinic and related facilities to be located in the unincorporated community of Mecca; and

WHEREAS, to facilitate the successful development of the Animal Shelter Facilities, the County finds that it is desirable to enter into a construction agency agreement with the Authority; and

WHEREAS, pursuant to Section 6586.5 of the California Government Code and Section 33679 of the California Health and Safety Code and after notice duly published in accordance with law, the Board of Supervisors of the County held a public hearing on this date with respect to the proposed financing and received evidence concerning the public benefits therefrom.

NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE DOES HEREBY FIND RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The above recitals, and each of them, are true and correct.

Section 2. Site Lease. The Site Lease (the "Site Lease"), proposed to be entered into by and between the County and the Authority, in the form presented at this meeting and on file with the Clerk (the "Clerk of the Board") of this Board of Supervisors (this "Board") is hereby approved. Each of the Chairman of this Board, the County Executive Officer, or either of them, or their designee (each, an "Authorized Officer"), is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Site Lease in

substantially said form, with such changes therein as the Authorized Officer executing the same may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 3. Lease. The Facilities Lease (the "Lease"), proposed to be entered into by and between the Authority and the County, in the form presented at this meeting and on file with the Clerk of the Board is hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Lease in substantially said form, with such changes therein as the Authorized Officer executing the same may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 4. Escrow Agreement. The Escrow Agreement (the "Escrow Agreement") relating to the refunding of the 1996 Bonds, proposed to be entered into by and among the Palm Desert Financing Authority, the County and BNY Western Trust Company, as Escrow Agent thereunder, in the form presented at this meeting and on file with the Clerk of the Board, is hereby approved. Subject to Section 9(b) below, each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Escrow Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 5. Continuing Disclosure Certificate. The Continuing Disclosure Certificate (the "Continuing Disclosure Certificate"), proposed to be executed by the County in the form presented at this meeting and on file with the Clerk of the Board, is hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Continuing Disclosure Certificate in substantially said form, with such changes therein as the Authorized Officer executing the same may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 6. Purchase Contract. The Purchase Contract (the "Purchase Contract") proposed to be entered into by the Authority, the County and Kinsell, Newcomb & DeDios, Inc. and Stinson Securities, LLC (together, the "Underwriters"), in the form presented at this meeting and on file with the Clerk of the Board, and the sale of the Bonds pursuant thereto upon the terms and conditions set forth therein, are hereby approved. Subject to the limitations set forth in Section 9 below, each Authorized Officer, acting singly, is authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Purchase Contract in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 7. Animal Shelter Construction Agency Agreement. The Construction Agency Agreement (the "Animal Shelter Construction Agency Agreement") proposed to be entered into by the County and the Authority with respect to the construction of the Animal Shelter Facilities, in the form presented at this meeting and on file with the Clerk of the Board, is

hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to execute and deliver the Animal Shelter Construction Agency Agreement in substantially said form, with such changes therein as the Authorized Officer executing the same may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof).

Section 8. Medical Clinic Construction Agency Agreement. The Economic Development Agency of the County is hereby authorized and directed to perform the services of a construction agent with respect to the construction of the Medical Clinic Facilities.

Section 9. Approval of Financing. (a) The Board of Supervisors hereby confirms its finding that that the financing of public capital improvements described above through the issuance by the Authority of the Bonds will result in significant public benefits to the constituents of the County, including demonstrable savings in effective interest rate and more efficient delivery of County services to residential and commercial development. The Board of Supervisors hereby approves the issuance of the Bonds by the Authority; provided, that (i) the aggregate principal amount of the Bonds does not exceed \$27,000,000, and (ii) the true interest cost of the Bonds does not exceed six percent (6%). The authorization and powers delegated to the Authorized Officers by Section 6 of this Resolution shall be valid for a period of 180 days from the date of adoption of this Resolution.

(b) Notwithstanding the foregoing, if at any time before the sale of the Bonds, the County Executive Officer, in consultation with the County's financial advisor, determines that it is not economical for the County to proceed with the refunding of the 1996 Bonds, then the County Executive Officer shall promptly notify the Authority of such determination. In such event, the approval of the Escrow Agreement in Section 4 hereof shall be deemed rescinded and each of the other documents approved hereby shall be revised to reflect the financings relating only to the Animal Shelter Facilities and the Medical Clinic Facilities.

Section 10. Preliminary Official Statement. The Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement"), in the form presented at this meeting and on file with the Secretary of the Authority, is hereby approved. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to cause the Preliminary Official Statement in substantially said form, with such changes therein as such Authorized Officer may approve, to be deemed final for the purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934. The distribution by Kinsell, Newcomb & DeDios, Inc. and Stinson Securities, LLC (together, the "Underwriters") of copies of the Preliminary Official Statement to potential purchasers of the Bonds is hereby approved.

Section 11. Official Statement. Each Authorized Officer, acting singly, is hereby authorized and directed, for and in the name and on behalf of the County, to cause the Preliminary Official Statement to be brought to a final Official Statement (the "Official Statement"), and to execute the same for and in the name and on behalf of the County, with such changes therein as such Authorized Officer may approve (such approval to be conclusively evidenced by such Authorized Officer's execution and delivery thereof). The distribution and use of the Official Statement by the Underwriters in connection with the sale of the Bonds are hereby approved.

Section 12. Other Acts. The Authorized Officers and all other officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to effectuate the purposes of this Resolution, the Site Lease, the Lease, the Escrow Agreement (unless approval of which shall have been deemed rescinded pursuant to Section 9(b)), the Continuing Disclosure Certificate, the Purchase Contract and the Animal Shelter Construction Agency Agreement and any such actions previously taken by such officers are hereby ratified and confirmed.

Section 13. Effective Date. This Resolution shall take effect immediately upon adoption.

APPROVED and ADOPTED this 7th day of October, 2003.

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Chairman of the Board of Supervisors

ATTEST:

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Clerk of the Board of Supervisors