

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

629 A



FROM: Economic Development Agency

SUBMITTAL DATE:
March 21, 2005

SUBJECT: 2005 Tax Allocation Housing Refunding Bonds

RECOMMENDED MOTION: That the Board adopt Resolution No. 2005-143, approving the issuance by the Redevelopment Agency for the County of Riverside of not to exceed \$25,000,000 2005 Tax Allocation Housing Refunding Bonds.

BACKGROUND: In 1997, the Public Financing Authority issued approximately \$69 million in tax allocation revenue bonds secured by loan agreements with the Redevelopment Agency for the County of Riverside ("Agency"). Based on an analysis of the outstanding principal and current market rates, the housing component of the bonds could be refunded with a potential net present value savings of approximately \$1.08 million. This represents a savings of 6% which is well above the minimum threshold of 3% savings that is typically recommended for refundings. The amount of the issue is expected to be \$19 million with a rating of Aaa/AAA. It is recommended that the Board adopt Resolution No. 2005-1 which would allow for the redemption, defeasance and payment of the housing portion of the 1997 bonds and loan agreements. The transaction will be contingent upon the issuance of refunding bonds by the Agency resulting in net savings of a minimum of 3%. If the market fluctuates to a point where this is no longer possible, the sale will be cancelled.

Departmental Concurrence

Bradley J. Hudson

BJH:RZ:DE:TE

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Bradley J. Hudson
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	n/a
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	no
	Annual Net County Cost:	\$ 0	For Fiscal Year:	no

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: yes

SOURCE OF FUNDS: na	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE** **FORM APPROVED COUNTY COUNSEL**

MAR 21 2005

County Executive Office Signature *Bhonda King* **BY** *Lee A. J. ...*

- Policy
- Policy
- Consent
- Consent
- Dep't Recomm.:
- Per Exec. Ofc.:

Prev. Agn. Ref.: **District:** all **Agenda Number:**

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.12
Form 11 (Rev 06/2003)