

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



FROM: Economic Development Agency

SUBMITTAL DATE:
August 1, 2005

SUBJECT: Oakwood Apartments, Housing Alternatives, Inc. – Moreno Valley

RECOMMENDED MOTION: That the Board conduct a public hearing and adopt Resolution No. 2005-367 approving the issuance of bonds by the California Statewide Community Development Authority for the Oakwood Apartments in Moreno Valley.

BACKGROUND: On April 23, 1996, the Board of Supervisors approved a Joint Exercise of Powers Agreement (the "Agreement") and, thereby, joined the California Statewide Communities Development Authority (the "Authority"). The Authority is authorized to assist in the financing and refinancing of multifamily housing facilities. Pursuant to Section 9 of the Agreement and Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the member agencies must conduct a public hearing and approve the Authority's issuance of indebtedness for projects located in the member agency's jurisdiction.

Housing Alternatives, Inc. (the "Borrower"), has submitted an application to the Authority to finance the land acquisition and construction of a 239 unit, 100% low income, multi family housing complex to be located on a twenty acre site located at 15168 Perris Boulevard in Moreno Valley. The City of Moreno Valley (the "City") has requested that the County conduct the public hearing for the project because the

Departmental Concurrence

Robin Zimpfer

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Robin Zimpfer
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current F.Y. Total Cost:	\$	In Current Year Budget:	
	Current F.Y. Net County Cost:	\$		Budget Adjustment:
	Annual Net County Cost:	\$		For Fiscal Year:

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: no

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**

JUL 29 2005

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

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

Prev. Agn. Ref.: **District: 5** **Agenda Number:**

9.3

City will be dark during the month of August and unable to conduct a public hearing within the timeframe required for the State application.

The \$21 million in private activity 501(c)(3) bonds will provide a portion of the \$42 million dollar project cost of which \$6.6 million of which is being provided by the city of Moreno Valley in the form of a gap loan and deferred fees. Staff recommends that the Board conduct the public hearing and approve Resolution No. 2005-367 as required by the Internal Revenue Code for the issuance of the bonds.

The public hearing has been advertised as required by Section 147(f) of the Code.

RESOLUTION NO.2005-367

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY FOR THE OAKWOOD APARTMENTS (MORENO VALLEY)

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 *et seq.* and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the County of Riverside (the "County"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

WHEREAS, One Moreno Valley 240, L.P., a California limited partnership, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$23,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 239-unit multifamily rental housing project, located at 15168 Perris Blvd., Moreno Valley, California, and generally known as Oakwood Apartments (the "Project"); and

WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

WHEREAS, the members of this Board of Supervisors (this "Board") are the applicable elected representatives of the County; and

WHEREAS, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the County, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

WHEREAS, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE AS FOLLOWS:

Section 1. The above recitals are true and correct.

Section 2. The Board hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

Section 3. 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 that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

Section 4. The Clerk of the Board of the County shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

Stephen A. Spitz, Esq.
Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, California 94105

Section 5. This resolution shall take effect immediately upon its passage.

ADOPTED by the Board of Supervisors of the County of Riverside at a regular meeting of said Board held on the 9th day of August, 2005, by the following vote:

AYES:

NOES:

ABSENT:

ATTEST:

Chair of the Board

Clerk of the Board