

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

456



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
October 5, 2007

**SUBJECT:** California Municipal Finance Authority Membership

**RECOMMENDED MOTION:** That the Board of Supervisors adopt Resolution Number 2007-445, authorizing the County of Riverside to join the California Municipal Finance Authority and authorizing the Chairman to execute the related Joint Exercise of Powers Agreement.

**BACKGROUND:** The California Municipal Finance Authority (CMFA) is a joint powers authority (JPA) the purpose of which is to undertake the financing and/or refinancing of capital projects and insurance, liability or retirement programs. Federal and state laws enable cities and counties to join together under cooperative agreements to form joint powers authorities to issue tax-exempt and taxable bonds to fund projects that provide a public benefit and serve the needs of residents within the jurisdictions of the participating members. All cities and counties in California have the ability to act as an issuer of conduit revenue bonds, but many jurisdictions utilize joint powers authorities primarily for economies of scale, to access specialized transaction knowledge and resources, and to avoid using valuable local staff time on these types of transactions.

(Continued on page 2)

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*Robin Zimpfer*  
\_\_\_\_\_  
Robin Zimpfer  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

**COMPANION ITEM ON BOARD OF DIRECTORS AGENDA:** No

<b>SOURCE OF FUNDS:</b> N/A	<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  
BY: *Jennifer L. Sargent*  
\_\_\_\_\_  
Jennifer L. Sargent

**County Executive Office Signature**

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

**Prev. Agn. Ref.:** N/A

**District:** All

**Agenda Number:**

FORM APPROVED COUNTY COUNSEL  
BY: *Katherine A. Lind*  
KATHERINE A. LIND  
DATE: 10/11/07  
Departmental Concurrence

**BACKGROUND:** (Continued from page 1)

The CMFA was created on January 1, 2004 pursuant to a joint exercise of powers agreement to promote economic, cultural and community development, through the financing of economic development and charitable activities throughout California. To date, over 50 municipalities have become members of CMFA including the Cities of Colton, Daly City, El Segundo, Fresno, La Quinta, Oakland, Oxnard, Petaluma, Rancho Cordova, Rancho Cucamonga, San Francisco, San Jacinto, San Jose, Santa Clarita, Stockton and Torrance, and the Counties of Alameda, Contra Costa, Fresno, Imperial, San Bernardino, San Diego, San Francisco, San Joaquin and Sonoma.

The CMFA was formed to assist local governments, non-profit organizations and businesses with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California. The CMFA's representatives and its Board of Directors have considerable experience in bond financings. Federal law requires a public hearing before the Board of Supervisors prior to any bond issuance by CMFA for projects under the County's jurisdiction. If the Board does not approve the project, CMFA cannot issue bonds.

CMFA does not charge any membership fees. Any bonds issued by CMFA are special, limited obligations only of CMFA, payable solely through the payment of principal and interest from the borrowers who utilize the program. Neither the faith or credit, nor the taxing power of the County, any member of CMFA, the state or any political subdivision is pledged to the repayment of the bonds issued through the JPA. The CMFA will be financially self-sustaining, and the members will have no obligation for the CMFA's expenses.

It is recommended that the Board of Supervisors adopt Resolution Number 2007-445, authorizing the County's CMFA membership and the Chairman's execution of the related Joint Exercise of Powers Agreement.

2  
3 RESOLUTION NO. 2007-445

4 APPROVING, AUTHORIZING, AND DIRECTING  
5 EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT  
6 RELATING TO THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY

7 **WHEREAS**, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State  
8 of California (the "Act"), certain public agencies (the "Members") have entered into a Joint Exercise of  
9 Powers Agreement, effective on January 1, 2004 (the "Agreement") in order to form the California  
10 Municipal Finance Authority (the "Authority"), for the purpose of promoting economic, cultural and  
11 community development, and in order to exercise any powers common to the Members, including the  
12 issuance of bonds, notes or other evidences of indebtedness; and

13 **WHEREAS**, the Board of Supervisors has determined that the County of Riverside ("County")  
14 should become a Member of the Authority in order to facilitate the promotion of economic, cultural and  
15 community development activities in the County, including the financing of projects therefor by the  
16 Authority; and

17 **WHEREAS**, the members of the Board of Supervisors have reviewed the Agreement, with the  
18 assistance of their staff; and

19 **WHEREAS**, the Agreement is before the Board of Supervisors;

20 **NOW, THEREFORE, BE IT RESOLVED**, that the Riverside County Board of Supervisors,  
21 hereby finds, determines and declares as follows:

22 **Section 1.** The Agreement is hereby approved and the Chairman is hereby authorized and directed  
23 to execute the Agreement.

24 **Section 2.** The Chairman, the County Executive Officer or his or her designee, the Clerk of the  
25 Board and all other proper County officers and officials are hereby authorized and directed to execute  
26 such other agreements, documents and certificates, and to perform such other acts and deeds, as may be  
27 necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.  
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1           **Section 3.** Notwithstanding the County's approval and execution of the Agreement, it hereby  
2 expressly declines to participate in the California Municipal Finance Authority's practice of sharing bond  
3 issuance fees with its member agencies.

4           **Section 4.** The Clerk shall forward a certified copy of this Resolution and an originally executed  
5 Agreement to the Authority in care of its counsel:

6                               Harriet M. Welch, Esquire  
7                               Squire, Sanders & Dempsey LLP  
8                               555 South Flower Street, Suite 3100  
9                               Los Angeles, CA 90071

10           **Section 5.** This resolution shall take effect immediately after its adoption.

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FORM APPROVED COUNTY COUNSEL  
BY: Katherine A. Lind                               10/11/07  
KATHERINE A. LIND                                                       DATE