

FORM APPROVED COUNTY COUNSEL
 BY: MS MARSHAL VICTOR 12/07/07
 DATE

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

361



FROM: Economic Development Agency

SUBMITTAL DATE:
 December 7, 2007

SUBJECT: California Enterprise Development Authority Lease Purchase Agreement with River Springs Charter School

RECOMMENDED MOTION: That the Board of Supervisors adopt Resolution Number 2007-550 approving the lease purchase agreement between the California Enterprise Development Authority ("the Authority") and River Springs Charter School.

BACKGROUND: On April 17, 2007, the Board of Supervisors approved a Joint Exercise of Powers Agreement (the "Agreement") and, thereby, joined the Authority. The Authority is authorized to assist in the financing and refinancing of facilities. Pursuant to the Agreement the member agencies must approve the Authority's issuance of debt for the projects located in the member agency's jurisdiction.

River Springs Charter School (the "School") is a parent choice school where the community is the classroom. Their mission is to foster the innate curiosity of students, empower their parents and promote optimum learning by collaboratively developing a personalized learning program for each student.

(Continued on Page 2)

Robin Zimpfer
 Robin Zimpfer
 Assistant County Executive Officer/EDA

RZ:DL:TE:RD:MN
 S:\FINCOM\CA Enterprise Development Authority\River Springs Charter School\F11 Resolution No. 2007-550.doc

FINANCIAL DATA	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

SOURCE OF FUNDS: N/A

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

C.E.O. RECOMMENDATION: APPROVE
 BY: Jennifer L. Sargent
 County Executive Office Signature

Policy
 Policy
 Consent
 Consent
 Dept. Recomm.
 Per Exec. Ofc.

Prev. Agn. Ref.: District: 1, 2, 3, 4 **Agenda Number:**

BACKGROUND (continued):

The School has requested that the Authority enter into a Lease Purchase Agreement (the "Lease Purchase Agreement") between Dubuque Bank & Trust, as lessor and the Authority, as lessee, and simultaneously enter into another Lease Purchase Agreement between the Authority, as lessor, and the School, as lessee, each in an aggregate principal amount not to exceed \$1,700,000. The funds will assist the School in financing or refinancing the acquisition, installation, rehabilitation and equipping of certain properties located in Indio, Rubidoux, Hemet, Riverside, and Wildomar (collectively, the "Facilities"). The Facilities are located at 44-700 Palm Street in Indio, 4130 Mennes Ave. in Rubidoux, 105 North Girard in Hemet, 8775 Magnolia Ave. in Riverside, and 21465 Palomar St. in Wildomar.

It is recommended that the Board of Supervisors adopt Resolution Number 2007-550 approving the lease purchase agreement between the Authority and the School.

2 **RESOLUTION NO. 2007-550**

3 **A RESOLUTION OF THE BOARD OF SUPERVISORS FOR THE COUNTY OF RIVERSIDE**
4 **APPROVING THE EXECUTION AND DELIVERY BY THE CALIFORNIA ENTERPRISE**
5 **DEVELOPMENT AUTHORITY OF A LEASE PURCHASE AGREEMENT BETWEEN THE**
6 **AUTHORITY AND THE LESSOR NAMED THEREIN IN AN AGGREGATE PRINCIPAL**
7 **AMOUNT NOT TO EXCEED \$1,700,000 FOR THE PURPOSE OF FINANCING,**
8 **REFINANCING OR REIMBURSING RIVER SPRINGS CHARTER SCHOOL FOR THE COST**
9 **OF THE ACQUISITION, INSTALLATION AND EQUIPPING OF CERTAIN PROPERTY,**
10 **PROVIDING THE TERMS AND CONDITIONS FOR SUCH LEASE PURCHASE**
11 **AGREEMENT AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

12 **WHEREAS,** River Springs Charter School (the "School") has requested that the
13 California Enterprise Development Authority (the "Authority") enter into a Lease Purchase
14 Agreement (the "Lease Purchase Agreement") between Dubuque Bank & Trust, as lessor (or
15 another entity serving in the capacity as lessor thereunder), and the Authority, as lessee, and
16 simultaneously enter into another Lease Purchase Agreement between the Authority, as
17 lessor, and the School, as lessee, each in an aggregate principal amount not to exceed
18 \$1,700,000, to assist the School in financing, refinancing or reimbursing the School for the
19 cost of (a) the acquisition, installation, rehabilitation and equipping of certain property located
20 at: (i) 44-700 Palm Street, Indio, California 92201, (ii) 4130 Mennes Avenue, Riverside,
21 California 92509, (iii) 105 North Girard, Hemet, California 92544, (iv) 8775 Magnolia Avenue,
22 Riverside, California 92504, and/or (v) 21465 Palomar Street, Suite 7, Wildomar, California
23 92595 (collectively, the "Facilities"), (b) capitalized interest with respect to the financing, (c)
24 funding a reserve fund, if necessary, with respect to the financing and (d) paying certain costs
25 of issuance in connection with the financing (collectively, the "Project"); and,

26 **WHEREAS,** pursuant to the provisions of the Joint Powers Act, comprising Articles 1,
27 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the
28 Government Code of the State of California (the "Act"), the cities of Eureka, Lancaster and
Selma entered into a joint exercise of powers agreement (the "Agreement") pursuant to which
the Authority was organized; and,

1 **WHEREAS**, the Authority is authorized by the Agreement and the Act to issue bonds,
2 notes or other evidences of indebtedness, or certificates of participation in leases or other
3 agreements, or enter into loan agreements to, among other things, finance or refinance
4 facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of
5 the Internal Revenue Code of 1986, as amended (the "Code"); and,

6 **WHEREAS**, pursuant to the provisions of the Act, the public agencies which are
7 members of the Authority are authorized to jointly exercise any power common to such public
8 agency members, including, without limitation, the power to acquire and dispose of property,
9 both real and personal; and,

10 **WHEREAS**, the County of Riverside is an associate member of the Authority and is
11 authorized to acquire and dispose of property, both real and personal; and,

12 **WHEREAS**, the Lease Purchase Agreement is intended to qualify as a "qualified zone
13 academy bond" pursuant to Section 1397E of the Code; and,

14 **WHEREAS**, the Facilities are located within the territorial limits of the County and the
15 Board of Supervisors of the County (the "Board of Supervisors") is the elected legislative body
16 of the County; and,

17 **WHEREAS**, the execution and delivery of the Lease Purchase Agreement by the
18 Authority must be approved by the Board of Supervisors pursuant to the Act, the Agreement
19 and the Code; and,

20 **WHEREAS**, the Authority and the Borrower have requested that the Board of
21 Supervisors approve the execution and delivery of the Lease Purchase Agreement pursuant
22 to the Act, the Agreement and the Code; and,

23 **WHEREAS**, it is intended that this Resolution shall comply with the approval
24 requirements of Act, the Agreement and the Code; **provided, however**, that this Resolution is
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1 neither intended to nor shall it constitute an approval by the Board of Supervisors for any other
2 purpose.

3 **BE IT RESOLVED, DETERMINED, and ORDERED** by the Board of Supervisors of
4 the County of Riverside:

5 1. The Board of Supervisors hereby approves the execution and delivery of the Lease
6 Purchase Agreement by the Authority for the benefit of the School, in an amount not to exceed
7 \$1,700,000 to finance the costs of the Project. This resolution shall constitute approval of the
8 execution and delivery of the Lease Purchase Agreement for purposes of the Act, the
9 Agreement and Section 1397E of the Code; provided, however, that this Resolution shall not
10 constitute an approval by the Board of Supervisors of the Project for any other purposes,
11 including compliance thereof with CEQA, nor does it constitute an approval of the underlying
12 credit or financial structure of the Lease Purchase Agreement.
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15 2. All actions heretofore taken by the officers, officials, employees and agents of the
16 County with respect to the approval of the Lease Purchase Agreement are hereby approved,
17 confirmed and ratified, and the officers, officials and employees of the County and their
18 authorized deputies and agents are hereby authorized and directed, jointly and severally, to do
19 any and all things and to execute and deliver any and all certificates and documents which they
20 or County Council may deem necessary or advisable in order to consummate the execution and
21 delivery of the Lease Purchase Agreement and otherwise to effectuate the purposes of this
22 Resolution.
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24 3. This Resolution shall take effect from and after its adoption.
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FORM APPROVED COUNTY COUNSEL

BY: Marsha L. Victor 12/07/07
MARSHA L. VICTOR DATE