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

FROM: Economic Development Agency

SUBMITTAL DATE:
December 10, 2009

SUBJECT: Public Hearing, Approval of Extension of Maturity Date and Weighted Average Maturity of Variable Rate Demand Industrial Development Revenue Bonds for Anaisa, LLC and Letter of Credit Addition

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct the public hearing; and
2. Adopt Resolution 2010-027 approving the extension of maturity date and weighted average maturity by the Industrial Development Authority of the County of Riverside (Authority) of its Variable Rate Demand Industrial Development Revenue Bonds, Series 2001 (TRM Manufacturing, Inc. Project) (Bonds) for the benefit of Anaisa, LLC (Applicant)

BACKGROUND: On June 22, 2001, the Authority issued \$5,000,000 of the Bonds to finance the cost of construction, installation and equipping of a manufacturing facility located at 375 TRM Circle, Corona, California for the manufacture and distribution of extruded sheet plastic material (Project).

(Continued)

Robert Field
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:	N/A
Annual Net County Cost:	\$ 0	For Fiscal Year:	N/A

COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes

SOURCE OF FUNDS: Bonds to be secured and paid for by the Applicant

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

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner 12/10/09
DALE A. GARDNER DATE
Departmental Concurrence

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

Prev. Agn. Ref.: 05-22-01, Item 6.1

District: 2

Agenda Number:

9.7

BACKGROUND: (Continued)

The Applicant has submitted a request to the Authority to extend the maturity date and weighted average maturity of the Bonds and add an additional letter of credit to secure the Bonds. The Bonds are secured by a letter of credit issued by California Bank & Trust but due to recent financial market disruptions, the interest rate on the Bonds has increased significantly in comparison to the interest rate for other comparable Bonds. The proposed amendments serve to add a confirming letter of credit by the Federal Home Loan Bank of San Francisco as additional security for the payment of the Bonds. The additional security will allow the Bonds to receive a higher rating and, correspondingly, be remarketed at lower rates. The amendments will also extend the final maturity date of the Bonds, solely for tax purposes.

Staff recommends that the Board conduct the public hearing and adopt Resolution No. 2010-027 approving the extension of the maturity date of the Bonds.

A companion item appears on today's Industrial Development Authority agenda.

RESOLUTION NO. 2010-027

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE EXTENSION OF THE MATURITY DATE AND CERTAIN OTHER AMENDMENTS WITH RESPECT TO THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF RIVERSIDE VARIABLE RATE DEMAND INDUSTRIAL DEVELOPMENT REVENUE BONDS, SERIES 2001 (TRM MANUFACTURING INC. PROJECT)

WHEREAS, Anaisa, LLC, (the "Borrower") has requested the Industrial Development Authority of the County of Riverside (the "Authority") to extend the maturity date and the weighted average maturity of the Authority's Variable Rate Demand Industrial Development Revenue Bonds, Series 2001 (TRM Manufacturing Inc. Project) (the "Bonds"), which Bonds were issued pursuant to the California Industrial Development Financing Act, being Title 10 of the California Government Code, as supplemented and amended, to finance a portion of the cost of the acquisition, construction, and installation of certain property and equipment located at located at 375 TRM Circle, Corona, California (the "Project"); and

WHEREAS, Borrower owns the Project, which is used for manufacturing and distributing extruded sheet plastic materials; and

WHEREAS, the extension of the maturity date and the weighted average maturity of the Bonds must be approved by this Board of Supervisors in order to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, the Clerk of the Board of Supervisors has caused a notice to appear in *The Press-Enterprise*, which is a newspaper of general circulation in the County of Riverside, on December 29, 2009, to the effect that a public hearing would be held by the Board of Supervisors on January 12, 2010, regarding the extension of the maturity date and the weighted average maturity of the Bonds with respect to the Project; and

WHEREAS, the Board of Supervisors has held said public hearing on January 12, 2010, providing a reasonable opportunity for persons to comment on the extension of the maturity date and the weighted average maturity of the Bonds with respect to the Project; and

WHEREAS, it is intended that this Resolution shall constitute the approval of the extension of the maturity date and the weighted average maturity of the Bonds required by Section 147(f) of the Code;

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]*
DALE A. GARDNER
DATE: 1/23/09

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Riverside, that:

Section 1. The Board of Supervisors of the County of Riverside (the "County") hereby approves the extension of the maturity date and the weighted average maturity of the Bonds. This resolution shall constitute both "host" and "issuer" approval within the meaning of Section 147(f) of the Code.

Section 2. All actions heretofore taken by the officers, employees and agents of the County with respect to the approval of the extension of the maturity date and the weighted average maturity of the Bonds are hereby approved, confirmed and ratified, and the officers and employees of the County and their authorized deputies and agents are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents which they or bond counsel may deem necessary or advisable in order to consummate the extension of the maturity date and the weighted average maturity of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 3. This Resolution shall take effect from and after its adoption.

PASSED, APPROVED, AND ADOPTED at a meeting of the Board of Supervisors of the County of Riverside on January 12, 2010, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Chairman

Attest:

Kecia Harper-Ihem, Clerk
Board of Supervisors

By _____
Deputy