

**SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

691



FROM: Public Financing Authority

SUBMITTAL DATE:
May 6, 2010

SUBJECT: Resolution Number 2010-002, Authorizing the Purchase and Sale of Redevelopment Agency for the County of Riverside Tax Allocation Housing Bonds

RECOMMENDED MOTION: That the Board of Directors adopt Resolution Number 2010-002, authorizing the purchase and sale of Redevelopment Agency for the County of Riverside tax allocation housing bonds, Series A, and Redevelopment Agency for the County of Riverside taxable tax allocation housing bonds, Series A-T, approving related documents, and authorizing official actions.

BACKGROUND: The Redevelopment Agency (RDA) for the County of Riverside proposes to issue tax allocation bonds in an amount not-to-exceed \$74,500,000, for the purpose of funding various proposed projects creating, improving or preserving the stock of affordable housing throughout the unincorporated areas of the County of Riverside. The RDA proposes a Series A of tax exempt tax allocation housing bonds, in an approximate amount not-to-exceed \$19,500,000, in combination with a Series A-T of taxable tax allocation housing bonds, in an amount not-to-exceed \$55,000,000.

Robert Field

Robert Field
Executive Director
By Dan Martinez, Deputy Executive Director

FORM APPROVED/COUNTY COUNSEL
BY: *DALE A. GARDNER*
DATE: *5/12/10*
Department Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: RDA Low and Moderate Income Housing	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

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

Prev. Agn. Ref.: N/A | District: ALL | Agenda Number:

5.1

1 **PUBLIC FINANCING AUTHORITY**

BOARD OF DIRECTORS

2 **RESOLUTION NUMBER 2010-002**

3
4 **RESOLUTION OF THE RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY**
5 **AUTHORIZING THE PURCHASE AND SALE OF REDEVELOPMENT AGENCY**
6 **FOR THE COUNTY OF RIVERSIDE TAX ALLOCATION HOUSING BONDS,**
7 **SERIES A, AND REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**
8 **TAXABLE TAX ALLOCATION HOUSING BONDS, SERIES A-T, APPROVING**
9 **RELATED DOCUMENTS, AND AUTHORIZING OFFICIAL ACTIONS**

10
11 **WHEREAS**, the County of Riverside (the "County"), and the Redevelopment Agency
12 for the County of Riverside ("the Agency") have entered into a Joint Exercise of Powers
13 Agreement, dated as of March 20, 1990 (the "Agreement"), creating the Riverside County
14 Public Financing Authority (the "Authority");

15
16 **WHEREAS**, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the
17 Government Code of the State of California (the "Act") and the Agreement, the Authority is
18 authorized to purchase bonds issued by the Agency;

19
20 **WHEREAS**, pursuant to the Act and the Agreement the Authority is further authorized
21 to sell bonds so purchased to public or private purchasers at public or negotiated sale;

22
23 **WHEREAS**, under the Community Redevelopment Law of the State of California,
24 twenty percent (20%) of the tax revenues allocated to the Agency are required to be set aside in
25 a Low and Moderate Income Housing Fund for use in increasing the supply of low- and
26 moderate-income housing in the County;

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner 4/27/10
DATE
DALE A. GARDNER

1 **WHEREAS**, the Agency has determined to issue two series of bonds to fund various
2 housing activities relating to low- and moderate- income housing and of benefit to the Agency's
3 various redevelopment projects;

4
5 **WHEREAS**, the Authority desires to purchase from the Agency not to exceed
6 \$19,500,000 aggregate principal amount of Redevelopment Agency for the County of Riverside
7 2010 Tax Allocation Housing Bonds, Series A (the "Series A Bonds"), solely from the proceeds
8 received from the Authority's concurrent sale of the Series A Bonds to the Underwriter (as
9 defined below);

10
11 **WHEREAS**, the Authority also desires to purchase from the Agency not to exceed
12 \$55,000,000 aggregate principal amount of Redevelopment Agency for the County of Riverside
13 2010 Taxable Tax Allocation Housing Bonds, Series A-T (the "Series A-T Bonds" and, together
14 with the Series A Bonds, the "Bonds"), solely from the proceeds received from the Authority's
15 concurrent sale of the Series A-T Bonds to the Underwriter;

16
17 **WHEREAS**, the Agency has caused an Official Statement relating to the Bonds (the
18 "Official Statement") to be submitted to the Authority for approval for distribution to purchasers
19 of the Bonds; and

20
21 **WHEREAS**, the Board of Directors (the "Board") of the Authority has duly considered
22 such transactions and wishes at this time to authorize proceedings for the purchase and sale of
23 the Bonds in the public interests of the Authority;

24
25 **NOW THEREFORE, BE IT RESOLVED** by the Board of Directors of the Riverside County
26 Public Financing Authority, as follows:

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28

1 1. **Recitals True and Correct.** The foregoing recitals are true and correct and this
2 Authority so finds and determines.

3
4 2. **Sale of Bonds.** The Authority hereby approves the purchase and sale of the Bonds by
5 negotiation with Wedbush Securities, as underwriter (the "Underwriter"), on behalf of
6 itself and Stone & Youngberg LLC. The Bond Purchase Agreements (the "Purchase
7 Agreements"), one each for the Series A Bonds and the Series A-T Bonds, each by and
8 among the Authority, the Underwriter and the Agency, pursuant to which the Agency
9 agrees to sell the Bonds to the Authority, for re-sale to the Underwriter, and the
10 Underwriter agrees to purchase the Bonds from the Authority, in the form on file with
11 the Secretary, be and the same are hereby approved, and the Chairman, the Vice
12 Chairman, the Executive Director, the Assistant Executive Director and the Deputy
13 Executive Director of the Agency (who is also an Assistant Secretary of the Authority),
14 are hereby separately authorized and directed to execute said documents, with such
15 changes, insertions and omissions as may be approved by such official, including
16 modifications to provide for the private placement of all or a portion of the Bonds and
17 the payment of placement agent fees, if any, so long as: (A) the aggregate principal
18 amount of the Series A Bonds does not exceed \$19,500,000, the true interest cost on the
19 Series A Bonds does not exceed 6.95% per annum, and the Underwriter's discount
20 (exclusive of original issue discount) on the Series A Bonds does not exceed 0.95%; and
21 so long as (B) the aggregate principal amount of the Series A-T Bonds does not exceed
22 \$55,000,000, the true interest cost on the Series A-T Bonds does not exceed 9.50% per
23 annum, and the Underwriter's discount (exclusive of original issue discount) on the
24 Series A-T Bonds does not exceed 0.95%.

25
26 Notwithstanding anything else herein to the contrary, the Series A Bonds may be issued
27 in part or in whole as "Build America Bonds" under and within the meaning of Section
28 54AA of the Internal Revenue Code of 1986 (the "Code"). The amount of any

1 anticipated interest subsidy payments received pursuant to Section 54AA of the Code by
2 or on behalf of the Agency in respect of the Series A Bonds that are issued as Build
3 America Bonds shall be considered in determining the true interest cost of the Series A
4 Bonds.

5
6 3. **Official Statement.** The Official Statement relating to the Bonds, together with such
7 amendments and supplements as shall be necessary or convenient to accurately describe
8 the Bonds in accordance with the Purchase Agreements, this Resolution and the other
9 related proceedings and documents, is hereby approved for distribution to the purchasers
10 of the Bonds.

11
12 4. **Official Action.** The Chairman, the Vice Chairman, the Executive Director, the
13 Assistant Executive Director, the Deputy Executive Director of the Agency, in his
14 capacity as Assistant Secretary of the Authority, and the Secretary and any and all other
15 officers of the Authority are hereby authorized and directed, for and in the name and on
16 behalf of the Authority, to do any and all things and take any and all actions, including
17 execution and delivery of any and all assignments, certificates, notices, consents,
18 instruments of conveyance, warrants and other documents, which they, or any of them,
19 may deem necessary or advisable in order to consummate the sale and delivery of the
20 Bonds to the Authority for resale and delivery to the Underwriter pursuant to the
21 Purchase Agreements approved herein.

22
23 5. **Effective Date.** This resolution shall take effect from and after the date of approval and
24 adoption thereof.

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26 The foregoing resolution was passed and adopted by the Board of Directors of the Riverside
27 County Public Financing Authority at a regular meeting held on the 4th day of May, 2010.