

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

226



FROM: Economic Development Agency

SUBMITTAL DATE:
June 10, 2010

SUBJECT: California Municipal Finance Authority-Cardenas Three, LLC

RECOMMENDED MOTION: That the Board of Supervisors conduct a Public Hearing and adopt Resolution No. 2010-193, approving the issuance, by the California Municipal Finance Authority of Industrial Revenue Bonds, for Cardenas Three, LLC.

BACKGROUND: According to the provisions of the California Government Code, Section 6500 et seq., and the terms of a Joint Exercise of Powers Agreement (Agreement), the California Municipal Finance Authority (Authority) is authorized to issue Revenue Bonds (Bonds) for the purpose of promoting economic development in the state of California. The Authority is among local agencies throughout the State of California, including the County of Riverside, to issue such Bonds.

(Continued)

FORM APPROVED COUNTY COUNSEL

BY: *[Signature]* DATE: 6/9/10
DALE A. GARDNER

Departmental Concurrence

[Signature]

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: 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

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

[Signature]
BY: Jennifer L. Sargent

County Executive Office Signature

Prev. Agn. Ref.: N/A

District: 2

Agenda Number:

9.7
EDA-001a-F11
Form 11 (Rev 06/2003)

BACKGROUND: (Continued)

The County of Riverside has been a member of the Authority since September of 2007. Pursuant to the Agreement and the Internal Revenue 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.

Cardenas Three, LLC, has requested that the Authority serve as the municipal issuer of the Bonds, in an aggregate principal amount not to exceed \$6,000,000, of tax-exempt Revenue Bonds. Proceeds from the issuance of the Bonds will be applied to finance or refinance the acquisition, rehabilitation and equipping of certain manufacturing and other related facilities for the benefit of Cardenas Three, LLC. Cardenas Three, LLC, has acquired a facility located at 11058 Philadelphia Avenue in the community of Mira Loma, to be used for meat processing and food refrigeration.

Attachment

RF:DM:SM:RM: 10162

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RESOLUTION NO. 2010-193

A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
APPROVING THE ISSUANCE BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY
OF REVENUE BONDS FOR THE BENEFIT OF CARDENAS THREE, LLC (OR AN
AFFILIATE THEREOF)

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

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the acquisition, installation, development and construction of capital projects, including equipment; and

WHEREAS, Cardenas Three, LLC, a California limited liability company (the "Borrower"), has requested that the Authority issue and sell revenue bonds in the maximum principal amount of Six Million Dollars (\$6,000,000) (the "Bonds") for the purpose of making a loan to the Borrower, to enable the Borrower to finance or refinance the costs of the acquisition, rehabilitation and equipping of a new meat processing and food refrigeration facility (the "Project"), all to be located in the County of Riverside (the "County"), California, at 11058 Philadelphia; and

WHEREAS, in order for the interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that an "applicable elected representative" of the governmental unit, the geographic jurisdiction of which contains the site of facilities to be financed with the proceeds of the Bonds, hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

APPROVED COUNTY COUNSEL
BY Dale A. Gardner 6/19/12
DATE

1 **WHEREAS**, the Authority has determined that the Board of Supervisors of the County
2 (the "Board") is an "applicable elected representative" for purposes of holding such hearing;
3 and

4 **WHEREAS**, the Authority has requested that the Board approve the issuance of the
5 Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of
6 the Code and the requirements of Section 4 of the Agreement; and

7 **WHEREAS**, notice of such public hearing has been duly given as required by the
8 Code, and this Board has heretofore held such public hearing at which all interested persons
9 were given an opportunity to be heard on all matters relative to the financing or refinancing of
10 the Project and the Authority's issuance of the Bonds therefore; and

11 **WHEREAS**, it is in the public interest and for the public benefit that the Board approve
12 the issuance of the Bonds by the Authority for the aforesaid purposes;

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

15 **Section 1.** The above recitals are true and correct.

16 **Section 2.** The Board of Supervisors hereby approves the issuance of the Bonds by
17 the Authority. It is the purpose and intent of the Board that this resolution constitute approval
18 of the issuance of the Bonds (a) by the "applicable elected representative" of the
19 governmental unit having jurisdiction over the area in which the Project is or is to be located in
20 accordance with Section 147(f) of the Code and (b) by the Board of Supervisors in
21 accordance with Section 4 of the Agreement.

22 **Section 3.** The issuance of the Bonds shall be subject to the approval of the
23 Authority of all financing documents relating thereto to which the Authority is a party. The
24 County shall have no responsibility or liability whatsoever with respect to the Bonds.

25 **Section 4.** The adoption of this resolution shall not obligate the County or any
26 department thereof to (i) provide any financing to acquire, install or construct the Project or
27 any refinancing of the Project; (ii) approve any application or request for or take any other
28 action in connection with any planning approval, permit or other action necessary for the

1 acquisition, installation or operation of the Project; (iii) make any contribution or advance any
2 funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority
3 or its membership therein.

4 **Section 5.** The executing officers, the Clerk of the Board of Supervisors and all other
5 proper officers and officials of the County are hereby authorized and directed to execute such
6 other agreements, documents and certificates, and to perform such other acts and deeds, as
7 may be necessary or convenient to effect the purposes of this resolution and the transactions
8 herein authorized.

9 **Section 6.** The Clerk of the Board of Supervisors shall forward a certified copy of this
10 resolution to the Authority in care of its counsel:

11 Harriet M. Welch, Esq.
12 Squire, Sanders & Dempsey LLP.
13 555 South Flower Street, Suite 3100
14 Los Angeles, CA 90071-2300

15 **Section 7.** This resolution shall take effect immediately upon its passage.

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1 ADOPTED by the Board of Supervisors of the County of Riverside at a regular meeting
2 of said Board held on the ____ day of _____, 2010, by the following vote:

3 AYES:

4 NOES:

5 ABSTAIN:

6 ABSENT:

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9 ATTEST:
10 KECIA HARPER-IHEM
11 Clerk of the Board

12 _____
13 Deputy

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