

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

305



**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
April 14, 2011

**SUBJECT:** California Municipal Finance Authority – Santa Rosa Academy, Inc.

**RECOMMENDED MOTION:** That the Board of Supervisors conduct a public hearing and adopt Resolution No. 2011-090, approving the issuance by the California Municipal Finance Authority of Revenue Bonds for the Santa Rosa Academy, Inc.

**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)

*[Signature of Robert Field]*

Robert Field  
Assistant County Executive Officer/EDA

<b>FINANCIAL DATA</b>	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:	2010/11

**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:

*[Signature of Jennifer L. Sargent]*

**County Executive Office Signature** Jennifer L. Sargent

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

Prev. Agn. Ref.: N/A

District: 3

Agenda Number

9.6

FORM APPROVED COUNTY COUNSEL

BY: Dale A. Gardner 3/31/11  
DATE

Departmental Concurrence

**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.

The Santa Rosa Academy, Inc. has requested that the CMFA serve as the municipal issuer of the Bonds in an aggregate principal amount not-to-exceed \$24,000,000 tax-exempt revenue bonds. The proceeds of the Bonds will be used by the Borrower to finance, refinance or reimburse the Borrower for the cost of (a) the acquisition, construction, improvement, rehabilitation, furnishing, and/or equipping of certain public charter school facilities located in the County of Riverside, California, in the community of Winchester, on property bounded to the east by La Ventana Road, to the south by Wickerd Road, to the west by El Centro Lane, and to the north by a line running parallel to and approximately 850 feet north of Wickerd Road; (b) paying capitalized interest on the Bonds; (c) funding one or more reserve funds with respect to the Bonds; and (d) paying certain costs of issuance for the Bonds (collectively, the "Project"). The Borrower is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986.

Attachment:

Resolution 2011-090

RESOLUTION NO. 2011-090

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 SANTA ROSA ACADEMY, INC. (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"), including the County 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, Santa Rosa Academy, Inc., a California nonprofit public benefit corporation (or an affiliate thereof) (the "Borrower"), has requested that the Authority issue and sell revenue bonds in the maximum principal amount of Twenty-Four Million Dollars (\$24,000,000) (the "Bonds") for the purpose of making a loan to the Borrower, to enable the Borrower to finance or refinance the costs of (a) the acquisition, construction, improvement, renovation and equipping of certain public charter school facilities located in the County of Riverside (the "County"), California, in the community of Winchester, on property bounded to the east by La Ventana Road, to the south by Wickerd Road, to the west by El Centro Lane, and to the north by a line running parallel to and approximately 850 feet north of Wickerd Road; (b) paying capitalized interest on the Bonds; (c) funding one or more reserve funds with respect to the Bonds; and (d) paying certain costs of issuance for the Bonds (the "Project"); and

FORM APPROVED COUNTY COUNSEL

BY: Dale A. Gardner 3/29/11

DATE: DALE A. GARDNER

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

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

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

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

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

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

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

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

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

4       **Section 4.**     The adoption of this resolution shall not obligate the County or any  
5 department thereof to (i) provide any financing to acquire, install or construct the Project or  
6 any refinancing of the Project; (ii) approve any application or request for or take any other  
7 action in connection with any planning approval, permit or other action necessary for the  
8 acquisition, installation or operation of the Project; (iii) make any contribution or advance any  
9 funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority  
10 or its membership therein.

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

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

18                     Harriet M. Welch, Esq.  
19                     Squire, Sanders & Dempsey LLP.  
20                     555 South Flower Street, Suite 3100  
21                     Los Angeles, CA 90071-2300

22       **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 \_\_\_\_\_, 2011, by the following vote:

3 AYES:

4 NOES:

5 ABSTAIN:

6 ABSENT:

7  
8  
9 ATTEST:  
10 KECIA HARPER-IHEM  
11 Clerk of the Board  
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13 \_\_\_\_\_  
14 Deputy  
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