

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

534



FROM: Economic Development Agency

SUBMITTAL DATE:
July 5, 2012

SUBJECT: Resolution No. 2012-156, Approving the Issuance by the California Municipal Finance Authority of Revenue Bonds for the Benefit of Tamarisk Apartments

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct a public hearing with the Board of Supervisors per Section 147(f) of the Internal Revenue Code of 1986;
2. Adopt Resolution No. 2012-156, declaring the California Municipal Finance Authority intent to issue tax exempt bonds for the acquisition, rehabilitation and equipping of the Tamarisk Apartments; and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to take all necessary steps to implement Resolution No. 2012-156, including, but not limited to, signing subsequent essential and relevant documents.

BACKGROUND: (Commences on Page 2)

Robert Field

Robert Field
Assistant County Executive Officer/EDA

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:	2012/13

COMPANION ITEM ON BOARD AGENDA: No

SOURCE OF FUNDS: Private Activity Mortgage Revenue Bonds

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* DATE: *6/28/12*

Departmental Concurrence

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

Prev. Agn. Ref.:

District: 4

Agenda Number:

9.8

Economic Development Agency

Resolution No. 2012-156, Approving the Issuance by the California Municipal Finance Authority of Revenue Bonds for the Benefit of Tamarisk Apartments

July 5, 2012

Page 2

BACKGROUND:

The Economic Development Agency for the County of Riverside is working in partnership with Dawson Holdings Inc. (whose partners include DHI Tamarisk Associates, L.P.) in the acquisition, rehabilitation and equipping of a 50-unit multifamily rental housing complex in the unincorporated area of Ripley in the County of Riverside (Tamarisk Apartments). The total Project budget is \$6,135,528. Other funding sources include United States Department of Agriculture funds in the amount of \$1,351,024 under the Rural Rental Housing Program, a deferred developer Fee of \$591,188, and a Limited Partner Tax Credit Equity contribution of \$440,316.

In connection with the Limited Partner Tax Credit Equity contribution, the California Municipal Finance Authority proposes to issue tax exempt bonds in an amount not to exceed \$4,500,000 for the development of the Tamarisk Apartments. The California Municipal Finance Authority is an eligible conduit issuer of tax exempt mortgage revenue bonds.

In order for the interest of the bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended, requires that the governmental unit where the project is located, hold a public hearing on the issuance of bonds and approve the issuance of the bonds following such hearing. The California Municipal Finance Authority has requested that the Board approve the issuance of the bonds by the California Municipal Finance Authority in order to satisfy the public approval requirement of section 147(f) of the IRS Code. The California Municipal Finance Authority will be the conduit issuer and the bond will not represent a general obligation of the County of Riverside or the Economic Development Agency for the County of Riverside.

County Counsel has reviewed and approved the attached Resolution. Staff recommends approval of Resolution No. 2012-156.

Attachments:

Resolution No. 2012-156

Public Notice

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RESOLUTION NO. 2012-156

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
RIVERSIDE APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS BY THE
CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR DHI TAMARISK
ASSOCIATES, L.P., A CALIFORNIA LIMITED PARTNERSHIP, OR ANOTHER
LIMITED PARTNERSHIP TO BE ESTABLISHED BY DAWSON HOLDINGS INC.
OR AN AFFILIATE THEREOF, WITH RESPECT TO A MULTIFAMILY RENTAL
PROJECT**

WHEREAS, DHI Tamarisk Associates, L.P., a California limited partnership, or another limited partnership to be established by Dawson Holdings Inc. or an affiliate thereof (the "Borrower") intends to acquire and rehabilitate a 50-unit multifamily rental housing development (the "Project") to be located at 24643 School Road, County of Riverside California, and has requested the California Municipal Finance Authority (the "Authority") to issue tax-exempt bonds (the "Bonds") in the not-to-exceed amount of \$4,500,000 the proceeds of which shall be used for the purpose of financing the acquisition, rehabilitation and equipping of the Project;

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986 (the "Code") requires that the "applicable elected representative" with respect to the Project to approve the issuance of the Bonds with respect to the Project after a public hearing has been held concerning the issuance and delivery of the Bonds with respect to the Project;

WHEREAS, the Board of Supervisors of the County of Riverside (the "Board of Supervisors") is the elected legislative body of the County and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code;

WHEREAS, the Authority has requested that the Board of Supervisors approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement, dated as of January 1, 2004 (the "Agreement"), among certain local agencies,

FORM APPROVED COUNTY COUNSEL
BY: Dale A. Gardner 6/28/12
DATE

1 including the County; and

2 WHEREAS, pursuant to Section 147(f) of the Code, the Board of Supervisors has,
3 following notice duly given, held a public hearing regarding the issuance of the Bonds at which
4 all those interested in speaking with respect to the financing of the Project were heard, and now
5 desires to approve the issuance of the Bonds by the Authority, as provided below;

6 NOW, THEREFORE, be it resolved by the Board of Supervisors of the County of
7 Riverside, as follows:

8 Section 1. The Board of Supervisors hereby finds and determines that the foregoing
9 recitals are true and correct.

10 Section 2. The Board of Supervisors hereby approves the issuance of the Bonds with
11 respect to the Project by the Authority. It is the purpose and intent of the Board of Supervisors
12 that this resolution constitute approval of the issuance of the Bonds by the Authority only for
13 the purposes of (i) Section 147(f) of the Code by the applicable elected representative of the
14 governmental unit having jurisdiction over the area in which the Project will be located, in
15 accordance with said Section 147(f), and (ii) Section 4 of the Agreement.

16 Section 3. The issuance and delivery of the Bonds shall be subject to the approval of
17 and execution by the Authority of all financing documents relating thereto to which the
18 Authority is a party and subject to the sale of the Bonds by the Authority.

19 Section 4. The payment of the principal, prepayment premium, if any, and purchase
20 price of and interest on the Bonds shall be solely the responsibility of Borrower. The Bonds
21 shall not constitute a debt or obligation of the County.

22 Section 5. The officers of the County are hereby authorized and directed, jointly and
23 severally, to do any and all things and to execute and deliver any and all documents which they
24 deem necessary or advisable in order to carry out, give effect to and comply with the terms and
25 intent of this resolution and the financing transaction approved hereby.

26 Section 6. This Resolution shall take effect from and after the date of its passage and
27 adoption.

28 *****

1 THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors
2 of the County of Riverside this ____ day of _____, 2012, by the following vote:

3 AYES:

4 NOES:

5 ABSENT:

6 ABSTAINING:

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10 _____
11 John Tavaglione, Chairman
12 Board of Supervisors

13 **ATTEST:**
14 Kecia Harper-Ihem
15 Clerk of the Board

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17 _____
18 Deputy
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THE PRESS-ENTERPRISE

3450 Fourteenth Street
Riverside, CA 92501-3878
951-684-1200
951-368-9018 FAX

Publication(s): Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: / 2332462

I am a citizen of the United States I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESSENERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, and under date of August 25, 1995, Case Number 267864; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit

06/29/2012

I certify (or declare) under penalty of perjury that the foregoing is true and correct

Date: July 05, 2012

At: Riverside, California



CALIF NEWSPAPER SERV BUREAU, LGL
AGENCY
PO BOX 60460
LOS ANGELES, CA 90060

Ad Number: 0000834354-01

P.O. Number: 2332462

Ad Copy:

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the County of Riverside (the "County"), at its regular meeting on Tuesday, July 17, 2012, will hold a public hearing as required by Section 147(b) of the Internal Revenue Code of 1986 and consider approval of the issuance by the California Municipal Finance Authority (the "Authority") of multifamily housing revenue bonds (the "Bonds") in a principal amount not to exceed \$4,500,000 to assist in the financing of the acquisition, rehabilitation and equipping of a 50-unit multifamily rental housing development (the "Project") to be located at 24643 School Road, County of Riverside California, in the unincorporated area of Ripley, and to be occupied, in part or in whole, by persons and families of very low, low or moderate income.

The owner of the Project is expected to be DHI Tam-risk Associates, L.P., a California limited partnership, or another limited partnership to be established by Dawson Holdings Inc. or an affiliate thereof (the "Borrower").

The Bonds may be issued in one or more series from time to time, and shall include Bonds issued to refund the original issue or issues of Bond in one or more series from time to time, provided that at no time shall the total amount of Bonds outstanding exceed the amounts set forth above.

The Bonds will not constitute an indebtedness or obligation, or a pledge of the faith and credit of, the County. The Bonds will be special limited obligations of the Authority, payable solely from the revenues of the Project and by other funds pledged by the Borrower.

All those interested in matters related to the issuance of the bonds and the financing of the acquisition, rehabilitation and equipping of the projects are invited to attend and be heard at the meeting which will commence at 9:00 a.m. and which will be held in the County Board Chambers, 4080 Lemon Street, Riverside, California. If you have any questions regarding the public hearing, or wish to submit written comments, please contact Rob Morris, Economic Development Manager, at the offices of the County of Riverside Economic Development Agency at 3403 Tenth St., Suite 500, Riverside, CA 92501, or by telephone at (951) 955-6673.

By: s/ Dorothy Roadman
County Clerk

6/29/12
CNS-2332462#
THE PRESS ENTER-
PRISE