

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

449



FROM: Economic Development Agency

SUBMITTAL DATE:
January 24, 2013

SUBJECT: Resolution No. 2013-032, Approving the Issuance by the California Municipal Finance Authority of Revenue Bonds for the Benefit of Rancho California 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. 2013-032, declaring the California Municipal Finance Authority intent to issue tax exempt bonds for the acquisition, rehabilitation and improving of the Rancho California Apartments; and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to take all necessary steps to implement Resolution No. 2013-032, including, but not limited to, signing subsequent essential and relevant documents.

BACKGROUND: (Commences on Page 2)

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

County Executive Office Signature Jennifer L. Sargent

BY DALE A. GARDNER DATE 1/22/13
 FORM APPROVED COUNTY COUNSEL
 Departmental Concurrence

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

9-4

Prev. Agn. Ref.: **District:** 3/3 **Agenda Number:**

BACKGROUND:

AMCAL Multi-Housing, Inc. (whose partners include AMCAL Rancho California Fund, L.P., a California limited partnership, or a related entity) intends to finance or refinance the acquisition, rehabilitation and improvement of a 55-unit multifamily housing rental development located at 29210 Stonewood Road, Temecula, California (Rancho California Apartments). The total Project budget is \$18,898,150. Other funding sources include a PNC Real Estate Loan in the amount of \$7,943,100, a deferred developer Fee of \$1,044,407, and a Limited Partner Tax Credit Equity contribution of \$3,560,487.

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 \$8,000,000 for the acquisition, rehabilitation, and improvement of the Rancho California 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. 2013-032.

Attachments:

Resolution No. 2013-032
Public Notice

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RESOLUTION NO. 2013-032

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR AMCAL RANCHO CALIFORNIA FUND, L.P., A CALIFORNIA LIMITED PARTNERSHIP, OR ANOTHER RELATED ENTITY, WITH RESPECT TO A MULTIFAMILY RENTAL PROJECT

WHEREAS, AMCAL Rancho California Fund, L.P., a California limited partnership, or an entity related thereto (the "Borrower") intends to acquire and rehabilitate a 55-unit multifamily rental housing development (the "Project") to be located at 29210 Stonewood Road, Temecula, County of Riverside, California, and has requested the California Municipal Finance Authority (the "Authority") to adopt a plan of financing providing for the issuance and sale of revenue bonds (the "Bonds") in the not-to-exceed amount of \$8,000,000, the proceeds of which shall be used for the purpose of making a loan to the Borrower to finance or refinance the acquisition, rehabilitation and equipping of the Project, and to pay certain expenses incurred in connection with the issuance of the Bonds; and

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

FORM APPROVED COUNTY COUNSEL
BY: *Dale A. Gardner* DATE: *11/22/13*
DALE A. GARDNER

1 Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers
2 Agreement, dated as of January 1, 2004 (the "Agreement"), among certain local agencies,
3 including the County; and

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

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

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

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

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

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

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

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

1 adoption.

2 THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors
3 of the County of Riverside this _____ day of _____, 2013, by the following vote:

4 AYES:

5 NOES:

6 ABSENT:

7 ABSTAINING:

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John Benoit, Chairman
Board of Supervisors

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ATTEST:
Kecia Harper-Ihem
Clerk of the Board

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Deputy

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THE PRESS-ENTERPRISE

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

**PROOF OF PUBLICATION
(2010, 2015.5 C.C.P)**

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: /

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 PRESS-ENTERPRISE, 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:

01/21/2013

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

Date: January 22, 2013
At: Riverside, California



ORRICK, HERRINGTON, & SUTCLIFFE LLP
405 HOWARD ST
SAN FRANCISCO, CA 94105

Ad Number: 0000972562-01

P.O. Number:

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, February 5, 2013, will hold a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 with respect to a proposed plan of financing for the issuance by the California Municipal Finance Authority (the "Authority") of multifamily housing revenue bonds (the "Bonds") in an amount not to exceed \$8,000,000 to assist in the financing or refinancing of the acquisition, rehabilitation and equipping of a 55-unit multifamily rental housing development (the "Project") to be located at 29210 Stonewood Road, Temecula, County of Riverside California, and to be occupied, in part or in whole, by persons and families of very low, low or moderate income, and to pay certain expenses incurred in connection with the issuance of the Bonds.

The Project is expected to be owned by AMCAL Rancho California Fund, L.P., a California limited partnership, or a related entity (the "Borrower") and operated by FTI Property Management.

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 Bonds 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 and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the Authority, the State of California or any political subdivision thereof, including the County, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged heretofore and generally representing amounts paid 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 Moran, 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/ Kecla Harper-Ihem
County Clerk

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