

FORM APPROVED COUNTY COUNSEL
 BY: *[Signature]* 11/18/14
 DATE: GREGORY P. PRIAMOS

Departmental Concurrence

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

555



FROM: Economic Development Agency

SUBMITTAL DATE:
 November 25, 2014

SUBJECT: Resolution No. 2014-224, Approving the Issuance by the California Municipal Finance Authority of Tax Exempt Bonds for the Benefit of Rancho California Apartments, District 3/District 3, [\$0] (Vote on Separately)

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. 2014-224, approving the issuance of tax-exempt bonds by the California Municipal Finance Authority to finance or refinance the acquisition, rehabilitation and equipping of the Rancho California Apartments project; and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to take all necessary steps to implement Resolution No. 2014-224, including but not limited to, signing subsequent essential and relevant documents.

BACKGROUND: (Commences on Page 2)

Summary

[Signature]

Robert Field
 Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: N/A	Budget Adjustment: No
	For Fiscal Year: 2014/15

C.E.O. RECOMMENDATION:

APPROVE

BY: *[Signature]*
 Rohini Dasika

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.:

District: 3/3

Agenda Number:

9-3

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

Economic Development Agency

FORM 11: Resolution No. 2014-224, Approving the Issuance by the California Municipal Finance Authority of Tax Exempt Bonds for the Benefit of Rancho California Apartments, District 3/District 3, [\$0] (Vote on Separately)

DATE: November 25, 2014

PAGE: 2 of 2

BACKGROUND:

Summary

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 \$12,305,594. Other funding sources include a PNC Real Estate Loan in the amount of \$8,241,300, a deferred developer Fee of \$831,957, and a Limited Partner Tax Credit Equity contribution of \$3,542,342.

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 of Supervisors 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 an obligation of the County of Riverside or the Economic Development Agency for the County of Riverside. A public hearing was previously held by the Riverside County Board of Supervisors on February 5, 2013, however due to underwriting delays for other funding sources the resolution has expired.

County Counsel has reviewed and approved the attached Resolution. Staff recommends approval of Resolution No. 2014-224.

Impact on Citizens and Businesses

The rehabilitation of Rancho California Apartments will have a positive impact on citizens and businesses as it provides adequate housing to the community as well as creates jobs for local residents.

SUPPLEMENTAL:

Additional Fiscal Information

AMCAL Multi-Housing, Inc. has paid the County of Riverside \$6,500 to cover the costs of preparing all necessary documents required to conduct the public hearing for the approval of the issuance of tax exempt housing revenue bonds through the California Municipal Finance Authority.

Attachments:

Resolution No. 2014-224

Public Notice

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RESOLUTION NO. 2014-224

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 A 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; and

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; and

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 11/19/14
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. The Clerk shall forward a certified copy of this Resolution to the Authority
27 in care of its counsel:

28 Ronald E. Lee

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Jones Hall, a Professional Law Corporation
650 California Street, 18th Floor
San Francisco, CA 94108

Section 7. This Resolution shall take effect from and after the date of its passage and adoption.

THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors of the County of Riverside this 9th day of December 2014, by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAINING:

Marion Ashley, Chairman
Board of Supervisors

ATTEST:

Clerk of the Board of Supervisors