

FORM APPROVED COUNTY COUNSEL 1/2/15
 BY: GREGORY P. PRIAMOS DATE

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

834



FROM: Economic Development Agency

SUBMITTAL DATE:
 January 14, 2014

SUBJECT: Resolution No. 2015-028, Approving the Issuance by the California Municipal Finance Authority of Tax Exempt Bonds for the Benefit of SDORI Charter School Properties, LLC and Julian Charter School, Inc., 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. 2015-028, approving the issuance of tax-exempt bonds by the California Municipal Finance Authority to finance or refinance the acquisition, rehabilitation and equipping of several educational facilities; and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to take all necessary steps to implement Resolution No. 2015-028, including but not limited to, signing subsequent essential and relevant documents.

BACKGROUND: (Commences on Page 2)

Summary

Robert Field

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: *Rohini Dasika*
 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 Agenda Number:

9-1

Departmental Concurrence

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

Economic Development Agency

FORM 11: Resolution No. 2015-028, Approving the Issuance by the California Municipal Finance Authority of Tax Exempt Bonds for the Benefit of SDORI Charter School Properties, LLC and Julian Charter School, Inc., District 3, [\$0] (Vote on Separately)

DATE: January 14, 2015

PAGE: 2 of 2

BACKGROUND:

Summary

SDORI Charter School Properties, LLC, a California limited partnership (the Borrower) has requested the California Municipal Finance Authority (the Authority) to adopt a plan of financing providing for the issuance and sale of \$30 million in revenue bonds to finance or refinance the following: (1) the acquisition, construction, expansion, renovation of, and equipping of educational facilities, including buildings, located at one or more of the following locations: (A) 27235 Madison Avenue, Temecula, California 92590, in the County of Riverside, California; (B) 39665 Avenida Acacias, Murrieta, California 92563, in the County of Riverside, California; (C) 29141 Vallejo Ave. Temecula, California 92592, in the County of Riverside, California; and (D) 539 Encinitas Boulevard, Encinitas, California, 92024, in the County of San Diego, California (collectively, the Facilities); (2) capitalized interest, if necessary, with respect to the Bonds; (3) a reserve fund, if necessary, with respect to the Bonds; and (4) certain expenses incurred in connection with the issuance of the Bonds, including any applicable credit enhancement costs for the Bonds (such purposes are referred to herein collectively as the Project). The California Municipal Finance Authority is an eligible conduit issuer of tax exempt 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 County of San Diego will be considering approval of the projects located in their County. 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. 2015-028.

Impact on Citizens and Businesses

The bond issuance for facilities owned by SDORI Charter School Properties, LLC and Julian Charter School, Inc. will provide for the improvement of several educational facilities in Riverside County and support a company with over eighty employees in southwest county.

Attachments:

Resolution No. 2015-028

Public Notice

FORM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE: 1/21/15
DALE A. GARDNER

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RESOLUTION NO. 2015-028

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF REVENUE BONDS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY FOR SDORI CHARTER SCHOOL PROPERTIES, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, AND JULIAN CHARTER SCHOOL, INC., A CALIFORNIA CHARTER SCHOOL, WITH RESPECT TO FINANCING A CHARTER SCHOOL PROJECT

WHEREAS, SDORI Charter School Properties, LLC, a California limited liability company (the “Borrower”) 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 \$30,000,000, the proceeds of which shall be used for the purpose of making a loan to the Borrower for the purpose of financing or refinancing: (1) the acquisition, construction, expansion, renovation of, and equipping of educational facilities, including buildings, located at one or more of the following locations: (A) 27235 Madison Avenue, Temecula, California 92590, in the County of Riverside, California; (B) 39665 Avenida Acacias, Murrieta, California 92563, in the County of Riverside, California; (C) 29141 Vallejo Ave. Temecula, California 92592, in the County of Riverside, California; and (D) 539 Encinitas Boulevard, Encinitas, California 92024, in the County of San Diego, California (collectively, the “Facilities”); (2) capitalized interest, if necessary, with respect to the Bonds; (3) a reserve fund, if necessary, with respect to the Bonds; and (4) certain expenses incurred in connection with the issuance of the Bonds, including any applicable credit enhancement costs for the Bonds (collectively, the “Project”); and

WHEREAS, the Facilities are owned or expected to be owned by the Borrower and are expected to be operated by Julian Charter School, Inc., a California nonprofit public benefit corporation and an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”), and used for the conduct of California public charter schools. A portion of the Facilities are located within the territorial limits of the County of Riverside; and

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

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

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

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

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

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

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

28 Section 3. The issuance and delivery of the Bonds shall be subject to the approval of

1 and execution by the Authority of all financing documents relating thereto to which the
2 Authority is a party and subject to the sale of the Bonds by the Authority.

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

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

10 Section 6. The Clerk shall forward a certified copy of this Resolution to the Authority
11 in care of its counsel:

12 Ronald E. Lee

13 Jones Hall, a Professional Law Corporation

14 650 California Street, 18th Floor

15 San Francisco, CA 94108

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

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THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors
of the County of Riverside this _____ day of _____, 2015, by the following vote:

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

 Marion Ashley, Chairman
 Board of Supervisors

ATTEST:
 Kecia Harper-Ihem
 Clerk of the Board

 Deputy

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THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
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

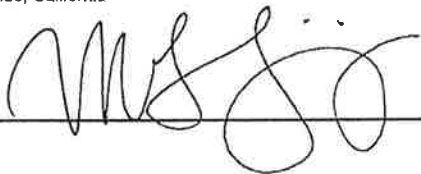
Ad Desc.: / DANVjuli

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, under date of August 25, 1995, Case Number 267864, under date of February 4, 2013, Case Number RIC 1215735, under date of July 25, 2013, Case Number RIC 1305730, and under date of September 16, 2013, Case Number RIC 1309013; 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,

01/12/2015

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

Date: January 12, 2015
At: Riverside, California



KUTAK ROCK LLP
1801 CALIFORNIA STREET
SUITE 3000
DENVER, CO 80202

Ad Number: 0010006991-01

P.O. Number: DANVjuli

Ad Copy:

NOTICE IS HEREBY GIVEN that the Board of Supervisors of the County of Riverside (the "County") at its regular meeting on January 27, 2015, at 9:00 a.m. or as soon thereafter as the matter may be heard, in the Chambers of the Board of Supervisors, 4080 Lemon Street, Riverside, California 92501, a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Public Hearing") will be conducted concerning the sale and issuance by the California Municipal Finance Authority (the "Issuer") of one or more series of its Charter School Revenue Bonds (the "Bonds") in an aggregate principal amount not to exceed Thirty Million Dollars (\$30,000,000). The proceeds of the Bonds will be used for a plan of finance consisting of financing or refinancing the following: (1) the acquisition, construction, expansion, renovation of, and equipping of educational facilities, including buildings, located at one or more of the following locations: (A) 27235 Madison Avenue, Temecula, California 92590, in the County of Riverside, California; (B) 39665 Avenida Acacias, Murrieta, California 92553, in the County of Riverside, California; (C) 25141 Vallojo Ave, Temecula, California 92592, in the County of Riverside, California; and (D) 539 Encinitas Boulevard, Encinitas, California, 92024, in the County of San Diego, California (collectively, the "Facilities"); (2) capitalized interest, if necessary, with respect to the Bonds; (3) a reserve fund, if necessary, with respect to the Bonds; and (4) certain expenses incurred in connection with the issuance of the Bonds, including any applicable credit enhancement costs for the Bonds (such purposes are referred to herein collectively as the "Project").

The Facilities are currently owned or expected to be owned by SDORI Charter School Properties, LLC, a California limited liability company (or any successor thereto) (the "Borrower"), and are expected to be operated by Julian Charter School, Inc., a California nonprofit public benefit corporation and an entity described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), and used for the conduct of California public charter schools. A portion of the Project is located within the territorial limits of the County.

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 therefor 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 Project are invited to attend and be heard at the Public Hearing which will commence at 9:00 a.m. or as soon thereafter as the matter may be heard, on January 27, 2015 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/ Kacia Harper-Ihem
County Clerk
Dated this 12th day of January, 2015.