

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

850



FROM: Economic Development Agency

SUBMITTAL DATE:
January 28, 2010

SUBJECT: Resolution Number 2010-052 authorizing the issuance of Multi-Family Housing Revenue Bond Issue by the California Statewide Communities Development Authority for the Oak Springs Ranch Apartments

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct a public hearing in compliance with Section 147(f) of the Internal Revenue Code for the issuance of private activity tax exempt obligations by the California Statewide Communities Development Authority; and
2. Adopt Resolution Number 2010-052

BACKGROUND: The Board of Supervisors (Board) is being asked to adopt a resolution which would approve the issuance of multi-family housing revenue bonds in an amount not to exceed \$60,000,000 by the California Statewide Communities Development Authority (CSCDA) for the purpose of financing of the acquisition, construction and development of an 312-unit multi-family rental housing development commonly known as the Oak Springs Ranch, located at 24-055 Clinton Keith Road in the City of Wildomar, County of Riverside, State of California (Project).

(Continued)

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:	09 /10

COMPANION ITEM ON BOARD OF DIRECTORS 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

By: Jennifer Sargent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Stone, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: February 9, 2010
xc: EDA, Atty.

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.:

District: 1

Agenda Number:

9.10

FORWARDED TO COUNTY COUNSEL
BY: TIFFANY N. NORTH
DATE: 1/28/10

Departmental Concurrence

Policy ☒

Consent ☐

Dept's Recomm.: ☐

Policy ☒

Consent ☐

Per Exec. Ofc.: ☐

BACKGROUND:

The purpose of the resolution is to allow the financing to meet a requirement of the Internal Revenue Code of 1986. The adoption of this resolution is the first step in the process of financing the proposed Project. Prior to the issuance of bonds the Project will need to receive "private activity bond" allocation from the California Debt Limit Allocation Committee (CDLAC) and CSCDA will be required to adopt a resolution which would approve the execution and delivery of certain bond documents that would reflect the terms of the bonds.

The Internal Revenue Code of 1986 (Code) requires that the "applicable elected representatives" of the jurisdiction in which a project to be financed with "private activity bonds" is to be constructed to adopt a resolution approving the issuance of such "private activity bonds" after holding a public hearing which has been noticed in a newspaper of general circulation in such jurisdiction. The Board is being asked to hold such public hearing which has been noticed as required by the Code. The proposed resolution would act as the approval by the "applicable elected representatives" with respect to the proposed Project. The CDLAC application for "private activity bond" allocation for a multi-family housing project requires the inclusion of the approval resolution. If the Board adopts this resolution, CSCDA will proceed with the submission to CDLAC of an application for "private activity bond" allocation for the purpose of financing the acquisition and construction of the Project.

As announced in the published notice, this hearing is simply an opportunity for all interested persons to speak or to submit written comments concerning the proposal to issue the debt and the nature or location of the Project. There is no obligation on the part of the Board to respond to any specific comments made or submitted.

The County would not be a party to the financing documents. As set forth in Section 9 of the Amended and Restated Joint Exercise of Powers Agreement of CSCDA, the debt would not be secured by any form of taxation, or by any obligation of either the County or CSCDA. Neither would the debt represent or constitute a general obligation of either the County or CSCDA. Pursuant to the governing California statutes and the JPA Agreement, a member of CSCDA is not responsible for the repayment of obligations incurred by CSCDA. The debt would be payable solely from amounts received pursuant to the terms and provisions of financing agreements to be executed by the Developer of the proposed facility. In the financing documents the Developer will also provide comprehensive indemnification to CSCDA and its members, including the County.

2
3 RESOLUTION NUMBER 2010-0524 APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES
5 DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE
6 OAK SPRINGS RANCH
7

8 WHEREAS, the California Statewide Communities Development Authority (the "Authority") is
9 authorized pursuant to the provisions of California Government Code Section 6500 et seq. and
10 the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1,
11 1988 (the "Agreement"), among certain local agencies throughout the State of California, including
12 the County of Riverside (the "County"), to issue revenue bonds in accordance with Chapter 7 of
13 Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing
14 multifamily rental housing projects; and
15

16 WHEREAS, Oak Springs Ranch, LLC, a limited liability company or related entities, has
17 requested that the Authority adopt a plan of financing providing for the issuance of multifamily
18 housing revenue bonds (the "Bonds") in one or more series issued from time to time, including
19 bonds issued to refund such revenue bonds in one or more series from time to time, and at no
20 time to exceed \$60,000,000 in outstanding aggregate principal amount, to finance the
21 acquisition, construction and development of a 312-unit multifamily rental housing project
22 located at 24055 Clinton Keith Road, Wildomar, California and generally known as Oak Springs
23 Ranch (the "Project"); and
24

25 WHEREAS, the Bonds or a portion thereof will be "private activity bonds" for purposes of the
26 Internal Revenue Code of 1986 (the "Code"); and
27
28

1 WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds
2 are required to be approved by the "applicable elected representative" of the governmental units
3 on whose behalf such bonds are expected to be issued and by a governmental unit having
4 jurisdiction over the entire area in which any facility financed by such bonds is to be located, after
5 a public hearing held following reasonable public notice; and

6
7 WHEREAS, the members of this Board of Supervisors (this "Board of Supervisors") are the
8 applicable elected representatives of the County; and

9
10 WHEREAS, there has been published, at least 14 days prior to the date hereof, in a newspaper of
11 general circulation within the County, a notice that a public hearing regarding the Bonds would be
12 held on a date specified in such notice; and

13
14 WHEREAS, such public hearing was conducted on such date, at which time an opportunity was
15 provided to interested parties to present arguments both for and against the issuance of the
16 Bonds; and

17
18 WHEREAS, the Authority is also requesting that the Board of Supervisors approve the
19 issuance of any refunding bonds, in an amount not to exceed \$60,000,000, hereafter issued by
20 the Authority for the purpose of refinancing the Bonds which financed the Project (the
21 "Refunding Bonds"), but only in such cases where federal tax laws would not require additional
22 consideration or approval by the Board of Supervisors; and

23
24 WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the
25 Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

26
27 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE
28 COUNTY OF RIVERSIDE AS FOLLOWS:

1
2 Section 1. The above recitals are true and correct and incorporate herein.

3
4 Section 2. The Board of Supervisors hereby approves the issuance of the Bonds and the
5 Refunding Bonds by the Authority. It is the purpose and intent of the Board of Supervisors that
6 this resolution constitutes approval of the Bonds for the purposes of (a) Section 147(f) of the Code
7 and (b) Section 9 of the Agreement.

8
9 Section 3. The Chairman of the Riverside County Board of Supervisors and the Assistant
10 County Executive Officer / EDA are hereby authorized and directed, jointly and severally, to do
11 any and all things and to execute and deliver any and all documents that they deem necessary or
12 advisable in order to carry out, give effect to and comply with the terms and intent of this resolution
13 and the financing approved hereby.

14
15 Section 4. The Clerk of the Board of Supervisors shall forward a certified copy of this
16 Resolution and a copy of the affidavit of publication of the hearing notice to:

17
18 Justin Cooper, Esq.
19 Orrick, Herrington & Sutcliffe LLP
20 405 Howard Street
21 San Francisco, California 94105

22 ROLL CALL:

23 Ayes: Buster, Tavaglione, Stone, Benoit, and Ashley
24 Nays: None
Absent: None

25 The foregoing is certified to be a true copy of a resolution duly
26 adopted by said Board of Supervisors on the date therein set forth.

27 KECIA HARPER-IHEM, Clerk of said Board

28 By: _____
Deputy

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.)**

Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: cn830838

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 of 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:

01-22-10

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

Date: Jan. 22, 2010
At: Riverside, California



CAL NET

PO BOX 60859
LOS ANGELES CA 90060

Ad #: 10133328

PO #:

Agency #: _____

Ad Copy:

**NOTICE OF PUBLIC
HEARING
REGARDING ISSUANCE
OF
MULTIFAMILY HOUS-
ING REVENUE BONDS
FOR**

OAK SPRINGS RANCH
NOTICE IS HEREBY GIVEN that, at 9:00 a.m., or as soon thereafter as the matter can be heard, on Tuesday, February 9, 2010, at the 1st Floor - County Administrative Center, 4080 Lemon Street, Riverside, California, the Board of Supervisors of the County of Riverside (the "County") will conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986, at which it will hear and consider information concerning a proposed plan of financing providing for the issuance by the California Statewide Communities Development Authority of multifamily housing revenue bonds in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$60,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 312-unit multifamily rental housing project located at 24055 Clinton Keith Road, Wildomar, California and generally known as Oak Springs Ranch (the "Project"). The Project will be owned and operated by Oak Springs Ranch, LLC, a limited liability company or related entities.

Those wishing to comment on the proposed financing and the nature and location of the Project may either appear in person at the public hearing or submit written comments, which must be received by the County prior to the hearing. Written comments should be sent to County of Riverside at the 1st Floor - County Administrative Center, 4080 Lemon Street, Riverside, California 92501, Attention: Clerk of the Board of Supervisors.
CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE
Dated: January 22, 2010
1/22



COPY