

SUBMITTAL TO THE BOARD OF DIRECTORS OF THE
RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

232



FROM: Public Financing Authority

SUBMITTAL DATE:
June 10, 2010

SUBJECT: Resolution No. 2010-005, Authorizing the Execution of Amendments to the Installment Purchase Agreement and Trust Agreement Relating to the Certificates of Participation for the Benefit of Air Force Village West

RECOMMENDED MOTION: That the Board of Directors adopt Resolution Number 2010-005, Authorizing the Execution of Amendments to the Installment Purchase Agreement and Trust Agreement Relating to the Certificates of Participation executed and delivered on June 29, 1999, for the benefit of Air Force Village West, Inc. and other matters relating thereto.

BACKGROUND: The Air Force Village West, Inc., as borrower of a Conduit Issue Tax Exempt Multi-family Housing Revenue Bond, has requested that the Public Finance Authority execute Amendments to the Installment Purchase Agreement and Trust Agreement relative to their requested certificate to the bond holders waiving a default of the Installment Sale Agreement in their failure to comply with covenants therein. Authority staff recommends execution of the First Amendment to Installment Sale Agreement, the Second Amendment to Installment Sale Agreement and the First Amendment to Trust Agreement, assenting to such a waiver.

Robert Field, Executive Director
By Emilio Ramirez, Deputy Executive Director

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:	2010 / 11

SOURCE OF FUNDS: Private Mortgage Revenue Bonds

Positions To Be Deleted Per A-30 ☐
Requires 4/5 Vote ☐

C.E.O. RECOMMENDATION:

APPROVE

BY: Jennifer L. Sargent

County Executive Office Signature

MINUTES OF THE BOARD OF DIRECTORS OF THE PUBLIC FINANCING AUTHORITY

On motion of Director Buster, seconded by Director Ashley and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Benoit and Ashley
Nays: None
Absent: Tavaglione and Stone
Date: June 22, 2010
xc: Public Finance Authority

Kecia Harper-Ihem
Clerk of the Board
By: Deputy

Prev. Agn. Ref.:

District: 1

Agenda Number:

5.1

PUBLIC FINANCING AUTHORITY

BOARD OF DIRECTORS

RESOLUTION No. 2010-005

**A RESOLUTION AUTHORIZING THE EXECUTION OF AMENDMENTS TO THE
INSTALLMENT PURCHASE AGREEMENT AND TRUST AGREEMENT RELATING TO THE
CERTIFICATES OF PARTICIPATION EXECUTED AND DELIVERED ON JUNE 29, 1999 FOR
THE BENEFIT OF AIR FORCE VILLAGE WEST, INC. AND OTHER MATTERS RELATING
THERE TO**

WHEREAS, on June 29, 1999, certificates of participation (the "Certificates") evidencing proportionate undivided interests in the installment payments to be made by the Riverside County Public Financing Authority (the "Authority") pursuant to the an Installment Purchase Agreement, dated as of June 1, 1999 (the "Purchase Agreement"), between Air Force Village West, Inc. (the "Corporation"), as seller, and the Authority, as purchaser, were executed and delivered by U.S. Bank Trust National Association (now known as U.S. Bank National Association) (the "Trustee") pursuant to a Trust Agreement, dated as of June 1, 1999 (the "Trust Agreement"), among the Authority, the Corporation and the Trustee;

WHEREAS, pursuant to the Purchase Agreement the Corporation sells certain real property (the "Real Property") on an installment basis to the Authority, and the Corporation purchases the Real Property back from the Authority pursuant to an Installment Sale Agreement, dated as of June 1, 1999 (the "Installment Sale Agreement"), between the Authority, as seller, and the Corporation, as purchaser;

WHEREAS, the Corporation has failed to comply with certain covenants under the Installment Sale Agreement and has requested that the Trustee, acting at the direction of the Holders of a majority in aggregate principal amount of the Certificates then Outstanding, waive such defaults under the Installment Sale Agreement;

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FORM APPROVED BY COUNTY COUNSEL

BY: Dale A. Gardner 6/15/10

DATE

1 **WHEREAS**, the Holders of a majority in aggregate principal amount of the Certificates
2 then Outstanding, as part of the conditions to granting such waivers of defaults, have directed that
3 the Authority, the Trustee and the Corporation shall have delivered to the Trustee (1) a First
4 Amendment to the Installment Sale Agreement, executed and delivered by the Corporation and
5 the Authority, (2) a Second Amendment to the Installment Sale Agreement, executed and
6 delivered by the Corporation and the Authority, (3) a First Amendment to the Trust Agreement,
7 executed and delivered by the Corporation, the Trustee and the Authority, which provide for
8 certain amendments of the Installment Sale Agreement and Trust Agreement, respectively, in
9 connection with such waivers;

10 **WHEREAS**, Section 9.01 of the Trust Agreement provides that the Installment Sale
11 Agreement and the Trust Agreement may be modified and amended from time to time by trust
12 agreements or installments sale agreements, respectively, supplemental thereto, which the
13 Authority, the Corporation and the Trustee may enter into when the prior written consent of the
14 Holders of at least a majority in aggregate principal amount of the Certificates then Outstanding
15 shall have been filed with the Trustee;

16 **WHEREAS**, the Holders of a majority in aggregate principal amount of the Certificates
17 Outstanding will file their consent with the Trustee prior to the execution and delivery by the
18 Authority, the Trustee and the Corporation of the First Amendment to Installment Sale Agreement,
19 Second Amendment to Installment Sale Agreement and First Amendment to Trust Agreement;

20 **WHEREAS**, the Authority desires to authorize execution of the First Amendment to
21 Installment Sale Agreement, the Second Amendment to Installment Sale Agreement and the First
22 Amendment to Trust Agreement; and

23 **WHEREAS**, there have been presented to this meeting the following documents and
24 agreements:

- 25 a) A proposed form of the First Amendment to Installment Sale Agreement;
 - 26 b) A proposed form of the Second Amendment to Installment Sale Agreement; and
 - 27 c) A proposed form of the First Amendment to Trust Agreement.
- 28

1 **NOW THEREFORE, BE IT RESOLVED** by the Board of the Riverside County Public
2 Financing Authority, as follows:

- 3 1) The proposed form of First Amendment to Installment Sale Agreement, as
4 presented to this meeting, is hereby approved. Any member of the Board of the
5 Authority or the Executive Director of the Authority is hereby authorized and
6 directed, for and on behalf of the Authority, to execute and deliver the First
7 Amendment to Installment Sale Agreement in substantially said form, with such
8 changes and insertions therein as may be necessary to carry out the intent of this
9 Resolution and as such member, with the advice of counsel to the Authority, may
10 approve, such approval to be conclusively evidenced by the execution and delivery
11 thereof.
- 12 2) The proposed form of Second Amendment to Installment Sale Agreement, as
13 presented to this meeting, is hereby approved. Any member of the Board of the
14 Authority or the Executive Director of the Authority is hereby authorized and
15 directed, for and on behalf of the Authority, to execute and deliver the Second
16 Amendment to Installment Sale Agreement in substantially said form, with such
17 changes and insertions therein as may be necessary to carry out the intent of this
18 Resolution and as such member, with the advice of counsel to the Authority, may
19 approve, such approval to be conclusively evidenced by the execution and delivery
20 thereof.
- 21 3) The proposed form of First Amendment to Trust Agreement, as presented to this
22 meeting, is hereby approved. Any member of the Board of the Authority or the
23 Executive Director of the Authority is hereby authorized and directed, for and on
24 behalf of the Authority, to execute and deliver the First Amendment to Trust
25 Agreement in substantially said form, with such changes and insertions therein as
26 may be necessary to carry out the intent of this Resolution and as such member,
27 with the advice of counsel to the Authority, may approve, such approval to be
28 conclusively evidenced by the execution and delivery thereof.

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- 2 4) The execution and delivery of the First Amendment to Installment Sale Agreement,
- 3 Second Amendment to Installment Sale Agreement and First Amendment to Trust
- 4 Agreement by the Authority is subject to the condition that the Trustee have on file
- 5 the written consent of the Holders of at least a majority in aggregate principal
- 6 amount of the Certificates then Outstanding as required by Section 9.01 of the
- 7 Trust Agreement.
- 8 5) The Chairman, the Vice Chairman, the Secretary, the Executive Director, the
- 9 members of the Board of the Authority, and other appropriate officers and agents
- 10 of the Authority are hereby authorized and directed, jointly and severally, for and in
- 11 the name and on behalf of the Authority, to execute and deliver any and all
- 12 documents, including, without limitation, any and all documents and certificates to
- 13 be executed in connection with the execution and delivery of the First Amendment
- 14 to Installment Sale Agreement, Second Amendment to Installment Sale
- 15 Agreement and First Amendment to Trust Agreement, and to do any and all things
- 16 and take any and all actions which may be necessary or advisable, in their
- 17 discretion, to effectuate the actions which the Authority has approved in this
- 18 Resolution.
- 19 6) All actions heretofore taken by the Chairman, Vice Chairman, Secretary, the
- 20 Executive Director, members of the Board of the Authority and other appropriate
- 21 officers and agents of the Authority with respect to the execution and delivery of
- 22 the First Amendment to Installment Sale Agreement, Second Amendment to
- 23 Installment Sale Agreement and First Amendment to Trust Agreement are hereby
- 24 ratified, confirmed and approved.
- 25 7) This Resolution shall take effect from and after its adoption.

26 The foregoing resolution was passed and adopted by the Board of Directors of the Riverside

27 County Public Financing Authority at a regular meeting held on the 22nd day of June, 2010.

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RESOLUTION NO. 2010 – 005

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INSTALLMENT PURCHASE AGREEMENT AND TRUST AGREEMENT RELATING TO THE
CERTIFICATES OF PARTICIPATION EXECUTED AND DELIVERED ON JUNE 29, 1999 FOR
THE BENEFIT OF AIR FORCE VILLAGE WEST, INC. AND OTHER MATTERS RELATING
THERETO

ADOPTED by Riverside County Board of Supervisors on June 22, 2010.

ROLL CALL:

Ayes: Buster, Benoit, and Ashley

Nays: None

Absent: Tavaglione and Stone

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

KECIA HARPER-IHEM, Clerk of said Board

By: _____
Deputy

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