

**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

Robert Field
Assistant County Executive Officer/EDA

FINANGIAL 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

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Tavaglione, Benoit and Ashley
Nays: None
Absent: None
Date: December 9, 2014
xc: EDA

Kecia Harper-Ihem
Clerk of the Board
By:
Deputy

Prev. Agn. Ref.:

District: 3/3

Agenda Number:

9-3

FORM APPROVED COUNTY COUNSEL
DATE 11/19/14
BY: GREGORY P. PRIAMOS

Departmental Concurrence

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

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
DALE A GARDNER 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

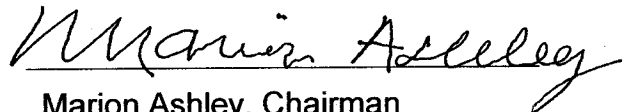
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Jones Hall, a Professional Law Corporation
650 California Street, 18th Floor
San Francisco, CA 94108

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

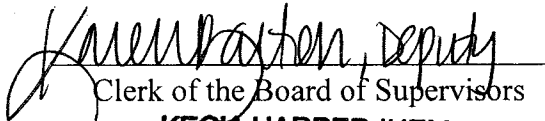
THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors of the County of Riverside this 9th day of December 2014, by the following vote:

AYES: Jeffries, Tavaglione, Benoit and Ashley
NOES: None
ABSENT: None
ABSTAINING: None



Marion Ashley, Chairman
Board of Supervisors

ATTEST:

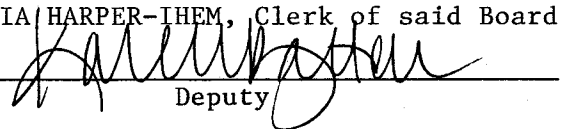

Clerk of the Board of Supervisors

KECIA HARPER-IHEM

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

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, December 9, 2014, 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 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 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 Stephanie Adams, at the offices of the County of Riverside Economic Development Agency at 5555 Arlington Avenue, Riverside, CA 92504, or by telephone at (951) 343-5455.

By: /s/ Kecia Harper-Ihem
County Clerk

**Riverside County Board of Supervisors
Request to Speak**

Submit request to Clerk of Board (right of podium),
Speakers are entitled to three (3) minutes, subject
to Board Rules listed on the reverse side of this form.

SPEAKER'S NAME: Paul Jacobs

Address: _____
(only if follow-up mail response requested)

City: Temecula **Zip:** _____

Phone #: _____

Date: 12/9/14 **Agenda #** 9-3

PLEASE STATE YOUR POSITION BELOW:

Position on "Regular" (non-appealed) Agenda Item:

_____ **Support** _____ **Oppose** _____ **Neutral**

Note: If you are here for an agenda item that is filed
for "Appeal", please state separately your position on
the appeal below:

_____ **Support** _____ **Oppose** _____ **Neutral**

I give my 3 minutes to: _____

BOARD RULES

Requests to Address Board on "Agenda" Items:

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

Requests to Address Board on items that are "NOT" on the Agenda:

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

Power Point Presentations/Printed Material:

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo.

Individual Speaker Limits:

Individual speakers are limited to a maximum of three (3) minutes. Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. **Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.**

Group/Organized Presentations:

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

Addressing the Board & Acknowledgement by Chairman:

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using coarse, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.