

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



ITEM
5.1
(ID # 3823)

MEETING DATE:

Tuesday, March 21, 2017

FROM : EXECUTIVE OFFICE:

SUBJECT: PUBLIC FINANCING AUTHORITY: Refunding of Outstanding Bonds of the Dissolved Redevelopment Agency, Districts 2, 4, 5 [\$450,000] Bond Proceeds (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Public Financing Authority Resolution No. 2017-02 confirming the issuance of refunding tax allocation bonds to refinance the 2006 Desert Communities Project Area Series D Bonds, the 2010 Desert Communities Project Area Series D Bonds and the 2010 Interstate 215 Corridor Series E Bonds, approving the Preliminary and Final Official Statements and approving for other matters properly related thereto, and
2. Direct staff to take the necessary actions to complete the issuance of the Refunding Bonds.

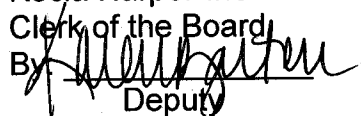
ACTION: (Policy)


Alex Gann 3/14/2017

MINUTES OF THE BOARD OF DIRECTORS OF THE PUBLIC FINANCING AUTHORITY

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

Ayes: Jeffries, Tavaglione and Washington
Nays: None
Absent: Ashley
Date: March 21, 2017
xc: E.O.

Kecia Harper-Ihem
Clerk of the Board
By 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$450,000	\$0	\$450,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: Bond Proceeds (100%)			Budget Adjustment:	No
			For Fiscal Year:	2016-2017

C.E.O. RECOMMENDATION:

BACKGROUND:

Summary

On January 31, 2017, the Board of Supervisors, sitting as the Public Financing Authority Board, approved via Agenda Item 5-1, Public Financing Authority Resolution No. 2017-01, the refunding of certain outstanding bonds of the Agency. Prior to that approval, on January 19, 2017, the Oversight Board to the Successor Agency to the Redevelopment Agency for the County of Riverside approved the issuance of the refunding bonds, and submitted the documents for approval to the State Department of Finance (DOF).

The Preliminary Official Statement, which is included as Attachment A, represent the County's required disclosure to bond investors. This Preliminary Official Statement includes the most current information about the 2016-17 property tax roll, which became available in early July 2016. DOF submittal was made on January 20, 2017 in order to accommodate a 60-day approval process, and take advantage of market conditions in a timely manner.

The finance team is expecting approval from the DOF later this month, and is anticipating the bond sale to occur in mid-April and closing in early May 2017. The anticipated amount of the proposed bond issues, savings percentage, and savings amounts as of March 8, 2017 are shown in the table below. The combined total savings from the three series is projected to be approximately \$11.6 million and \$7.6 million expressed in 2017 dollars.

Series	DCPA 2006 Refunding	DCPA 2010 Refunding	I-215 2010 Refunding
Size	\$1,480,000	\$28,305,000	\$46,705,000
PV Savings	\$127,481	\$1,754,727	\$5,689,308
PV Savings As %	8.61%	6.09%	11.6%
Avg. Saving/Year	\$8,568	\$126,241	\$367,718
Total Savings	\$179,921	\$2,651,060	\$8,825,220

As noted in the prior submission: the term of the existing bonds will not be extended and the refunding bonds produce savings well in excess of the Board's present value savings target of 3% (Board Policy B-24 for the Riverside County Debt Advisory Committee).

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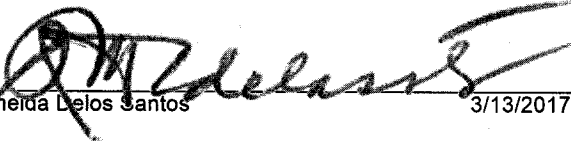
Impact on Residents and Businesses

This item will be beneficial for the citizens of Riverside County due to the surplus tax revenue that will be derived from the refinancing. County residents and businesses will ultimately benefit, since the taxing entities will have additional revenue to use for services for the residents of Riverside County.


The savings in debt service payments that would otherwise be paid to bondholders will be distributed to taxing entities including the County General Fund (approximately 21%), K-12 school districts and community college districts (approximately 60% combined), cities and special districts. The County Library and County Fire share will be 2.3% and 6.4%, respectively.

ATTACHMENTS:

Public Financing Authority Resolution No. 2017-02
Attachment A: Preliminary Official Statement


Ineida Delos Santos

3/13/2017


Gregory F. Priamos, Director County Counsel

3/13/2017

RESOLUTION NO. 2017-02

RESOLUTION OF THE RIVERSIDE COUNTY PUBLIC FINANCING AUTHORITY CONFIRMING THE ISSUANCE OF ITS 2017 SERIES A TAX ALLOCATION REVENUE BONDS (DESERT COMMUNITIES AND INTERSTATE 215 CORRIDOR PROJECTS), WITH RESPECT TO THE PURCHASE OF REFUNDING BONDS OF THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE, APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO

WHEREAS, the Authority is a joint powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement dated March 20, 1990, by and between the Redevelopment Agency for the County of Riverside (the "Agency") and the County of Riverside (the "County"), and under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act (the "Bond Law") to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, local agencies (as such term is defined in the Bond Law);

FCM APPROVED COUNTY COUNSEL
BY: *[Signature]* DATE: 3/19/17
DALE A. GARDNER

1 **WHEREAS**, for the purpose of providing funds to purchase
2 three separate issues of bonds (the "Successor Agency Bonds") of
3 the Successor Agency to the Redevelopment Agency for the County
4 of Riverside (the "Successor Agency") issued by the Successor
5 Agency to refund certain bonds issued by the former
6 Redevelopment Agency for the County of Riverside, the Authority
7 intends to issue its 2017 Series A Tax Allocation Revenue Bonds
8 (Desert Communities and Interstate 215 Corridor Projects) (the
9 "Authority Bonds");

10 **WHEREAS**, the Board, pursuant to Resolution No. 2017-001
11 (the "Bond Resolution"), adopted on January 31, 2017, approved
12 the issuance of the Authority Bonds in the aggregate principal
13 amount of not to exceed \$97,000,000;

14 **WHEREAS**, the Successor Agency and the Authority, with the
15 assistance of their disclosure counsel, Best Best & Krieger LLP,
16 have prepared a draft of an Official Statement for the Authority
17 Bonds (the "Official Statement"), which contains information
18 regarding the Successor Agency Bonds, the Authority Bonds, the
19 Former Agency, the Successor Agency, and the Former Agency's
20 Desert Communities and Interstate 215 Corridor Redevelopment
21 Project Areas, the preliminary form of which is on file with the
22 Secretary of the Board;

1 **WHEREAS**, the Board has reviewed the Official Statement and
2 wishes at this time to approve its use and distribution as in
3 the public interests of the Authority and the Successor Agency;

4 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by
5 the Board of Directors of the Riverside County Public Financing
6 Authority, as follows:

7
8 **Section 1. Recitals True and Correct.** The Authority hereby
9 finds and declares that the above recitals are true and correct.
10

11 **Section 2. Confirmation of Approval of Issuance of the**
12 **Authority Bonds.** The Authority hereby confirms its actions in
13 the Bond Resolution authorizing and approving the issuance and
14 sale of the Authority Bonds.
15

16 **Section 3. Approval of Official Statement.** The Board
17 hereby approves the preliminary Official Statement describing
18 the Authority Bonds, in substantially the form on file with the
19 Secretary, together with any changes therein or additions
20 thereto necessary or convenient to cause the preliminary
21 Official Statement to describe accurately matters pertaining to
22 the Authority Bonds and the Chairman, the Executive Director or
23 the Deputy Executive Director of the Authority (each, an
24 "Authorized Officer"), are each separately authorized and
25 directed on behalf of the Authority to review the final form of

1 the preliminary Official Statement and to deem the preliminary
2 Official Statement "final" pursuant to Rule 15c2-12 under the
3 Securities Exchange Act of 1934 (the "Rule"). The execution of
4 the final Official Statement, which shall include such changes
5 and additions thereto deemed advisable by the Authorized
6 Officers, and such information permitted to be excluded from the
7 preliminary Official Statement pursuant to the Rule, is hereby
8 approved for delivery to the Underwriters, and the Authorized
9 Officers, each acting alone, are authorized and directed to
10 execute and deliver the final Official Statement for and on
11 behalf of the Authority.

12 **Section 4. Underwriters.** The selection of Citigroup
13 Global Markets Inc. and Raymond James & Associates, Inc. as
14 underwriters for the Authority Bonds is hereby approved.
15

16 **Section 5. Official Action.** The Authorized Officers, the
17 Secretary, and any and all other officers of the Authority are
18 hereby authorized and directed, for and in the name and on
19 behalf of the Authority, to do any and all things and take any
20 and all actions, including execution and delivery of any and all
21 assignments, certificates, requisitions (including requisitions
22 for the payment of costs of issuance of the Authority Bonds),
23 agreements, notices, consents, instruments of conveyance,
24 warrants and other documents, which they, or any of them, may
25

1 deem necessary or advisable in order to consummate the lawful
2 issuance, sale and delivery of the Authority Bonds and the
3 purchase of the Successor Agency Bonds. Each of the foregoing
4 named officers of the Authority are authorized to act on behalf
5 of any other officer of the Authority who is authorized and
6 directed herein to act on behalf of the Authority.

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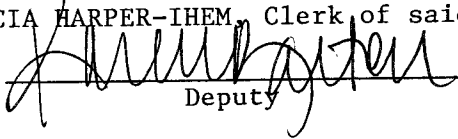
1 Section 6. Effective Date. This Resolution shall take
2 effect from and after the date of its passage and adoption.

3
4 The foregoing resolution was passed and adopted by the
5 Board of Directors of the Riverside County Public Financing
6 Authority at a regular meeting held on the 21st day of March,
7 2017, by the following vote:

8 ROLL CALL:

9 Ayes: Jeffries, Tavaglione and Washington
Nays: None
Absent: Ashley

10
11 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.

12 KECIA HARPER-IHEM, Clerk of said Board
By  Deputy