

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



ITEM
9.1
(ID # 6926)

MEETING DATE:

Tuesday, May 22, 2018

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA): Public Hearing for Resolution No. 2018-090, Approving the Issuance by the California Enterprise Development Finance Authority of Private Activity Bonds for the benefit of Family Service Association Community Housing Development Organization, Inc., d/b/a Aspire Community Housing Organization, District 2, [\$0]

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, as amended;
2. Adopt Resolution No. 2018-090, approving the issuance by the California Enterprise Development Authority of private activity bonds for the purpose of financing the acquisition, construction, expansion, and renovation of facilities owned by Family Service Association Community Housing Development Organization, Inc., d/b/a Aspire Community Housing Organization; and
3. Authorize the Assistant County Executive Officer/ECD, or designee, to take all necessary steps to implement Resolution No. 2018-090, including but not limited to, signing subsequent essential and relevant documents.

ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD 5/2/2018

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, Washington, Perez and Ashley
Nays: None
Absent: None
Date: May 22, 2018
xc: EDA

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	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	17/18

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Board of Supervisors of the County of Riverside (County) is asked to adopt a resolution which would approve the issuance of private activity bonds by the California Enterprise Development Finance Authority (the Authority) for the purpose of financing the acquisition, construction, expansion, and renovation of facilities owned by Family Service Association Community Housing Development Organization Inc. FSA offers a wide variety of services to residents of Riverside County, from after school programs for children, to counseling, mobile clinic, free meals, and affordable housing to eligible seniors. FSA owns and operates a senior center and 2 affordable assisted senior living apartment complexes, located within the County. FSA d/b/a Aspire Community Housing Organization have requested that the Authority participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$7,500,000 (the Bonds) the proceeds of which will be used to: (a) finance and/or refinance the cost of acquisition, construction, installation, equipping and furnishing a 54-unit multifamily senior housing complex located at 5888 Mission Boulevard, Jurupa Valley, California 92509, consisting of 54 one bedroom, 600 square foot apartments, together with all necessary ancillary facilities; and (b) pay capitalized interest and certain costs of issuance incurred in connection with the issuance of the bonds.

The Internal Revenue Code of 1986 (the Code) requires that the “applicable elected representatives” of the jurisdiction in which a project is to be financed with “private activity bonds” is situated, adopt a resolution approving the issuance of such “private activity bonds” after a public hearing has been held which has been noticed in a newspaper of general circulation in such jurisdiction. On May 22, 2018 the Board of Supervisors of the County of Riverside will hold such public hearing which was noticed as required by the Code. The proposed resolution will act as the approval by the “applicable elected representatives” with respect to the proposed project.

The County will not be a party to the financing documents. As set forth in the Associate Membership Agreement, dated April 17, 2007, the debt will not be secured by any form of taxation, or by any obligation of either the County or the Authority. Neither would the debt represent or constitute a general obligation of either the County or the Authority. Pursuant to the governing California statutes and the Associate Membership Agreement, a member or

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associate member of the Authority is not responsible for the repayment of obligations incurred by the Authority. The debt would be payable solely from amount received pursuant to the terms and provisions of financing agreements to be executed by FSA d/b/a Aspire Community Housing Organization or one or more affiliates

County Counsel has reviewed and approved the attached Resolution. Staff recommends approval of Resolution No. 2018-090.

Impact on Residents and Businesses

The issuance of the bond will provide FSA and its affiliates with the funding needed to continue managing much needed quality senior living options for the community living in the County of Riverside.

Additional Fiscal Information

The County's membership in the Authority bears with it no cost or other financing obligation, but serves as a public acknowledgment by the host jurisdiction of the project financing.

Attachments:


- Resolution No. 2018-090
- Public Notice

RF:HM:CH:MW:JG

13833

MT6926


Rohini Dasika, Principal Management Analyst 5/14/2018


Gregory L. Priamos, Director County Counsel 5/2/2018

2
3 RESOLUTION NO. 2018-090

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 APPROVING OF THE ISSUANCE OF REVENUE OBLIGATIONS BY THE CALIFORNIA
6 ENTERPRISE DEVELOPMENT AUTHORITY, IN ONE OR MORE SERIES IN AN AGGREGATE
7 PRINCIPAL AMOUNT NOT TO EXCEED \$7,500,000 FOR THE PURPOSE OF FINANCING AND
8 REFINANCING THE ACQUISITION, CONSTRUCTION, EXPANSION, RENOVATION OF, AND
9 EQUIPPING OF FACILITIES TO BE USED FOR THE BENEFIT OF FAMILY SERVICE
10 ASSOCIATION COMMUNITY HOUSING DEVELOPMENT ORGANIZATION, INC., A CALIFORNIA
11 NONPROFIT PUBLIC BENEFIT CORPORATION, D/B/A ASPIRE COMMUNITY HOUSING
12 ORGANIZATION AND CERTAIN OTHER MATTERS RELATING THERETO

13
14 **WHEREAS**, Family Service Association Community Housing Development Organization, Inc., a
15 California nonprofit public benefit corporation, d/b/a Aspire Community Housing Organization (the
16 "Borrower"), has submitted and the California Enterprise Development Authority (the "Authority") has
17 accepted, an application requesting the Authority to issue, from time to time, pursuant to a plan of finance,
18 its tax-exempt and/or taxable revenue obligations in an aggregate principal amount not to exceed \$7,500,000
19 (the "Obligations") for the benefit of the Borrower pursuant to Chapter 5 of Division 7 of Title 1 of the
20 Government Code of the State, (commencing with Section 6500) (the "Act") the proceeds of which will be
21 used in part to (a) finance and/or refinance the cost of acquisition, construction, installation, equipping and
22 furnishing a 54-unit multifamily senior housing complex located at 5888 Mission Boulevard, Jurupa Valley,
23 California 92509, consisting of 54 one bedroom, 600 square foot apartments, together with all necessary
24 ancillary facilities (the "Facilities"); and (b) pay capitalized interest and certain costs of issuance in connection
25 with the Obligations; and

26 **WHEREAS**, the issuance of the Obligations must be approved by the governmental unit on behalf of
27 which the Obligations are issued and a governmental unit having jurisdiction over the territorial limits in
28 which the Facilities are located pursuant to the public approval requirement of Section 147(f) of the Internal

FORM APPROVED COUNTY COUNSEL
DATE: 5-2-18
BY: SYNTIA M. GUNZEL

1 Revenue Code of 1986, as amended (the “Code”); and

2 **WHEREAS**, the Facilities are located within the territorial limits of County of Riverside (the
3 “County”) and the Board of Supervisors of the County (the “Board of Supervisors”) is the elected legislative
4 body of the County; and

5 **WHEREAS**, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), the
6 issuance of the Bonds by the Issuer must be approved by the County because the Facilities are located within
7 the territorial limits of the County; and

8 **WHEREAS**, the Issuer has requested that the Board of Supervisors approve the issuance of the
9 Obligations by the Issuer for the financing and refinancing of the Facilities in order to satisfy the public
10 approval requirement of Section 147(f) of the Code; and

11 **WHEREAS**, the Issuer’s issuance of the Bonds will result in a more economical and efficient
12 issuance process because of the Issuer’s expertise in the issuance of conduit revenue bonds; and

13 **WHEREAS**, it is intended that this Resolution shall comply with the public approval requirements
14 of Section 147(f) of the Code; provided, however, that this Resolution is neither intended to nor shall it
15 constitute an approval of the Facilities by the Board of Supervisors for any other purpose; and

16 **WHEREAS**, a public hearing was held by the County on the 22nd day of May, 2018, at the meeting
17 which commenced at the hour of 9:00 a.m. or soon thereafter, in the Chambers of the Board of Supervisors,
18 4080 Lemon Street, 5th Floor, Riverside, California 92501, following duly published notice thereof in a
19 newspaper of general circulation in the County, and all persons desiring to be heard have been heard;

20 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of
21 Supervisors of the County of Riverside, assembled in regular session, at the conclusion of the public hearing,
22 on May 22, 2018, at 9:00 a.m. or soon thereafter, in the meeting room of the Board of Supervisors, located
23 on the first floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, the
24 following:

25 Section 1. The foregoing resolutions are true and correct.

26 Section 2. The Board of Supervisors, as the elected legislative body of the County, hereby approves
27 the issuance of the Bonds by the Issuer. It is the purpose and intent of the Board of Supervisors that this
28 resolution constitute approval of the issuance of the Bonds by the “applicable elected representative” of the

1 governmental unit having jurisdiction over the area in which the Facilities are located in accordance with
2 Section 147(f) of the Code; *provided, however*, that this Resolution shall not constitute an approval of the
3 Facilities by the Board of Supervisors for any other purpose.

4 Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing
5 documents relating thereto to which the Authority is a party. The County shall have no responsibility or
6 liability whatsoever with respect to the Bonds.

7 Section 4. The adoption of this Resolution shall not obligate the County or any department thereof
8 to (i) provide any financing to acquire or rehabilitate the Project; (ii) approve any application or request for
9 or take any other action in connection with any planning approval, permit or other action necessary for the
10 acquisition, rehabilitation or operation of the Project; (iii) make any contribution or advance any funds
11 whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership
12 therein.


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

17 Section 6. This resolution shall take effect immediately upon its adoption.

18 ADOPTED by Riverside County Board of Supervisors on May 22, 2018, by the following
19 vote:


20 Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
21 Nays: None
22 Absent: None
23 Abstaining: None

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

26 By: 
27 Chuck Washington, Chairman
28 Board of Supervisors

ATTEST:

26 Kecia Harper-Ihem
27 Clerk of the board


28 Deputy

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

KECIA HARPER-IHEM Clerk of said Board
By:  Deputy

**NOTICE OF PUBLIC HEARING
REGARDING THE ISSUANCE OF REVENUE BONDS**

NOTICE IS HEREBY GIVEN that at 9:00 a.m. on Tuesday, May 22, 2018, or as soon thereafter as the matter may be heard, at the in the Chambers of the Board of Supervisors, 4080 Lemon Street, Riverside, California 92501, the Board of Supervisors of the County of Riverside (the "Board of Supervisors") will conduct a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Public Hearing") at which the Board of Supervisors will hear and consider information concerning the issuance, from time to time, pursuant to a plan of finance, of one or more series of tax-exempt and/or taxable obligations by the California Enterprise Development Authority (the "Issuer") in an aggregate principal amount not to exceed Seven Million Five Hundred Dollars (\$7,500,000) (the "Obligations") for the benefit of Family Service Association Community Housing Development Organization, Inc., a California nonprofit public benefit corporation, d/b/a Aspire Community Housing Organization, and/or a related entity (the "Borrower"). The Issuer will loan the proceeds of the Obligations to the Borrower pursuant to one or more loan agreements (the "Loan Agreement"). The proceeds of the Obligations loaned to the Borrower will be applied to (a) finance and/or refinance the cost of acquisition, construction, installation, equipping and furnishing a 54-unit multifamily senior housing complex located at 5888 Mission Boulevard, Jurupa Valley, California 92509, consisting of 54 one bedroom, 600 square foot apartments, together with all necessary ancillary facilities (the "Facilities"); and (b) pay capitalized interest and certain costs of issuance in connection with the Obligations. The Facilities will be owned and operated by the Borrower and intended to be rented to individuals over the age of 55 to further the Borrower's mission of providing decent, safe and sanitary affordable housing to seniors within the Borrower's territory of operation. At least 50% of the units available for rental are intended to be reserved for low and moderate income tenants. The Borrower is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and will own and operate the Facilities in connection with its mission of providing quality affordable housing and services to low income and senior residents of the Inland Empire and Desert Communities, while advocating on behalf of those served by the Borrower.

The Obligations 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 Issuer, the State of California or any political subdivision thereof, including the County of Riverside, 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 Obligations shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

Interested persons wishing to express their views on the issuance of the Obligations or on the nature and location of the Facilities proposed to be financed and refinanced may attend the public hearing or, prior to the time of the hearing, submit written comments to the Clerk of the Board of Supervisors of the County of Riverside, 4080 Lemon Street, County Board Chambers, Riverside, California 92501.

Additional information concerning the above matter may be obtained from, and written comments should be addressed to, Clerk of the Board of Supervisors, County of Riverside, and 4080 Lemon Street, Riverside, California 92501.

Dated: May 1, 2018

COUNTY OF RIVERSIDE