

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



ITEM
19.2
(ID # 10452)

MEETING DATE:

Tuesday, August 6, 2019

FROM : ECONOMIC DEVELOPMENT AGENCY (EDA):

SUBJECT: ECONOMIC DEVELOPMENT AGENCY (EDA); Public Hearing for and Adoption of Resolution No. 2019-174, Approving the Issuance by the California Municipal Finance Authority of Revenue Anticipation Notes for the Benefit of River Springs Charter School, All Districts [\$0] (Vote on Separately)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Conduct a public hearing per Section 147(f) of the Internal Revenue Code of 1986, as amended; and
2. Adopt Resolution No. 2019-174, Approving the issuance of Revenue Anticipation Notes by the California Municipal Finance Authority in an aggregate principal amount, not to exceed \$7,000,000, to finance working capital for the River Springs Charter School, Inc.; and
3. Authorize the Assistant County Executive Officer/ECD, or designee, to take all necessary steps to implement Resolution No. 2019-174, including but not limited to, signing subsequent essential and relevant documents.

ACTION: Policy

Robert Field, Assistant County Executive Officer/ECD 7/26/2019

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington and Perez
Nays: None
Absent: Hewitt
Date: August 6, 2019
xc: EDA

Kecia R. Harper
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: 2019/20	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

River Springs Charter School, Inc. (School), a California nonprofit public benefit corporation and operator of public charter schools, has requested that the California Municipal Finance Authority (CMFA) participate in the issuance of one or more series of revenue anticipation notes (Notes) in an aggregate principal amount not to exceed \$7,000,000 to finance working capital for the School's operations (the Project).

In order for the interest of the Notes to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the Code) requires that the governmental unit where the Project is located hold a public hearing on the issuance of Notes and approve the issuance of the Notes following such hearing. The CMFA has requested that the Board of Supervisors approve the issuance of the Notes by the CMFA in order to satisfy the public approval requirement of section 147(f) of the Code. The CMFA will be the conduit issuer and the Notes will not represent an obligation of the County of Riverside or the Economic Development Agency of the County of Riverside.

County Counsel has reviewed and approved as to form the attached Resolution No. 2019-174. Staff recommends approval of Resolution No. 2019-174.

Impact on Residents and Businesses

Proceeds from the Notes will provide the School with operating capital to meet expenses until anticipated revenue is received. This will have a positive impact on citizens and businesses as it provides adequate education facilities to the community as well as creates jobs for local residents.

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.

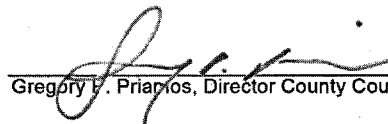
ATTACHMENT:

- Resolution No. 2019-174

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

RF:HM:CH:LT:RM:NH:cm


Nehini Dasika, Principal Management Analyst 7/29/2019


Gregory E. Priamos, Director County Counsel 7/29/2019

FORM APPROVED COUNTY COUNSEL
BY DAVID M. MCCARTHY 29 July 2019 DATE

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

RESOLUTION NO. 2019-174

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY REVENUE ANTICIPATION NOTES (RIVER SPRINGS CHARTER SCHOOL), SERIES 2019 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$7,000,000 FOR THE PURPOSE OF FINANCING WORKING CAPITAL FOR THE RIVER SPRINGS CHARTER SCHOOL, INC. AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED.

WHEREAS, the River Springs Charter School, Inc. (the "Borrower"), a California nonprofit public benefit corporation, an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and an operator of public charter schools, has requested that the California Municipal Finance Authority (the "Authority") participate in the issuance of one or more series of revenue anticipation notes in an aggregate principal amount not to exceed \$7,000,000 (the "Notes") to finance working capital for its operations (the "Project"); and

WHEREAS, a portion of the proceeds of the Notes will be used to pay financing costs and costs of issuance; and

WHEREAS, the Notes and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or any obligation of the County of Riverside, the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit of taxing powers of the County of Riverside, the Authority, the State of California or any political subdivision thereof; and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Notes by the Authority must be approved by a governmental unit on behalf of which the Notes are issued; and

WHEREAS, the Board of Supervisors of the County of Riverside (the "Board") is the elected legislative body of the County of Riverside (the "County") and is one of the "applicable elected representatives" required to approve the issuance of the Notes under Section 147(f) of the Code; and

08.06.19 19.2

1 **WHEREAS**, the Authority has requested that the Board approve the issuance of the Notes
2 by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code
3 and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the
4 California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among
5 certain local agencies, including the County; and

6 **WHEREAS**, pursuant to Section 147(f) of the Code, the Board has, following notice duly
7 given, held a public hearing regarding the issuance of the Notes, and now desires to approve the
8 issuance of the Notes by the Authority;

9 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the
10 Board of Supervisors of the County of Riverside in regular session assembled on August 6, 2019
11 at 9:30am or soon thereafter in the meeting room of the Board of Supervisors located on the 1st
12 floor of the County Administrative Center, 4080 Lemon Street, Riverside, California, that:

13 Section 1. The foregoing recitals are true and correct.

14 Section 2. The Board hereby approves the issuance of the Notes by the Authority. It
15 is the purpose and intent of the Board that this resolution constitute public approval of the issuance
16 of the Notes by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable
17 elected representative of the governmental unit on behalf of which the Notes are issued, in
accordance with said Section 147(f) and (b) Section 4 of the Agreement.

18 Section 3. The issuance of the Notes shall be subject to the approval of the
19 Authority of all financing documents relating thereto to which the Authority is a party. The
20 County shall have no responsibility or liability whatsoever with respect to the Notes.

21 Section 4. The adoption of this Resolution shall not obligate the County or any
22 department thereof to (i) provide any financing to fund the Project; (ii) approve any application
23 or request for or take any other action in connection with any planning approval, permit or other
24 action necessary for the Project; (iii) make any contribution or advance any funds whatsoever to
25 the Borrower or to the Authority; or (iv) take any further action with respect to the Authority or
26 its membership therein.

27 Section 5. The officers of the County are hereby authorized and directed, jointly
28 and severally, to do any and all things and to execute and deliver any and all documents which

1 they deem necessary or advisable in order to carry out, give effect to and comply with the terms
2 and intent of this resolution and the financing transaction approved hereby.

3
4 Section 6. This resolution shall take effect immediately upon its adoption.
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7 ROLL CALL:

8 Ayes: Jeffries, Spiegel, Washington and Perez
9 Nays: None
Absent: Hewitt

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

12 Kecia R. Harper, Clerk of said Board

13 By 
14 Deputy

THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100
Riverside, CA 92507
951-684-1200
951-368-9018 FAX

PROOF OF PUBLICATION (2010, 2015.5 C.C.P)

Publication(s): The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: /

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 in 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, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; 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:

07/26/2019

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

Date: July 26, 2019
At: Riverside, California


Legal Advertising Representative, The Press-Enterprise

STRADLING ATTORNEYS AT LAW
44 MONTGOMERY STREET, SUITE 4200
SAN FRANCISCO, CA 94104

Ad Number: 0011295244-01

P.O. Number:

Ad Copy:

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on August 6, 2019, a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 will be held with respect to the proposed issuance by the California Municipal Finance Authority of its revenue anticipation notes in one or more series in an amount not to exceed \$7,000,000 (the "Notes") on behalf of the River Springs Charter School, Inc. (the "Borrower"), a California nonprofit public benefit corporation, an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code") and an operator of a public charter school. The proceeds of the Notes will be used to: (1) finance working capital of the Borrower (the "Project"); and (2) pay certain expenses incurred in connection with the issuance of the Notes. The Notes 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 County of Riverside, the Authority, the State of California or any political subdivision thereof, 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 Notes shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower. The Notes will be issued as "qualified 501(c)(3) bonds" under Section 145 of the Code. The hearing will commence at 9:30 a.m. or as soon thereafter as the matter can be heard, and will be held in the Meeting Room of the Board of Supervisors located on the 1st floor of the County Administrative Center, 4080 Lemon Street, Riverside, California. Interested persons wishing to express their views on the issuance of the Notes or on the nature and location of the Project proposed to be financed may attend the public hearing or, prior to the time of the hearing, submit written comments. Additional information concerning the above matter may be obtained from, and written comments should be addressed to, Clerk of the Board, 4080 Lemon St., Riverside, CA 92501. Dated: July 26, 2019