

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



ITEM: 19.1
(ID # 12732)

MEETING DATE:
Tuesday, June 23, 2020

FROM : Business and Community Services:

SUBJECT: BUSINESS & COMMUNITY SERVICES: Resolution No. 2020-151, Public Hearing for and Adoption of Resolution No. 2020-151, Approving the Issuance by the California Municipal Finance Authority of Revenue Anticipation Notes for the Benefit of River Springs Charter School, District All [\$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. 2020-151, approving the issuance of Revenue Anticipation Notes by the California Municipal Finance Authority in an aggregate principal amount not to exceed \$8,000,000 (the "Notes") to finance working capital for its operations;
3. Authorize the Director of Business & Community Services, or designee, to take all necessary steps to implement Resolution No. 2020-151, including but not limited to, signing subsequent essential and relevant documents.

ACTION:Policy

Suzanne Holland

Suzanne Holland, Director of EDA

6/2/2020

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: June 23, 2020
xc: EDA

Kecia R. Harper
Clerk of the Board
By: *Miscella*
Deputy

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

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:	19/20

C.E.O. RECOMMENDATION: Approve.

BACKGROUND:

Summary

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 "CMFA") participate in the issuance of one or more series of revenue anticipation notes in an aggregate principal amount not to exceed \$8,000,000 to finance working capital for its 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, 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 California Municipal Finance Authority has requested that the Board of Supervisors approve the issuance of the Notes 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 Notes will not represent an obligation of the County of Riverside or Business and Community Services for the County of Riverside.

County Counsel has reviewed and approved the attached Resolution. Staff recommends approval of Resolution No. 2020-151.

Impact on Residents and Businesses

The financing of working capital for the River Springs Charter School will have a positive impact on citizens and businesses as it provides adequate educational services and facilities to the community, as well as creates jobs for local residents.

ATTACHMENTS:

- Attachments:
- Resolution No. 2020-151
- Public Notice

3 RESOLUTION NO. 2020-151

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5 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
6 RIVERSIDE APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL
7 FINANCE AUTHORITY REVENUE ANTICIPATION NOTES (RIVER SPRINGS
8 CHARTER SCHOOL), SERIES 2020 IN AN AGGREGATE PRINCIPAL AMOUNT
9 NOT TO EXCEED \$8,000,000 FOR THE PURPOSE OF FINANCING WORKING
10 CAPITAL FOR THE RIVER SPRINGS CHARTER SCHOOL, INC. AND OTHER
11 MATTERS RELATING THERETO HEREIN SPECIFIED.

12

13 **WHEREAS**, the River Springs Charter School, Inc. (the “Borrower”), a California nonprofit public
14 benefit corporation, an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986
15 (the “Code”) and an operator of public charter schools, has requested that the California Municipal Finance
16 Authority (the “Authority”) participate in the issuance of one or more series of revenue anticipation notes
17 in an aggregate principal amount not to exceed \$8,000,000 (the “Notes”) to finance working capital for its
18 operations (the “Project”); and

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

21 **WHEREAS**, the Notes and the Obligation to pay the principle of and interest thereon and any
22 redemption premiums with respect thereto do not constitute indebtedness or any obligation from the County
23 of Riverside, the Authority, the State of California, or any political subdivision thereof, within the meaning
24 of any constitutional debt limitation, or a charge against the general credit of taxing powers of the County
25 of Riverside, the Authority, the State of California or any political subdivision thereof; and

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

28 **WHEREAS**, the Board of Supervisors of the County of Riverside (the “Board”) is the elected

FORM APPROVED COUNTY COUNSEL
BY KRISTINE BELL-VALENZUELA DATE 12/22/20

1 legislative body of the County of Riverside (the “County”) and is one of the “applicable elected
2 representatives” required to approve the issuance of the Notes under Section 147(f) of the
3 Code; and

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

9 **WHEREAS**, there has been published, at least seven (7) days prior to the date hereof, on a
10 newspaper of general circulation within the County or on the County’s website, a notice that a public hearing
11 regarding the Bonds would be held on a date specified in such notice; and

12 **WHEREAS**, a public hearing pursuant to Internal Revenue Code of 1986 Section 147(f) was
13 conducted by this Board of Supervisors on June 23, 2020, to review and approve the revenue anticipation
14 notes; and

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

18 **NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County of
19 Riverside, assembled in regular session, at the conclusion of the public hearing on June 23, 2020, at 9:30
20 a.m. or soon thereafter, in the meeting room of the Board of Supervisors, located on the first floor of the
21 County Administrative Center, 4080 Lemon Street, Riverside, California, as follows:

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

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

28 Section 3. The issuance of the Notes shall be subject to the approval of the Authority of all

1 financing documents relating thereto to which the Authority is a party. The County shall have no
2 responsibility or liability whosoever with respect to the Notes.

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

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

12 Section 6. The Clerk shall forward a certified copy of this Resolution to the Authority in care
13 of its counsel:

14 Kerrigan R. Bennett

15 Stradling Yocca Carlson & Rauth, A Professional Corporation

16 44 Montgomery Street, Suite 4200

17 San Francisco, California 94104

18 Section 7. This Resolution shall take effect immediately upon its adoption.
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2 **RESOLUTION 2020-151**

3 **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF**
4 **RIVERSIDE APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL**
5 **FINANCE AUTHORITY REVENUE ANTICIPATION NOTES (RIVER SPIRNGS**
6 **CHARTER SCHOOL). SERIES 2020 IN AN AGGREGATE PRINCIPAL AMOUNT NOT**
7 **TO EXCEED \$8,000,000 FOR THE PURPOSE OF FINANCING WORKING CAPITAL**
8 **FOR THE RIVER SPRINGS CHARTER SCHOOL, INC. AND OTHER MATTERS**
9 **RELATING THERETO HEREIN SPECIFIED.**

10 ADOPTED by Riverside County Board of Supervisors on JUNE 23, 2020.

11 **ROLL CALL:**

12 **Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt**
13 **Nays: None**
14 **Absent: None**

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

17 KECIA R. HARPER, Clerk of said Board

18 By: *Russell Rasso*
19 Deputy