

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



**ITEM: 19.1  
(ID # 23134)**

**MEETING DATE:**  
Tuesday, October 03, 2023

**FROM :** OFFICE OF ECONOMIC DEVELOPMENT:

**SUBJECT:** OFFICE OF ECONOMIC DEVELOPMENT: Resolution No. 2023-268, Approving the Issuance by the California Enterprise Development Authority of one or more series of Taxable and/or Tax-Exempt Revenue Obligations for the Benefit of Community Health Systems, Inc, and/or a Related or Successor Entity. District 1. [\$0] (Clerk to Set for Public Hearing October 3, 2023 @ 9:30 a.m. or as soon as possible thereafter)

**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; and
2. Adopt Resolution No. 2023-268, approving the issuance by the California Enterprise Development Authority of taxable and/or tax-exempt revenue obligations for the benefit of Community Health Systems, Inc. and/or a Related or Successor Entity to finance, refinance, and reimburse the cost of healthcare facilities in Riverside County; and
3. Authorize the Director of the Office of Economic Development or designee, to take necessary steps to implement Resolution No. 2023-268, including, but not limited to, signing subsequent essential and relevant documents.

**ACTION:**

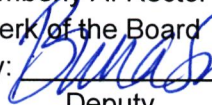
  
Suzanne Holland, Director of Office of Economic Development 9/21/2023

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**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, Perez and Gutierrez  
Nays: None  
Absent: Washington  
Date: October 3, 2023  
xc: OED

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,  
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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: N/A</b>			<b>Budget Adjustment: N/A</b>	
			<b>For Fiscal Year: 23/24</b>	

**C.E.O. RECOMMENDATION:**

**BACKGROUND:**

**Summary**

The Board of Supervisors of the County of Riverside (“County”) is being asked to adopt a resolution in support of a request by the California Enterprise Development Authority (the “Authority”) to issue taxable and/or tax-exempt obligations in an amount not to exceed \$5,500,000 (the “Obligations”). The Authority is an eligible conduit issuer of taxable and/or tax-exempt obligations. Because interest on all or a portion of the Obligations will be tax-exempt, such public hearing and approval of the Obligations by the County is required by the Internal Revenue Code of 1986, as amended (the “Code”).

The proceeds of the Obligations will be applied by Community Health Systems, Inc., a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code, and/or a related or successor entity (the “Borrower”), for the purpose of (a) financing, refinancing, and/or reimbursing the cost of the acquisition, construction, rehabilitation, remodeling, renovation and equipping of health care facilities located at 9380 Magnolia Avenue, Riverside, California 92503, consisting of a two-story commercial medical office building with approximately 9,989 square feet of space and 14 exam rooms, 5 dental procedure rooms, a nurse’s station, a lab, private offices, a conference room, an IT room, a breakroom, restrooms and storage areas (collectively, the “Facilities”); and (b) paying costs of issuance and other related transaction costs in connection with the issuance of the Obligations.

The Borrower will own and operate the Facilities in connection with its mission providing high quality and compassionate medical, dental, women’s health, behavioral health, and vision care services to those who are under-served, uninsured, or under-insured.

The California Association for Local Economic Development (CALED) established the Authority as a Joint Powers Authority to address gaps in economic development financing. Specifically, the Authority’s goal is to issue industrial development bonds for small- to medium-sized California manufacturers and issue bonds for non-profit businesses such as private schools, community centers, and health clinics. The Authority has 272 members statewide that includes counties, cities, and special districts.

For the interest on the Obligations to be tax-exempt, Section 147(f) of the Code requires that the governmental unit where the project is located hold a public hearing on the issuance of the obligations and approve the issuance of the obligations following such hearing. The Authority



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

has requested that the Board approve the issuance of the obligations by the Authority to satisfy the public approval requirement of section 147(f) of the Code. The Authority will be the conduit issuer, and the obligations will not represent a general obligation of the County of Riverside or the Office of Economic Development for the County of Riverside.

**Impact on Residents and Businesses**

The Authority's issuance of the Obligations will provide the Borrower and its affiliates with the funding needed to finance/refinance its facility in the City of Riverside, County of Riverside, thereby facilitating benefits to the community.

**Additional Fiscal Information**

Conduit revenue obligations are a special, limited obligation of the Authority payable solely through the Borrower's repayment of the loan from the Authority which repayment is used to pay the principal of and interest on the Obligations. As such, any Obligations issued by the Authority will not be a direct obligation of the Authority, the County, or any member of the Authority. Neither the faith or credit, nor the taxing power of the County, any member of the Authority, the State or any political subdivision is pledged to the repayment of the Obligations.

**Attachments:**

- Resolution No. 2023-268
- Public Notice

  
Stephanie Peirce, Deputy Director of Admin. Services 9/27/2023

  
Aaron Gettis, Deputy County Counsel 9/25/2023

BOARD OF SUPERVISORS

COUNTY OF RIVERSIDE

RESOLUTION NO. 2023-268

RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE APPROVING THE ISSUANCE BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY OF ITS REVENUE OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,500,000 FOR THE BENEFIT OF COMMUNITY HEALTH SYSTEMS, INC. AND/OR A RELATED OR SUCCESSOR ENTITY FOR THE PURPOSE OF FINANCING, REFINANCING, AND/OR REIMBURSING THE COST OF ACQUISITION, CONSTRUCTION, REHABILITATION, REMODELING, RENOVATION AND EQUIPPING OF HEALTHCARE FACILITIES, PROVIDING THE TERMS AND CONDITIONS FOR SUCH OBLIGATIONS AND OTHER MATTERS RELATING THERETO HEREIN SPECIFIED.

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), the cities of Eureka, Lancaster and Selma (the "Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Enterprise Development Authority (the "Authority") was organized, for the purpose of promoting economic, cultural, and community development, and in order to exercise any powers common to the Members and associate members, including the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the County of Riverside, California (the "County") is an associate member of the Authority; and

WHEREAS, the Authority is authorized to issue its taxable and/or tax-exempt obligations and enter into a loan agreement for the purpose, among others, of financing and/or refinancing the acquisition and construction of capital projects; and

WHEREAS, Community Health Systems, Inc., a California nonprofit public benefit corporation, and/or a related or successor entity (collectively, the "Borrower"), has requested that

FORM APPROVED COUNTY COUNSEL  
BY: AARON C. GETTIS  
9-25-23  
DATE

1 the Authority participate in the issuance, from time to time, pursuant to a plan of finance, of its  
2 taxable and/or tax-exempt obligations in an aggregate principal amount not to exceed \$5,500,000  
3 (the "Obligations") for the purpose of (a) financing, refinancing, and/or reimbursing the cost of  
4 the acquisition, construction, rehabilitation, remodeling, renovation and equipping of health care  
5 facilities located at 9380 Magnolia Avenue, Riverside, California 92503, consisting of a two-story  
6 commercial medical office building with approximately 9,989 square feet of space and 14 exam  
7 rooms, 5 dental procedure rooms, a nurse's station, a lab, private offices, a conference room, an  
8 IT room, a breakroom, restrooms and storage areas (collectively, the "Facilities"); and (b) paying  
9 costs of issuance and other related transaction costs in connection with the issuance of the  
Obligations (collectively, the "Project"); and

10 **WHEREAS**, the Borrower, an organization described in Section 501(c)(3) of the Internal  
11 Revenue Code of 1986 (the "Code"), will own and operate the Facilities in connection with its  
12 charitable mission providing high quality and compassionate medical, dental, women's health,  
13 behavioral health, and vision care services to those who are under-served, uninsured, or under-  
insured; and

14 **WHEREAS**, in order for interest on all or a portion of the Obligations to be tax-exempt,  
15 Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that an  
16 "applicable elected representative" of the governmental unit having jurisdiction over the area in  
17 which the Facilities are located hold a public hearing on the issuance of the Obligations and  
18 approve the issuance of the Obligations following such hearing; and

19 **WHEREAS**, the Authority has determined that the Board of Supervisors of the County  
20 (the "Board") is an "applicable elected representative" for purposes of holding such hearing; and

21 **WHEREAS**, the Authority has requested that the Board approve the issuance of the  
22 Obligations by the Authority in order to satisfy the public approval requirement of Section 147(f)  
of the Code and the Act; and

23 **WHEREAS**, notice of such public hearing has been duly given as required by the Code,  
24 and this Board has heretofore held such public hearing at which all interested persons were given  
25 an opportunity to be heard on all matters related to the Project and the Authority's issuance of the  
Obligations therefor; and

26 **WHEREAS**, it is in the public interest and for the public benefit that the Board approve  
27 the issuance of the Obligations by the Authority for the aforesaid purposes;

28

1           **NOW, THEREFORE, BE IT RESOLVED**, by the Board of Supervisors of the County  
2 of Riverside as follows:

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

4           Section 2.     The Board hereby approves the issuance of the Obligations by the  
5 Authority. It is the purpose and intent of the Board that this resolution shall constitute (a) approval  
6 of the issuance of the Obligations within the meaning of Section 147(f) of the Code and, (b)  
7 approval of the issuance of the Obligations by the Board in accordance with the Act.

8           Section 3.     The issuance of the Obligations shall be subject to the approval of the  
9 Authority of all financing documents relating thereto to which the Authority is a party. The  
10 County shall have no responsibility or liability whatsoever with respect to the Obligations.

11           Section 4.     The adoption of this Resolution shall not obligate the County or any  
12 department thereof to (i) provide any financing to acquire or construct the Facilities or any  
13 refinancing of the Facilities; (ii) approve any application or request for or take any other action  
14 in connection with any planning approval, permit or other action necessary for the acquisition,  
15 improvement, construction, furnishing, renovating or equipping the Facilities; (iii) make any  
16 contribution or advance any funds whatsoever to the Authority; or (iv) take any further action  
17 with respect to the Authority or its membership therein..

18           Section 5.     The executing officers(s), the Clerk and all other proper officers and  
19 officials of the County are hereby authorized and directed to execute such other agreements,  
20 documents and certificates, and to perform such other acts and deeds, as may be necessary or  
21 convenient to effect the purposes of this Resolution and the transactions herein authorized.

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

24                             Sam S. Balisy, Esq.  
25                             Kutak Rock LLP  
26                             777 South Figueroa Street, Suite 4550  
27                             Los Angeles, California 90017

28           Section 7.     This Resolution shall take effect immediately upon its adoption.

(Signatures on Following Page)

1 THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors  
2 of the County of Riverside this October 3, 2023, by the following vote:

3 AYES:

4 NOES:

5 ABSENT:

6 ABSTAINING:

7  
8 

9 Kevin Jeffries, Chair  
10 Board of Supervisors

11 **ATTEST:**

12 Kimberly Rector  
13 Clerk of the Board

14 By   
15 Deputy

16 ROLL CALL:

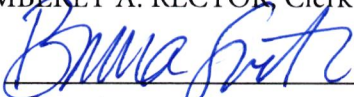
17 Ayes: Jeffries, Spiegel, Perez, and Gutierrez

18 Nays: None

19 Absent: Washington

20  
21 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of  
22 Supervisors on the date therein set forth.

23 KIMBERLY A. RECTOR, Clerk of said Board

24 By:   
25 Deputy

26 10.03.2023 19.1  
27  
28



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Los Angeles, California 90017

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: 0011625462

**FILE NO. 0011625462**

**PROOF OF PUBLICATION**

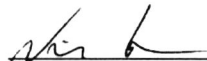
I am a citizen of the United States. I am over the age of eighteen years and not party to or interested in the above-entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper 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:

**09/26/2023**

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

Date: September 26, 2023.

At: Riverside, California



Signature

**NOTICE OF PUBLIC HEARING WITH RESPECT TO THE ISSUANCE OF TAXABLE AND/OR TAX-EXEMPT OBLIGATIONS BY THE CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$5,500,000 FOR THE PURPOSE OF FINANCING, REFINANCING AND/OR REIMBURSING THE COST OF THE ACQUISITION, REHABILITATION, REMODELING, CONSTRUCTION, RENOVATION AND EQUIPPING OF HEALTHCARE FACILITIES FOR THE BENEFIT OF COMMUNITY HEALTH SYSTEMS, INC. AND/OR A RELATED OR SUCCESSOR ENTITY**

NOTICE IS HEREBY GIVEN that at 9:30 a.m., or as soon thereafter as the matter may be heard, on October 3, 2023, at 4080 Lemon Street, First Floor, Board Chambers, Riverside, California, 92501, the Board of Supervisors of the County of Riverside (the "Board") will conduct a public hearing (the "Public Hearing") as described below at which the Board will hear and consider information relating to the issuance, by the California Enterprise Development Authority (the "Issuer"), from time to time, pursuant to a plan of finance, of one or more series of taxable and/or tax-exempt revenue obligations pursuant to Section 145 of the Internal Revenue Code of 1986, as amended (the "Code"), in an aggregate principal amount not to exceed \$5,500,000 (the "Obligations") for the benefit of Community Health Systems, Inc., a California nonprofit public benefit corporation, and/or a related or successor entity (the "Borrower"). The proceeds of the Obligations will be loaned to the Borrower pursuant to one or more loan agreements by and among a financial institution, the Issuer and the Borrower (the "Loan Agreement"). The proceeds of the Obligations will be applied by the Borrower for the purpose of (a) financing, refinancing, and/or reimbursing the cost of the acquisition, construction, rehabilitation, remodeling, renovation and equipping of health care facilities located at 9380 Magnolia Avenue, Riverside, California 92503, consisting of a two-story commercial medical office building with approximately 9,989 square feet of space and 14 exam rooms, 5 dental procedure rooms, a nurse's station, a lab, private offices, a conference room, an IT room, a breakroom, restrooms and storage areas (collectively, the "Facilities"); and (b) paying costs of issuance and other related transaction costs in connection with the issuance of the Obligations. The Borrower is an organization described in Section 501(c)(3) of the Code and will own and operate the Facilities in connection with its mission providing high quality and compassionate medical, dental, women's health, behavioral health, and vision care services to those who are underserved, uninsured, or under-insured.

The Obligations will be paid entirely from repayments by the Borrower under the Loan Agreement. The Obligations will not be deemed to constitute a debt or liability of the County of Riverside (the "County"), the State of California (the "State") or any political subdivision thereof, but will be payable solely from the funds provided therefor by the Borrower. The Issuer will not be obligated to pay the principal of the Obligations, or the redemption premium, if any, or interest thereon, except from funds provided from loan repayments by the Borrower. Neither the faith and credit nor the taxing power of the County, the State, or any other political corporation, subdivision or agency of the State is pledged to the payment of the principal of, premium, if any, or interest on, the Obligations, nor shall the County, the State or any other political corporation, subdivision or agency of the State be liable or obligated to pay the principal of, premium, if any, or interest on, the Obligations.

The public hearing described herein will commence at 9:30 a.m. Pacific Time or as soon thereafter as the matter can be heard, in the County of Riverside Board Chambers, 4080 Lemon Street, 1st Floor, Riverside, California 92501. 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. Additional information concerning the above matter may be obtained from, and written comments should be addressed to: County of Riverside, Clerk of the Board of Supervisors, 4080 Lemon Street, 1st Floor, Riverside California 92501, (951) 955-1069, Email: [cob@rivco.org](mailto:cob@rivco.org), or may be submitted at <https://www.rivcocob.org/web-comments>.

Accommodations under the Americans with Disabilities Act are available upon request. Requests must be made at least 72 hours prior to meeting. Later requests will be accommodated to the extent feasible. Please call the Clerk of the Board of Supervisors office at (951) 955-1069, from 8:00 a.m. to 5:00 p.m., Monday through Friday.

Date: September 26, 2023

COUNTY OF RIVERSIDE

By: /s/ Kimberly Rector

Clerk of the Board of Supervisors

The Press-Enterprise  
Published: 9/26/23