

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA
and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 03/21/2017 by the following vote:

AYE:

NO:

ABSENT:

ABSTAIN:

RECUSE:



Resolution No. 2017/66

Resolution Authorizing the Issuance of Multifamily Housing Revenue Bonds in an Aggregate Principal Amount not to Exceed Seventeen Million Dollars (\$17,000,000) for the Purpose of Providing Financing for a Multifamily Residential Rental Housing Development – Heritage Point Apartments

WHEREAS, the Board of Supervisors of the County of Contra Costa (the “County”) has determined that there is a shortage of safe and sanitary housing within the County, and that it is in the best interest of the residents of the County and in furtherance of the health, safety and welfare of the public for the County to assist in the financing of multifamily rental housing developments; and

WHEREAS, pursuant to Division 31 of the Health and Safety Code of the State of California, and particularly Chapter 7 of Part 5 thereof (the “Act”), the County is empowered to issue and sell revenue bonds for the purpose of making mortgage loans or otherwise providing funds to finance the acquisition, construction and rehabilitation of multifamily rental housing, including units for lower income households and very low income households; and

WHEREAS, Community Housing Development Corporation of North Richmond (“Community Housing”) has requested that the County consider the issuance and sale of tax-exempt revenue bonds (the “Bonds”) pursuant to the Act for the purpose of lending the proceeds thereof to a California limited partnership to be formed by Community Housing (the “Borrower”), to finance the acquisition and construction by the Borrower of 42 units of multifamily rental housing currently identified as Heritage Point Apartments (the “Development”); and

WHEREAS, the Development is to be located on a site comprised of six parcels located at the Northeast corner of Fred Jackson Way and Chesley Avenue in the unincorporated area of North Richmond (Contra Costa County Assessor’s parcel numbers 409-080-001-4, 409-080-013-9, 409-080-014-7, 409-080-015-4, 409-080-016-2 and 409-080-020-4), and will be owned by the Borrower and will be operated initially by the North Richmond Economic Development Corporation or another entity selected by the Borrower; and

WHEREAS, to assist in financing the Development, the County intends to sell and issue not to exceed \$17,000,000 principal amount of its multifamily housing revenue bonds (the “Bonds”) and to loan the proceeds of the Bonds to the Borrower, thereby assisting in providing housing for low income persons; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the issuance of the Bonds by the County must be approved by an applicable elected representative body with respect to the Development following the conduct of a public hearing on the proposed financing; and

WHEREAS, the Board of Supervisors of the County of Contra Costa (the “Board”), is the elected legislative body of the County and is one of the applicable elected representatives authorized to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, pursuant to Section 147(f) of the Code, the Community Development Bond Program Manager of the County has, following notice duly given, held a public hearing regarding the financing of the Development and the issuance of the Bonds, and a summary of any oral or written testimony received at the public hearing has been presented to the Board of Supervisors for its consideration; and

WHEREAS, the Board now desires to approve the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Contra Costa as follows:

Section 1. The Board hereby finds and declares that the foregoing recitals are true and correct.

Section 2. The Board of Supervisors hereby authorizes the issuance of the Bonds by the County to provide financing for the Development pursuant to the Act in an aggregate principal amount not to exceed seventeen million dollars (\$17,000,000). The issuance of the Bonds shall be subject to the following conditions: (a) the County by resolution of the Board of Supervisors shall have first agreed to acceptable terms and conditions for the Bonds (and for the sale and delivery thereof), and for an indenture and all other agreements with respect to the Bonds; (b) all requisite governmental approvals for the Bonds shall have first been obtained; (c) the Bonds shall be payable from revenues received with respect to a loan to the Borrower made with the proceeds of the Bonds, and neither the full faith nor the credit of the County shall be pledged to the payment of the principal of or interest on the Bonds; (d) any occupancy and other requirements of the Internal Revenue Code of 1986, as amended (the "Code") are satisfied or otherwise provided for with respect to Bonds, the interest on which is intended to be excluded from gross income for federal tax purposes; (e) any occupancy and other requirements of the Act with respect to the Development are satisfied or otherwise provided for; and (f) any occupancy and other requirements of the County applicable to the Development are satisfied or otherwise provided for.

Section 3. It is the purpose and intent of the County that this Resolution (a) constitute a declaration of official intent to issue the Bonds for the Development for purposes of Sections 103 and 141 to 150 of the Code, and (b) constitute the authorization of the issuance of the Bonds for purposes of Section 147(f) of the Code. The County reasonably expects that certain costs of the Development will be reimbursed with proceeds of the Bonds for certain expenditures made prior to the issuance of the Bonds.

Section 4. The adoption of this Resolution does not (a) relieve or exempt the Borrower from obtaining any permits or approvals that are required by, or determined to be necessary from, the County in connection with the Development, nor (b) obligate the County to incur any obligation or provide financial assistance with respect to the Bonds or the Development.

Section 5. The Chair of the Board of Supervisors, the Vice-Chair of the Board of Supervisors, the County Administrator, the Director of Conservation and Development, the Assistant Deputy Director of Conservation and Development, the Community Development Bond Program Manager, County Counsel and the other officers of the County are hereby authorized and directed to take whatever further action consistent with this Resolution may be deemed reasonable and desirable, including participating in the preparation of any resolution, indenture, bond purchase agreement, official statement and/or other documents or agreements necessary or appropriate to effect the Bond financing, and any actions necessary to obtain an allocation of the State of California's private activity bond volume cap for the Bonds under Section 146 of the Code and Section 8869.85 of the Government Code, including obtaining a deposit from Community Housing, another representative of the Borrower, or the Borrower, and submitting an application for such volume cap to the California Debt Limit Allocation Committee, all to the extent required for the issuance of the Bonds.

Section 6. This Resolution shall take effect immediately upon its passage and adoption.

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 21, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Kara Douglas (925) 674-7880

By: , Deputy

cc: