

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

Adopted this Resolution on 12/05/2017 by the following vote:

AYE: ☐

NO: ☐

ABSENT: ☐

ABSTAIN: ☐

RECUSE: ☐



Resolution No. 2017/431

Resolution of the County of Contra Costa Setting Forth the County's Official Intent to Issue Revenue Bonds to Provide Additional Financing For a Multifamily Residential Rental Housing Development – Riviera Family 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, at the request of Riviera Family Apartments, L.P., a California limited partnership (the "Borrower"), on September 23, 2016, the County issued its \$20,729,702 County of Contra Costa Multifamily Housing Revenue Notes (Riviera Family Apartments), Series 2016C (the "2016 Notes") to finance costs of the acquisition and construction of a 58-unit residential rental housing development known as Riviera Family Apartments located at 1515 and 1738 Riviera Avenue in Walnut Creek (the "Project"); and

WHEREAS, the costs of construction of the Project have increased since the issuance by the County of the 2016 Notes, and the Borrower has now requested that the County issue an additional note (the "2017 Note") and lend the proceeds of the sale of the 2017 Note to the Borrower to provide additional financing for the Project; and

WHEREAS, the Board of Supervisors now wishes to declare its intention to authorize the issuance of the 2017 Note in a principal amount not to exceed \$1,600,000 at a future date after the documentation relating to the financing has been prepared and completed, and the County's requirements for the issuance of the 2017 Note have been satisfied.

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

Section 1. The Board of Supervisors hereby determines that it is necessary and desirable to provide additional financing for the Project pursuant to the Act by the issuance of the 2017 Note in a principal amount not to exceed one million six hundred thousand dollars (\$1,600,000). The issuance of the 2017 Note shall be subject to the following conditions: (i) the County by resolution of the Board of Supervisors shall have first agreed to acceptable terms and conditions for the 2017 Note (and for the sale and delivery thereof), and for a funding loan agreement and all other agreements with respect to the 2017 Note; (ii) all requisite governmental approvals for the 2017 Note shall have first been obtained; (iii) the 2017 Note shall be payable from revenues received with respect to a loan to the Borrower made with the proceeds of the 2017 Note, 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 2017 Note; (iv) any occupancy and other requirements of the Internal Revenue Code of 1986, as amended (the "Code") are satisfied or otherwise provided for with respect of the 2017 Note, the interest on which is intended to be excluded from gross income for federal tax purposes; (v) any occupancy and other requirements of the Act with respect to the Project are satisfied or otherwise provided for; and (vi) any occupancy and other requirements of the County applicable to the Project are satisfied or otherwise provided for. It is anticipated that some or all of the requirements described in the foregoing clauses (iii), (iv), (v) and (vi) will be satisfied through amendments to the existing documents for the 2016 Notes.

Section 2. The Chair of the Board of Supervisors, the Vice-Chair of the Board of Supervisors, the County Administrator, the Director of the Department of Conservation and Development of the County, the Assistant Deputy Director of the Department of Conservation and Development of the County, the County's 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, funding loan agreement, borrower loan agreement, note purchase agreement and/or other documents or agreements, or amendments to existing agreements for the 2016 Notes, necessary or appropriate to effect the 2017 Note financing, and any actions necessary to obtain an allocation of the State of California's private activity bond volume cap for the 2017 Note under Section 146 of the Code and Section 8869.85 of the Government Code, including obtaining a deposit from the Borrower and submitting an application for such volume cap to the California Debt Limit Allocation Committee (the "Application"), all to the extent required for the issuance of the 2017 Note. To the extent the Application has heretofore been submitted to the California Debt Limit Allocation Committee, such Application and its submittal are hereby ratified.

Section 3. It is the purpose and intent of the County that this Resolution constitute a declaration of official intent to issue the 2017 Note for the Project for purposes of Sections 103 and 141 to 150 of the Code. The County reasonably expects that certain costs of the Project will be reimbursed with proceeds of the 2017 Note for certain expenditures made prior to the issuance of the 2017 Note.

Section 4. 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.

Contact: Kara Douglas, 925-674-7880

ATTESTED: December 5, 2017

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

By: , Deputy

cc: