

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

Adopted this Resolution on 02/14/2017 by the following vote:

AYE: ☒ 5 **John Gioia**
Candace Andersen
Diane Burgis
Karen Mitchoff
Federal D. Glover

NO: ☐

ABSENT: ☐

ABSTAIN: ☐

RECUSE: ☐



Resolution No. 2017/56

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF LEASE REVENUE BONDS, 2017 SERIES A IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$105,000,000 TO FINANCE VARIOUS CAPITAL PROJECTS AND TO REFUND VARIOUS OUTSTANDING LEASE REVENUE BONDS, AUTHORIZING THE FORMS OF AND DIRECTING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, A SITE LEASE, A FACILITIES LEASE, A CONTINUING COVENANT AGREEMENT, AN ESCROW AGREEMENT AND RELATED FINANCING DOCUMENTS; AND AUTHORIZING TAKING OF NECESSARY ACTIONS AND EXECUTION OF NECESSARY DOCUMENTS IN CONNECTION THEREWITH

WHEREAS, the County of Contra Costa (the "County") and the Contra Costa County Flood Control and Water Conservation District have entered into an Amended and Restated Joint Exercise of Powers Agreement, dated June 16, 2015 pursuant to an amendment of the Joint Exercise of Powers Agreement, dated as of April 7, 1992 (as amended, the "Joint Powers Agreement"), between the County and the Contra Costa County Redevelopment Agency which Joint Powers Agreement creates and establishes the County of Contra Costa Public Financing Authority (the "Authority");

WHEREAS, pursuant to Article 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and the Joint Powers Agreement, the Authority is authorized to issue bonds for financing public capital improvements whenever there are significant public benefits;

WHEREAS, pursuant to a Trust Agreement, dated as of February 1, 1999 (as previously amended and supplemented, the "1999 Trust Agreement"), by and between the Authority and Wells Fargo Bank, National Association, as successor trustee (the "Trustee"), the Authority issued \$122,065,000 of its Lease Revenue Bonds (Refunding and Various Capital Projects), 2007 Series A (the "2007 Series A Bonds"), and \$110,265,000 of its Lease Revenue Bonds (Medical Center Refunding), 2007 Series B (the "2007 Series B Bonds" and, together with the 2007 Series A Bonds, the "2007 Refunded Bonds") in order to finance and refinance capital projects for the County;

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2009 (the "2009 Trust Agreement"), by and between the Authority and Trustee, the Authority issued \$25,061,614.90 of its Lease Revenue Bonds (Capital Project Program), 2009 Series A (the "2009 Series A Bonds," and collectively with the 2007 Refunded Bonds, the "Refunded Bonds") in order to finance and refinance capital projects for the County;

WHEREAS, the County has requested the Authority to assist the County in the refunding and defeasance of the Refunded Bonds in order to produce debt service savings resulting in significant public benefits for the County;

WHEREAS, the County Board of Supervisors has requested the Authority to assist the County in financing all or a portion of the cost of various public capital projects, including, but not limited to, (i) improvements to the Contra Costa Regional Medical Center, located at 2500 Alhambra Avenue in the City of Martinez; (ii) expansion and improvements to the Pittsburg Health Center, located at 2311 Loveridge Road in the City of Pittsburg; (iii) improvements to the Contra Costa Health Services, located at 595 Center Avenue and 597 Center Avenue in the City of Martinez; and (iv) improvements to the Women, Infant & Children Building, located at 13601 San Pablo Avenue in the City of San Pablo (collectively, the "2017 Project");

WHEREAS, the County has requested and approved the Authority's issuance of County of Contra Costa Public Financing

Authority Lease Revenue Bonds (Refunding and Capital Projects), 2017 Series A (the "Bonds") in an amount sufficient to finance the 2017 Project, refund the Refunded Bonds and pay related costs of issuance;

WHEREAS, in accordance with the requirements of Section 6586.5 of the Act, a public hearing regarding the financing of the 2017 Project proposed herein was heretofore conducted by the County on February 14, 2017;

WHEREAS, notice of such hearing was published at least five days prior to such hearing in a newspaper of general circulation in the County;

WHEREAS, the County has determined that the financing of the 2017 Project by the issuance of the Bonds by the Authority will result in significant public benefits to the County, including demonstrable savings in effective interest rate, bond preparation, or bond issuance costs;

WHEREAS, it is proposed that the Authority and the Trustee enter into a trust agreement (the "Trust Agreement"), acknowledged by the County, and, pursuant to the Trust Agreement, the Authority will issue the Bonds in an aggregate principal amount not to exceed \$105,000,000;

WHEREAS, it is proposed that the Authority enter into a site lease (the "Site Lease") pursuant to which the County will lease certain real property, including, but not limited to the facilities described in the Site Lease (collectively with all such property to be leased pursuant to the Site Lease (the "2017 Facilities"), to the Authority;

WHEREAS, it is proposed that the Authority enter into a facilities lease (the "Facilities Lease") pursuant to which it will lease back the 2017 Facilities to the County;

WHEREAS, under the Facilities Lease, the County will be obligated to make base rental payments to the Authority which the Authority will cause to be used to pay debt service on the Bonds;

WHEREAS, the County deems it necessary and desirable to authorize the sale of the Bonds by a direct purchase to Wells Fargo Bank, National Association or one of its affiliates (the "Purchaser") pursuant to a Continuing Covenant Agreement among the County, the Authority and the Purchaser (the "Continuing Covenant Agreement");

WHEREAS, a form of Escrow Agreement with respect to the 2007 Refunded Bonds (the "Escrow Agreement") between the Authority and the Trustee, as escrow agent, has been prepared;

WHEREAS, Montague DeRose and Associates, LLC, is serving as financial advisor (the "Financial Advisor") to the County and the Authority, and Nixon Peabody LLP is serving as bond counsel ("Bond Counsel") to the County and the Authority in connection with the financing and refinancing;

WHEREAS, this Board has been presented with the substantially final form of each document referred to herein relating to the Bonds, and the Board has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing;

WHEREAS, the Authority has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions hereinafter authorized; and

WHEREAS, the Authority expects to finance the 2017 Project and to refund the Refunded Bonds on a tax-exempt basis;

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: Timothy Ewell, 925-335-1036

ATTESTED: February 14, 2017

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

Stephanie Mello
By: Stephanie Mello, Deputy



cc: Hon. Robert R. Campbell, Auditor-Controller, Hon. Russell V. Watts, Treasurer-Tax Collector, Rebecca H. ... County Counsel, Diana Oyler, Public Works Department