



**Contra
Costa
County**

To: Board of Supervisors

From: Catherine Kutsuris, Conservation & Development Director

Date: February 28, 2012

Subject: Inducement Action for Multifamily Projects - Lafayette Senior Apartments, Lafayette

RECOMMENDATION(S):

ADOPT Resolution No. 2012/61 conditionally providing for the issuance of revenue bonds in an amount not to exceed \$16 million to finance the development of Lafayette Senior Apartments, a multifamily rental housing development to be located at 3436 Mount Diablo Boulevard in the City of Lafayette (APN: 233-040-038).

FISCAL IMPACT:

None. In the event that the bonds are issued, the County is reimbursed for costs incurred in the issuance process. Annual expenses for monitoring of Regulatory Agreement provisions are accommodated in the bond issue. The bonds will be solely secured by revenues (rents, reserves, etc.) pledged under the bond documents. No County funds are pledged to secure the bonds.

BACKGROUND:

Contra Costa County, through the Conservation and Development Department,

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/28/2012** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: Gayle B. Uilkema, District II
Supervisor

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: February 28, 2012

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

By: June McHuen, Deputy

Contact: Kristen Lackey,
5-7228/4-7888

cc:

BACKGROUND: (CONT'D)

operates a multifamily mortgage revenue bond financing program. The purpose of the program is to increase or preserve the supply of affordable rental housing available to lower income households. The County program may be undertaken with the unincorporated County and within the cities.

Eden Housing, Inc. has requested to participate in the County's multifamily mortgage revenue bond financing program. They propose to develop Lafayette Senior Apartments, a 48-unit senior housing project located at 3436 Mt. Diablo Boulevard in the City of Lafayette. The proposed development meets the eligibility criteria for bond financing, and the proposed plan of finance appears to be consistent with County policy for this program. The prospective owner of the project will be Lafayette Senior, L.P., a limited partnership between Lafayette Senior LLC (an affiliate of Eden Housing, Inc.), as managing general partner, and a to-be-named tax credit investor as limited partner. A description of the project can be found in Exhibit A.

A requirement of federal tax law is that the prospective financing be subject to a conditional statement of intent to issue bonds, i.e. an inducement resolution must be adopted by the Board of Supervisors. The inducement action does not obligate the County or the owner without future discretionary actions.

CONSEQUENCE OF NEGATIVE ACTION:

Without the Inducement Resolution, Eden Housing, Inc. will not be able to commence with the process of applying to the California Debt Limit Allocation Committee for multifamily mortgage revenue bonds through the County in an amount not to exceed \$16 million.

CHILDREN'S IMPACT STATEMENT:

Not applicable.

ATTACHMENTS

Resolution No. 2012/61

Lafayette Sr Inducement Exh A