



**Contra
Costa
County**

To: Board of Supervisors
From: David Twa, County Administrator
Date: July 21, 2015

Subject: TEFRA Hearing - The Athenian School

RECOMMENDATION(S):

1. a) OPEN a public hearing, as required by Section 147(f) of the Internal Revenue Code of 1986, as amended;
 - b) CONSIDER public testimony concerning the proposed issuance by the California Enterprise Development Authority of bonds in an aggregate principal amount not to exceed \$16,400,000; and
 - c) CLOSE public hearing.
2. ADOPT Resolution No. 2015/279, approving the issuance of bonds by the California Enterprise Development Authority to benefit The Athenian School. (Danville area).

FISCAL IMPACT:

Pursuant to the Internal Revenue Code, the issuance of the Bonds must be approved by the County because the Facilities are located within the territorial limits of the County. There is no financial impact on the County.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **07/21/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Candace Andersen, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Karen Mitchoff, District IV
Supervisor

ABSENT: Federal D. Glover, District V
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: July 21, 2015

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

By: June McHuen, Deputy

Contact: Timothy Ewell,
925-335-1036

BACKGROUND:

The Borrower is a nonprofit public benefit corporation, duly organized and existing under the laws of the State of California and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986. Since its founding as an independent school in 1965, The Athenian School has grown into a community of 476 students and 70 faculty. Athenian's 75-acre campus of rolling, oak-covered hills lies at the base of Mt. Diablo in Danville, CA. 51 students from over 15 countries, and 25 teachers, staff, and their families live on campus.

The County of Contra Costa is an associate member of the California Enterprise Development Authority ("CEDA"), a joint powers authority established by the California Association for Local Economic Development ("CALED") whose purpose is to issue tax-exempt and taxable conduit revenue bonds to fund commercial and industrial development projects within member jurisdictions.

CEDA will loan the proceeds of the Obligations to the Borrower to (i) finance the construction, acquisition, installation, renovation, rehabilitation, equipping and furnishing of certain educational facilities, including, but not limited to, a main hall building comprising a multi-purpose space with an assembly capacity of 900 and seating for 430, a science studio, a reception area, kitchen facilities, administrative facilities, and lounge spaces, a new classroom building comprising nine classrooms, a science classroom, and teacher preparation space to be located at 2100 Mt. Diablo Scenic Blvd, Danville, California 94506 and (ii) pay certain costs of issuance in connection with the financing. The Facilities are and will be owned and operated by the Borrower in connection with its educational mission providing an independent, nonprofit school educating both boarding and day students enrolled in grades 6 through 12. Because the Facilities are located within the County's jurisdiction and interest on the Obligations may be tax-exempt, a public hearing and the approval of the Obligations by the Board of Supervisors is required by the Internal Revenue Code of 1986.

Notice for today's hearing was published in the Contra Costa Times and the San Ramon Valley Times, newspapers of general circulation, on July 7, 2015. Proof of Publication is attached for reference.

CONSEQUENCE OF NEGATIVE ACTION:

The California Enterprise Development Authority will not be able to issue bonds on behalf of The Athenian School, which will delay or cancel planned construction and improvements to the facilities in Danville, California.

CHILDREN'S IMPACT STATEMENT:

The Athenian School educates approximately 476 boarding and day students enrolled in grades 6 through 12.

CLERK'S ADDENDUM

CLOSED public hearing; and ADOPTED recommendations as presented.

ATTACHMENTS

Resolution No. 2015/279

Body of Resolution No. 2015/279

Proof of Publication - Contra Costa Times and San Ramon Valley Times