



Contra
Costa
County

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: March 1, 2016

Subject: Reimbursement Resolution for a Multifamily Residential Rental Housing Development in Richmond

RECOMMENDATION(S):

ADOPT Resolution No. 2016/102 conditionally providing for the issuance of revenue bonds in an amount not to exceed \$80,000,000 to finance a Multifamily Residential Rental Housing Developments (the "Developments"), and approving related actions: Twenty One and Twenty Three Nevin Apartments located at the Southwest Corner of Nevin Avenue and 23rd Street, and one at 344 21st Street (APNs 514-080-013 and 514-090-018) in the City of Richmond, California, currently identified as Twenty One and Twenty Three Nevin

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 ensuring certain units in the Development will be rented to low income households are accommodated in the bond issue. The bonds will be solely secured by and payable from revenues (e.g. Development rents, reserves, etc.) pledged under the bond documents. No County funds are pledged to secure the bonds.

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- APPROVE OTHER
 - RECOMMENDATION OF CNTY ADMINISTRATOR RECOMMENDATION OF BOARD COMMITTEE
-

Action of Board On: **03/01/2016** 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
- 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: March 1, 2016

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

By: Stephanie L. Mello, Deputy

Contact: Kara Douglas,
674-7880

cc:

BACKGROUND:

Contra Costa County, through the Conservation and Development Department, 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 low and very low income households. The County program may be undertaken within the unincorporated County and within the cities located in the County that have agreed to let the County operate the program in their jurisdiction.

Pacific West Communities, Inc (the Sponsor) requested to participate in the County's multifamily mortgage revenue bond financing program. The Sponsor proposes to form a new limited partnership with a to-be-named tax credit investor as a limited partner to develop the facility. The proposed developments meet the eligibility criteria for bond financing and the County policy for this program. The proposed development consists of a 282 unit multifamily rental housing facility located on two parcels at the Southwest Corner of Nevin Avenue and 23rd Street, and one at 344 21st Street (APNs 514-080-013 and 514-090-018) in the City of Richmond, California, currently identified as Twenty One and Twenty Three Nevin (the "Development").

A requirement of federal tax law is that the prospective financing be subject to a conditional statement of intent to issue bonds to reimburse expenses incurred prior to the date the bonds are issued, i.e. a reimbursement resolution must be adopted by the Board of Supervisors. Also, the California Debt Limit Allocation Committee, that allocates tax-exempt bond authority to the bond issue, requires that a reimbursement resolution be adopted before an application may be made for such an allocation. The adoption of a reimbursement resolution will not obligate the County or the owner without future discretionary actions, but will indicate the intent of the County to issue the bonds if all conditions in the reimbursement resolution have been satisfied.

CONSEQUENCE OF NEGATIVE ACTION:

Without the reimbursement resolution, the Sponsor will not be able to commence with the process of applying to the California Debt Limit Allocation Committee for multifamily housing revenue bond authority through the County.

ATTACHMENTS

Resolution No. 2016/102