



**Contra
Costa
County**

To:

From: John Kopchik, Director, Conservation & Development Department

Date: May 10, 2016

Subject: Multifamily Housing Revenue Bonds - Twenty One and Twenty Three Nevin, Richmond

RECOMMENDATION(S):

1. ADOPT Resolution No. 2016/366 authorizing the issuance of Multifamily Housing Revenue Bonds (the "Bonds") in an amount not to exceed \$80,000,000 to provide financing for the costs of acquisition and construction of Twenty One and Twenty Three Nevin, a 271-unit residential rental housing development located on two parcels, including one 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 (the "Development").
2. FIND and DECLARE that the recitals contained in the proposed Resolution are true and correct.
3. ACKNOWLEDGE that for purposes of Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of the Bonds to finance the costs of the acquisition and construction of the Development subject to Board of Supervisors approval of all documents related to the Bonds to which the County is a party.
4. ACKNOWLEDGE that adoption of this resolution does not relieve or exempt the

☐ APPROVE

☐ OTHER

☐ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **05/10/2016** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

Resolution number was corrected to read 2016/366.

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: May 10, 2016

, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Kara Douglas
925-674-7880

cc:

borrower from obtaining required permits or approvals, nor obligate the County to incur any obligation or provide financial assistance with respect to the Bonds or the Development; and

RECOMMENDATION(S): (CONT'D)

5. AUTHORIZE and DIRECT any authorized officer of the County to do any and all things, take any and all actions, and execute and deliver any and all certificates, agreements, and other documents, which the officer may deem necessary or advisable in order to effectuate the intent of the Resolution.

FISCAL IMPACT:

No impact to the General Fund. 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 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.

BACKGROUND:

The recommended action is the adoption of a Resolution by the Board, as the legislative body of the County, authorizing the issuance of (the "Bonds"), which will be used to finance the acquisition and development of Twenty One and Twenty Three Nevin, a 271-unit residential rental housing development located on two parcels, including one 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 (the "Development").

Through a limited partnership that it has sponsored, Richmond Nevin Associates, a California Limited Partnership, proposes the use of housing revenue bonds to acquire and construct the Development. Central Valley Coalition for Affordable Housing, a California nonprofit public benefit corporation or a related entity, will be the Managing General Partner with a to-be-named tax credit investor as the limited partner.

The proposed financing would implement City of Richmond and County policies to maintain and increase the supply of affordable housing. The Board of Supervisors is considering a Reimbursement Resolution for the Development at this May 3rd meeting. The Reimbursement Resolution conditionally provides for the issuance of housing revenue bonds.

The main purpose of the proposed Resolution is to acknowledge that a public hearing was held by the Community Development Bond Program Manager on April 18, 2016, with no public comment, and to meet other bond issuance requirements which are specified in Section 147(f) of the Internal Revenue Code. The proposed Bonds cannot be issued until a separate resolution is adopted by the Board of Supervisors specifically authorizing the sale of the Bonds. Such separate resolution to authorize the sale of bonds would come before the Board after receipt of an allocation from the State of California for Private Activity Bond Authority. An application for Private Activity Bond Authority will be submitted to the California Debt Limit Allocation Committee on May 20, 2016. The

expected timing for a Bond Sale Resolution would be on or about September 30, 2016.

The proposed resolution would not relieve Richmond Nevin Associates from obtaining other required permits or approvals required by law, nor obligate the County to incur any obligation or provide financial assistance with respect to the Bonds or the Development. Annual expenses of the County related to the monitoring of the Regulatory Agreement are accommodated in the bond issue.

The City of Richmond City Council adopted Resolution number 26-16 on March 15, 2016, approving the County as the Bond issuer.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent the County from meeting the public approval requirement of the Internal Revenue Code for issuing Multifamily Housing Revenue Bonds. As a result, the Multifamily Housing Revenue Bonds could not be issued.

CHILDREN'S IMPACT STATEMENT:

The Twenty One and Twenty Three Nevin provide 271 units of affordable rental housing appropriate for families. This supports outcome #3: Families are Economically Self Sufficient.

ATTACHMENTS

Resolution No. 2016/366

TEFRA transcript

Proof of Publication-West County Times-2-23-2016