



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: May 10, 2016

Subject: Adoption of a Resolution to Join the California Public Finance Authority Joint Powers Authority

RECOMMENDATION(S):

1. ADOPT Resolution No. 2016/368 authorizing the County to join the California Public Finance Authority (CalPFA); and
2. APPROVE and AUTHORIZE the County Administrator, or designee, to execute a joint exercise of powers agreement relating to CalPFA.

FISCAL IMPACT:

No impact to the County General Fund. The California Public Finance Authority (CalPFA) pledges to pay 10 to 15 percent of the administration fee that it collects from the developer to the County through its Community Benefit Program. These funds may be used for affordable housing programs administered by the Department of Conservation and Development. There are no costs associated with membership in CalPFA and the County will in no way become exposed to any financial liability by reason of its membership in CalPFA. In addition, participation by the County in the CalPFA will not impact the County's appropriations limits and will not constitute any type of indebtedness by the County.

BACKGROUND:

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **05/10/2016** ☒ 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: May 10, 2016

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

By: Stephanie Mello, Deputy

Contact: Kara Douglas 925
674-7880

cc:

The California Public Finance Authority (CalPFA) is a political subdivision of the state of California. It was created on May 12, 2015, to assist local governments, non-profit organizations and businesses with the issuance of taxable and tax-exempt financing to promote economic, cultural, and community development opportunities that create temporary and permanent jobs, affordable housing, community infrastructure and improve the overall quality of

BACKGROUND: (CONT'D)

life in local communities. CalPFA administrative offices are located in Walnut Creek.

The Board of Directors of CalPFA is composed of members of the Board of Supervisors of Kings County, the Charter Member. To date, seven public agencies have become members of CalPFA, including Marin County.

The County will periodically be requested to hold public hearings required by the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) for bonds issued by CalPFA in Contra Costa. CalPFA will share at least ten percent of the annual compliance fees that it collects from these issuances with the County.

For CalPFA to have authority to issue bonds for any future project in the County (which may include any city that gives the County their consent to hold the TEFRA hearings), it is necessary for the County to become a member of CalPFA. County staff supports joining CalPFA as an Additional Member (as opposed to a Charter Member such as Kings County) because it will provide developers with a local joint powers authority alternative to issue tax exempt private activity bonds. Private activity bonds are used to facilitate the financing of affordable housing, industrial development, solid waste and waste recycling facilities, and student loans. The Joint Exercise of Powers Agreement explicitly provides that CalPFA is a public entity, separate and apart from the Member executing the agreement, and the debts, liabilities and obligations of CalPFA do not constitute debts, liabilities or obligations of the Member executing the agreement. The Joint Exercise of Powers Agreement also expressly provides that any Additional Member may withdraw from the agreement upon written notice to the Board of Directors of CalPFA.

CONSEQUENCE OF NEGATIVE ACTION:

Entities seeking taxable and tax-exempt bonds for development projects will have fewer options for issuers and the County will not receive a portion of the annual fees collected by CalPFA.

ATTACHMENTS

Resolution No. 2016/368

CalPFA Agreement

Orrick "No Liability" Letter