



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: June 7, 2016

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

RECOMMENDATION(S):

ADOPT Resolution No. 2016/389 conditionally providing for the issuance of revenue bonds in an aggregate amount not to exceed \$50,000,000 to finance the acquisition, construction and rehabilitation of Delta Courtyard Apartments, a multifamily residential rental housing development, located at 701 Wilbur Avenue and 810 Wilbur Avenue (APNs 065-110-007 and 065-110-006) in the City of Antioch, California (the "Development"), and approving related actions.

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.

BACKGROUND:

Contra Costa County, through the Department of Conservation and Development, operates a

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/07/2016** ☒ 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: June 7, 2016

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

By: Stephanie Mello, Deputy

Contact: Kara Douglas,
925-674-7880

cc:

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.

BACKGROUND: (CONT'D)

>

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 development meets the eligibility criteria for bond financing and the County policy for this program. The proposed development consists of a 126 unit multifamily rental housing facility located on two parcels at 701 Wilbur Avenue and 810 Wilbur Avenue (APNs 065-110-007 and 065-110-006) in the City of Antioch, California.

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. 2016/389