



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: December 6, 2016

Subject: Multifamily Housing Revenue Bonds - Willowbrook, Bay Point

RECOMMENDATION(S):

ADOPT Resolution No. 2016/665 approving the issuance of Multifamily Housing Revenue Bonds (the "Bonds") by the California Public Finance Authority (the "CalPFA") in an amount not to exceed \$28,000,000 for the benefit of Willowbrook Affordable Communities, L.P., or a partnership created by Islas Development LLC (the "Developer"), to provide financing for the costs of acquisition, rehabilitation, improvement and equipping of a multifamily housing development commonly known as Willowbrook Apartments, a 72-unit residential rental housing development located at 110 Bailey Road, Bay Point, California (the "Development"). Such adoption is solely for the purposes of satisfying the public approval requirements of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), the Code, and the California Government Code Section 6500 (and following).

FISCAL IMPACT:

No impact to the General Fund. The County will be reimbursed for any costs incurred in the process of conducting the TEFRA hearing. The CalPFA will issue tax-exempt bonds on behalf of the Developer. Repayment of the bonds is solely the responsibility of the Developer.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **12/06/2016** ☒ 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: December 6, 2016

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

By: Stephanie Mello, Deputy

Contact: Kristen Lackey (925)
674-7888

cc:

BACKGROUND:

Islas Development LLC (the "Developer") requested the County conduct a Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing for the California Public Finance Authority (CalPFA) issuance of Multifamily Housing Revenue Bonds in an amount not to exceed \$28,000,000 to be used to finance the acquisition, rehabilitation, improvement, and equipping of a multifamily housing development commonly known as Willowbrook

BACKGROUND: (CONT'D)

Apartments, a 72-unit residential rental housing development located at 110 Bailey Road, Bay Point, California (the "Development"). A TEFRA hearing must be held by an elected body of the governmental entity having jurisdiction over the area where the project is located in order for all or a portion of the Bonds to qualify as tax-exempt bonds for the financing of the Development. The County is a member of CalPFA and qualifies as an elected body of the governmental entity having jurisdiction over the area where the project is located.

On July 18, 2016, the County's Community Development Bond Program Manager held a TEFRA hearing for the Development. On August 9, 2016, the Board of Supervisors approved Resolution 2016/474 acknowledging that a public hearing was held for the issuance of \$12,000,000 for the Development. The Developer requested a second public hearing to increase the amount of the potential bond issuance from \$12,000,000 to \$17,000,000. Now the developer has requested that a third public hearing be held to increase the amount of the potential bond issuance from \$17,000,000 to \$28,000,000.

The main purpose of the proposed Resolution 2016/665 is to acknowledge that a public hearing was held by the County's Community Development Bond Program Manager on November 21, 2016, where members of the community were given an opportunity to speak in favor of or against the use of \$28,000,000 in tax-exempt bonds for the financing of the Development. No public comments were received. A notice of the hearing was published in the East Bay Times (proof of publication attached) on November 7, 2016.

The County's only role in this transaction was to hold the TEFRA hearing (attached). Additional actions related to the bond issuance will be the responsibility of CalPFA.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent CalPFA from providing tax-exempt financing for the Developer's Willowbrook Apartments project in Bay Point.

CHILDREN'S IMPACT STATEMENT:

The Willowbrook Apartments provide 72 units of affordable rental housing appropriate for families. This supports outcome #3: Families are Economically Self Sufficient.

ATTACHMENTS

Resolution No. 2016/665

Proof of Publication_11.7.16

TEFRA Hearing_11.21.16