



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: January 17, 2017

Subject: Multifamily Housing Revenue Bonds - Barrett Plaza and Barrett Terrace, Richmond

RECOMMENDATION(S):

ADOPT Resolution No. 2017/3 approving the issuance of Multifamily Housing Revenue Bonds (the "Bonds") by the California Municipal Finance Authority (CMFA) in an amount not to exceed \$41,500,000 for the benefit of Community Housing Development Corporation of North Richmond (CHDC), a California nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"), or a subsidiary or affiliate thereof (the "Borrower"), to provide for the financing of the acquisition, rehabilitation, improvement and equipping of two multifamily housing developments commonly known as Barrett Plaza located at 510 Barrett Avenue in the City of Richmond, and Barrett Terrace located at 700 Barrett Avenue in the City of Richmond. Such adoption is solely for the purposes of satisfying the 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 CMFA will issue tax-exempt revenue bonds on behalf of CHDC. Repayment of the bonds is solely the responsibility of CHDC.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY

☐ RECOMMENDATION OF BOARD

ADMINISTRATOR

COMMITTEE

Action of Board On: **01/17/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, 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: January 17, 2017

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

By: Stephanie Mello, Deputy

Contact: Kristen Lackey (925)
674-7888

cc:

No County funds are pledged to secure the bonds.

BACKGROUND:

Community Housing Development Corporation of North Richmond (CHDC), with the City of Richmond's support, requested the County to conduct a Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing for the California Municipal Finance Authority (CMFA) issuance of Multifamily Housing Revenue Bonds in an amount not to exceed \$41,500,000 to be used to finance the acquisition, rehabilitation, improvement and equipping of two multifamily rental housing developments commonly known as Barrett Plaza located at 510 Barrett Street in the City of Richmond, California, and Barrett Terrace located at 700 Barrett Avenue in the City of Richmond (the "Projects"). 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 Project. The County is a member of the CMFA and the Board of Supervisors qualifies as an elected body of the governmental entity having jurisdiction over the area where the project is located.

The main purpose of the proposed Resolution is to acknowledge that a public hearing was held by the County's Community Development Bond Program Manager on January 3, 2017, where members of the community were given an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the Projects. No public comments were received. A notice of the hearing was published in the Contra Costa Times (proof of publication attached) on December 19, 2016.

This is the second TEFRA hearing held by the County for this project. The original TEFRA hearing was held on February 1, 2016 with the corresponding Resolution No. 2016/59 being approved by the Board of Supervisors at its February 9, 2016 meeting. A second TEFRA hearing is required because the bonds will not be issued prior to the current TEFRA's expiration date of February 9, 2017.

The County's only role in this transaction was to hold the TEFRA hearing. The County will not be responsible for the repayment of the Bonds or any portion thereof, whatsoever. CHDC or its affiliate will bear sole responsibility for repaying the Bonds. Additional actions related to the bond issuance will be the responsibility of CMFA.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent CMFA from providing tax-exempt financing for CHDC's Barrett Plaza and Barrett Terrace projects in Richmond.

CHILDREN'S IMPACT STATEMENT:

N/A

ATTACHMENTS

Resolution No. 2017/3

Proof of Publication_12.19.16

Barrett-TEFRA Hearing Transcript_1.3.17