



**Contra
Costa
County**

To: Board of Supervisors

From: John Kopchik, Director, Conservation & Development Department

Date: March 21, 2017

Subject: Revenue Bonds - Making Waves Foundation, Inc., Richmond

RECOMMENDATION(S):

ADOPT Resolution No. 2017/94 approving the issuance of Revenue Bonds (the "Bonds") by the California Municipal Finance Authority (CMFA) for the benefit of Making Waves Foundation, Inc., a California nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or a subsidiary or affiliate thereof, in an aggregate principal amount not to exceed \$45,000,000. The financing will be used for the acquisition, construction, improvement and equipping of educational facilities located at various addresses in Richmond, California. 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 Making Waves Foundation, Inc. ("Making Waves"). Repayment of the bonds is solely the responsibility of Making Waves.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **03/21/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: Candace Andersen, District II
Supervisor
Diane Burgis, District III
Supervisor
Federal D. Glover, District V
Supervisor

ABSENT: John Gioia, District I
Supervisor
Karen Mitchoff, District IV
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: March 21, 2017

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

By: Stephanie Mello, Deputy

Contact: Kristen Lackey (925)
674-7888

cc:

BACKGROUND:

Making Waves Foundation, Inc. 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 Revenue Bonds in an aggregate principal amount not to exceed \$45,000,000. The proceeds of the Bonds will be used to:

1. renovate the existing three (3) buildings comprising the Making Waves Academy high school campus located at 4123 Lakeside Drive in Richmond, CA, comprising approximately 92,000 of building space;
2. construct and equip a new two story school building comprising approximately 47,000 of building space, a new one story gymnasium building comprising approximately 21,500 of building space, a new sports field adjacent to the existing Making Waves Academy high school campus at 4075 and 4123 Lakeside Drive in Richmond, CA, to serve such high school campus, and associated parking;
3. construct and equip a new middle school campus directly northeast of the existing high school campus at 2925, 2930, 2975 Technology Court, and 4301 and 4175-4197 Lakeside Drive in Richmond, CA, consisting of (i) a new two story school building comprising approximately 72,500 of building space, (ii) a new two story school building comprising approximately 39,000 of building space, (iii) a new one story gymnasium building comprising approximately 25,000 of building space, (iv) a new sports field, and (v) associated parking;
4. construct and equip a new sports complex at 2600 Hilltop Drive, Richmond, California, approximately a mile south of the Making Waves Academy consisting of approximately 13 acres of land which will contain sports fields, baseball facilities and a swimming facility (collectively, the “2017 Project”); and
5. refinance a 2009 taxable loan from Mechanics Bank Community Development Corporation, the proceeds of which were used to construct and equip two buildings located at 4123 Lakeside (Blue Building) and 4131 Lakeside (Green Building) in Richmond, California, currently leased to Making Waves Academy for its administration department and upper school multi-purpose/kitchen/classrooms (the “2009 Project”).

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 March 6, 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 Project. No public comments were received. A notice of the hearing was published in the Contra Costa Times on February 20, 2017 (proof of publication attached). The Contra Costa County Office of Education supports the project (support letter attached).

The County's only role in this transaction was to hold the TEFRA hearing. Additional actions related to the bond issuance will be the responsibility of CMFA. The CMFA was created on January 1, 2004, pursuant to a joint exercise of powers agreement to promote economic, cultural and community development, through the financing of economic development and charitable activities throughout California. To date, over 250

municipalities, including Contra Costa County, have become members of CMFA. The CMFA was formed to assist local governments, non-profit organizations and businesses with the issuance of taxable and tax-exempt bonds aimed at improving the standard of living in California. The CMFA's representatives and its Board of Directors have considerable experience in bond financings.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent CMFA from providing tax-exempt financing for Making Waves education facilities project in Richmond.

ATTACHMENTS

Resolution No. 2017/94

CCCOE Support Letter

Making Waves TEFRA Proof of Publication

Making Waves Transcript