



Contra
Costa
County

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: March 20, 2018

Subject: Multifamily Housing Revenue Bonds - Antioch Renovation, Pinecrest and Terrace Glen Apartments

RECOMMENDATION(S):

1.ADOPT Resolution No. 2018/106 authorizing the issuance of Multifamily Housing Revenue Bonds (the "Bonds") in an amount not to exceed \$12,000,000 to finance the acquisition and rehabilitation of Antioch Renovations - Pinecrest Apartments and Terrace Glen Apartments, a 56-unit residential rental housing development, including 24 units located at 1945 and 1949 Cavallo Road (APN 068-061-024 and 32 units located at 104-106 West 20th Street and 35-107 West 20th Street (APNs 067-251-015-3 and 067-252-011-1) in the City of Antioch, California (the "Development").

2.FIND and DECLARE that the recitals contained in the proposed Resolution are true and correct.

3.ACKNOWLEDGE that for purposes of Section 147(f) of the Internal Revenue Code of 1986, authorizing the issuance of the Bonds to finance the costs of the acquisition and construction of the Development is subject to Board of Supervisors approval of all documents related to the Bonds to which the County is a party.

4.ACKNOWLEDGE that adoption of this resolution does not relieve or exempt the project

-
- APPROVE OTHER
 - RECOMMENDATION OF CNTY ADMINISTRATOR RECOMMENDATION OF BOARD COMMITTEE
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Action of Board On: **03/20/2018** 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: March 20, 2018

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

By: June McHuen, Deputy

Contact: Kara Douglas
925-674-7880

cc:

sponsor from obtaining required permits or approvals, nor obligate the County to incur any obligation or provide financial assistance with respect to the Bonds or the Development; and

RECOMMENDATION(S): (CONT'D)

5. AUTHORIZE and DIRECT any authorized officer of the County to do any and all things, take any and all actions, and execute and deliver any and all certificates, agreements, and other documents, which the officer may deem necessary or advisable in order to effectuate the intent of the Resolution.

FISCAL IMPACT:

No impact to the General Fund. 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 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:

The recommended action is the adoption of a resolution by the Board, as the legislative body of the County, authorizing the issuance of Multifamily Housing Revenue Bonds (the "Bonds"), which will be used to finance the acquisition and construction of Antioch Renovations - Pinecrest Apartments and Terrace Glen Apartments, a 56-unit residential rental housing development, including 24 units located at 1945 and 1949 Cavallo Road (APN 068-061-024 and 32 units located at 104-106 West 20th Street and 35-107 West 20th Street (APNs 067-251-015-3 and 067-252-011-1) in the City of Antioch.

Through a limited partnership, Antioch Recap, LP., that it has sponsored, Resources for Community Development (RCD) will acquire the Development and proposes the use of the Bonds to rehabilitate the project. RCD, or a related entity, will be the Managing General Partner with a tax credit investor as the limited partner.

The proposed financing would implement City of Antioch and County policies to preserve the supply of existing affordable housing. At its February 27, 2018, meeting, the Board of Supervisors approved Reimbursement Resolution (Resolution number 2018/76) for the Development. The Reimbursement Resolution conditionally provided for the issuance of the Bonds.

The main purpose of the proposed resolution is to acknowledge that a public hearing was held by the Assistant Deputy Director on March 6, 2018 with no public comment, and to meet other bond issuance requirements which are specified in Section 147(f) of the Internal Revenue Code. The proposed bonds cannot be issued until a separate resolution is adopted by the Board of Supervisors specifically authorizing the sale of the Bonds. Such separate resolution to authorize the sale of bonds would come before the Board after receipt of an allocation from the State of California for Private Activity Bond Authority. An application for Private Activity Bond Authority was submitted to the California Debt Limit Allocation Committee on March 16, 2018. The expected timing for

a Bond Sale Resolution would be summer 2018. The City of Antioch acknowledged its support of the County as the bond issuer by City Council resolution at its March 13, 2018 meeting.

The proposed resolution would not relieve RCD from obtaining other required permits or approvals required by law, nor obligate the County to incur any obligation or provide financial assistance with respect to the Bonds or the Development. Annual expenses of the County related to the monitoring of the Regulatory Agreement are accommodated in the bond issue.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent the County from meeting the public approval requirement of the Internal Revenue Code for issuing Multifamily Housing Revenue Bonds. As a result, the Multifamily Housing Revenue Bonds could not be issued by the County.

CHILDREN'S IMPACT STATEMENT:

The Development supports Children's Report Card outcome #3: Families are Economically Self-Sufficient

ATTACHMENTS

Resolution No. 2018/106

TEFRA transcript

TEFRA Proof of Publication