

BOARD OF SUPERVISORS, COUNTY OF LAKE, STATE OF CALIFORNIA

RESOLUTION NO. 2013-135

**RESOLUTION APPROVING, AUTHORIZING AND DIRECTING
EXECUTION OF A JOINT EXERCISE OF POWERS AGREEMENT
RELATING TO THE CALIFORNIA MUNICIPAL FINANCE
AUTHORITY AND APPROVING THE ISSUANCE OF REVENUE
BONDS BY THE AUTHORITY FOR THE PURPOSE OF FINANCING
THE ACQUISITION OF MOBILE HOME PARKS BY CARITAS
AFFORDABLE HOUSING, INC. AND CERTAIN OTHER MATTERS
PERTAINING THERETO**

WHEREAS, pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), certain public agencies (the "Members") have entered into a Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement") in order to form the California Municipal Finance Authority (the "Authority"), for the purpose of promoting economic, cultural and community development, and in order to exercise any powers common to the Members, including the issuance of bonds, notes or other evidences of indebtedness; and

WHEREAS, the County of Lake (the "County"), has determined that it is in the public interest and for the public benefit that the County become a Member of the Authority in order to facilitate the promotion of economic, cultural and community development activities in the County, including the financing of projects therefor by the Authority; and

WHEREAS, there is now before this Board of Supervisors (the "Board") the form of the Agreement; and

WHEREAS, the Agreement has been filed with the County, and the members of the Board, with the assistance of its staff, have reviewed said document; and

WHEREAS, the Authority is authorized to issue and sell revenue bonds for the purpose, among others, of financing or refinancing the acquisition of housing projects; and

WHEREAS, Caritas Affordable Housing, 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 (the "Borrower"), has requested that the Authority issue and sell revenue bonds in the maximum principal amount of \$70,000,000 (the "Bonds") for the purpose of making a loan to the Borrower, to enable the Borrower to:

(1) finance the acquisition and improvement of:

(a) a 164 space mobile home park known as the Aztec Mobile Home Estates located at 7425 Church Street, Yucca Valley, California 92284;

(b) a 123 space mobile home park known as the Desert Sands Estates Mobile Home Park located at 45111 25th Street East, Lancaster, California 93535; and

(c) a 70 space mobile home park known as the Sterling Shores Estates Manufactured Housing Community located at 5830 Robin Hill Road, Lakeport, California 95453;

(2) refinance all or a portion of the Borrower's outstanding Independent Cities Lease Finance Authority Senior Lien Mobile Home Park Revenue Bonds (Caritas Affordable Housing, Inc. Project) Series 2003A, the proceeds of which were used to finance the acquisition and improvement of:

(a) a 464 space mobile home park known as the Friendly Village Mobile Home Park located at 1301 E. Avenue I, Lancaster, California 93535;

(b) a 264 space mobile home park known as the Hacienda Mobile Estates located at 2330 East Avenue J-8, Lancaster, California 93535;

(c) a 100 space mobile home park known as the Rancho Brea Mobile Home Estates located at 1414 West Central Avenue, Brea, California 92821;

(d) a 107 space mobile home park known as Estrella de Oro located at 220 Camino Corto, Vista, California 92083; and

(e) a 159 space mobile home park known as the Vista Manor Mobile Home Park located at 200 Olive Avenue, Vista, California 92083;

(3) fund a debt service reserve fund;

(4) pay capitalized interest on the Bonds; and

(5) pay certain expenses incurred in connection with the issuance of the Bonds (collectively, the "Project"); and

WHEREAS, the facilities are to be owned and operated by the Borrower; twenty percent (20%) or more of the residential units in each of the mobile home parks to be financed shall be occupied by individuals whose income is fifty percent (50%) or less of area median gross income; and the manager of the mobile home parks will be the Borrower, or another entity selected by the Borrower; and

WHEREAS, the Borrower has requested the issuance of the Bonds in order to effect savings in interest rate and/or issuance costs to effect significant public benefits pursuant to the Act; and

WHEREAS, in order for the interest on the Bonds to be tax-exempt, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires that an "applicable elected representative" of the governmental unit, the geographic jurisdiction of which contains

the site of facilities to be financed with the proceeds of the Bonds, hold a public hearing on the issuance of the Bonds and approve the issuance of the Bonds following such hearing; and

WHEREAS, the Authority has determined that the Board is an "applicable elected representative" for purposes of holding such hearing because a portion of the Project is located within the County; and

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Agreement; and

WHEREAS, notice of such public hearing has been duly given as required by the Code, and this Board has heretofore held such public hearing at which all interested persons were given an opportunity to be heard on all matters relative to the financing or refinancing of the Project and the Authority's issuance of the Bonds therefor; and

WHEREAS, it is in the public interest and for the public benefit that the Board approve the issuance of the Bonds by the Authority for the aforesaid purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD, AS FOLLOWS;

Section 1. The foregoing recitals are true and correct.

Section 2. The Agreement is hereby approved and the Chairman of the Board of Supervisors is hereby authorized and directed to execute said document, and the County Clerk or such Clerk's designee is hereby authorized and directed to attest thereto.

Section 3. The Board hereby approves the issuance of the Bonds by the Authority and finds the Project will effect the significant public benefits set forth in the recitals above. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds (a) by the "applicable elected representative" of the governmental unit having jurisdiction over the area in which a portion of the Project is located in accordance with Section 147(f) of the Code and (b) by the Board in accordance with Section 4 of the Agreement.

Section 4. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The County shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 5. The adoption of this Resolution shall not obligate the County or any department thereof to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, rehabilitation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 6. The executing officer, the Clerk and all other proper officers and officials of the County are hereby authorized and directed to execute such other agreements, documents

and certificates, and to perform such other acts and deeds, as may be necessary or convenient to effect the purposes of this Resolution and the transactions herein authorized.

Section 7. The Clerk shall forward a certified copy of this Resolution and an originally executed Agreement to the Authority in care of its counsel:

Ronald E. Lee, Esq.
Jones Hall
650 California Street, 18th Floor
San Francisco, CA 94108

Section 8. This resolution shall take effect immediately upon its passage.

ADOPTED by the Board of Supervisors of the County of Lake at a regular meeting of the Board held on the 10th day of December, 2013, by the following vote:

AYES: Supervisors Comstock, Rushing, Farrington, Brown and Smith

NOES: None

ABSTAIN: None

ABSENT: None

COUNTY OF LAKE



Chair, Board of Supervisors

ATTEST: MATT PERRY
Clerk of the Board

APPROVED AS TO FORM:
ANITA L. GRANT
County Counsel

By: 

Deputy



Anita L. Grant

