



Legislation Details (With Text)

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On agenda: 5/19/2026 **Final action:** 5/19/2026

Title: ADOPT Resolution No. 2026-196 authorizing the issuance of multifamily housing revenue bonds in one or more taxable or tax-exempt series in a total amount not to exceed \$15,075,837 to finance the acquisition and rehabilitation of an 124-unit multifamily residential rental housing development known as Lakeside Apartments located 1897 Oakmead Drive in the City of Concord. (No fiscal impact)

Attachments: 1. Borrower Loan Agreement (Lakeside Apartments), 4911-6996-0859_4, 2. Funding Loan Agreement (Lakeside Apartments), 4921-2482-0123_4, 3. Regulatory Agreement (Lakeside Apartments), 4930-3225-8715_3, 4. Termination of Reg Agreement (Lakeside Apartments) (2004 Bonds) 4897-6620-9702_2

Date	Ver.	Action By	Action	Result	Tally
5/19/2026	1	BOARD OF SUPERVISORS	Adopted	Passed	5-0

To: Board of Supervisors

From: John Kopchik, Director, Conservation and Development

Report Title: Bond Sale Resolution: Multifamily Housing Revenue Bonds - Lakeside Apartments in Concord

Recommendation of the County Administrator Recommendation of Board Committee

RECOMMENDATIONS:

- ADOPT a resolution authorizing the issuance of a multifamily housing revenue bonds in one or more taxable or tax-exempt series (“Note”), including a tax-exempt series of the Note designated as “County of Contra Costa, California, Multifamily Housing Revenue Note (Lakeside Apartments), 2026 Series A (Tax-Exempt)” in an amount not to exceed \$12,075,837, and a taxable series of the Note designated as “County of Contra Costa, California, Multifamily Housing Revenue Note (Lakeside Apartments), 2026 Series B (Taxable)” in an amount not to exceed \$3,000,000, to finance the acquisition and rehabilitation of an 124-unit multifamily residential rental housing development known as Lakeside Apartments located at 1897 Oakmead Drive in Concord, California (the “Development”).
- FIND and DECLARE that the recitals contained in the proposed resolution are true and correct.
- APPROVE the form of, and AUTHORIZE the County to execute, the Funding Loan Agreement among the County (the “Governmental Lender”), BMO Bank N.A., a national banking association, in its capacity as the Funding Lender (the “Funding Lender”), and U.S. Bank Trust Company, National Association (the “Fiscal Agent”) regarding the Governmental Lender’s sale of the Note to the Initial Funding Lender for the purpose of loaning the proceeds to Lakeside Recap, L.P., a California limited partnership (the “Borrower”).
- APPROVE the form of, and AUTHORIZE the County to execute, the Borrower Loan Agreement among the County as the Government Lender, the Fiscal Agent, and the Borrower regarding the County

loan of proceeds of the Note to the Borrower.

5. APPROVE the form of, and AUTHORIZE the County to execute, the Regulatory Agreement and Declaration of Restrictive Covenants between the County and Borrower.
6. AUTHORIZE the delivery of the Note by the County to the Funding Lender as the initial purchaser of the Note.
7. APPROVE the redemption of three series of bonds issued in 2004 to finance the project currently located at the Development;
8. APPROVE the form of, and AUTHORIZE the County to execute, the Termination of Regulatory Agreement and Declaration of Restrictive Covenants (the "Termination of Regulatory Agreement") between the County and Lakeside Apartments, L.P., a California limited partnership, and consented to by the Borrower;
9. APPOINT Stradling Yocca & Rauth LLP as bond counsel for the transaction.
10. ACKNOWLEDGE that adoption of the proposed resolution does not relieve or exempt the project sponsor from obtaining required permits or approvals, nor obligate the County to incur any obligation to provide financial assistance with respect to the Note or the Development.
11. AUTHORIZE and DIRECT the Designated Officers of the County, as defined in the resolution, to take any and all actions and execute and deliver any and all certifications, agreements, and other documents needed in connection with the Note.

FISCAL IMPACT:

At the closing for the Note, the County will be reimbursed for any 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 will be paid using the County's issuer fees established in the documents for the Note. The Note will be solely secured by and payable from revenues (e.g. Development rents, reserves, etc.) pledged under the Note documents. No County funds are pledged to secure the repayment of the Note.

BACKGROUND:

The recommended action is the adoption of the resolution by the Board of Supervisors, as the legislative body of the County, conditionally providing for the issuance of a multifamily housing revenue note, in one or more taxable or tax-exempt series, the proceeds of which will be used to finance the acquisition and rehabilitation of a residential housing development known as Lakeside Apartments (the "Development").

The Development currently consists of an existing, occupied apartment development. The Development will be rehabilitated and renovated, and once rehabilitation and renovation are completed, the Development will include 124 units. The ownership and operating entity for the Development will be Lakeside Recap, L.P., a California limited partnership (the "Borrower"). The Development will be managed by The John Stewart Company.

The County's Department of Conservation and Development held a noticed public hearing on February 18, 2026, to permit interested parties to comment on the proposed financing and the Development. No comments were received from the public. The Board adopted Resolution No. 2026-59 on March 3, 2026, to authorize

proceeding with the issuance of the tax-exempt Note for the Development pursuant to Section 147(f) of the Internal Revenue Code. The Board previously adopted Resolution No. 2025-146 on May 13, 2025 as required for the submittal of an application by the County, on behalf of the Borrower, for tax-exempt private activity bond authority from the California Debt Limit Allocation Committee (CDLAC). On December 10, 2025, CDLAC awarded the County authority to issue the tax-exempt Note in a maximum principal amount of \$12,075,837, through CDLAC's Resolution No. 25-358.

The structure of the financing will be one or more notes (the term "note" is interchangeable with "bond" as they both evidence a borrowing). The Note will be purchased by BMO Bank N.A. (the "Funding Lender") and the proceeds of the sale will be loaned by the County to the Borrower to finance the acquisition and rehabilitation of the Development. The loan will be assigned to US Bank Trust Company, National Association (the "Fiscal Agent"). The transaction is expected to close on or about May 28, 2026.

CONSEQUENCE OF NEGATIVE ACTION:

Negative action would prevent the County from issuing the Note in order to provide a loan to Lakeside Recap, L.P. to finance the acquisition and rehabilitation of the Development. Without the loan to Lakeside Recap, L.P., the Development will be delayed or possibly not be rehabilitated.

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

and for Special Districts, Agencies and Authorities Governed by the Board

IN THE MATTER OF

RESOLUTION NO. 2026/_____

RESOLUTION AUTHORIZING THE ISSUANCE OF A MULTIFAMILY HOUSING REVENUE NOTE IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,075,837 TO FINANCE THE ACQUISITION AND REHABILITATION OF THE LAKESIDE APARTMENTS MULTIFAMILY RENTAL HOUSING PROJECT, AND OTHER MATTERS RELATING THERETO

WHEREAS, the County of Contra Costa (the “County”) is authorized pursuant to Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California (the “Act”) to issue bonds and notes for the purpose of financing multifamily rental housing facilities; and

WHEREAS, Lakeside Recap, L.P., a California limited partnership (the “Borrower”) has requested that the County issue a multifamily housing revenue note in one or more taxable or tax-exempt series (the “Note”) and loan the proceeds of the Note to the Borrower to finance the acquisition and rehabilitation by the Borrower of a residential rental housing development that will include 124 units, located at 1897 Oakmead Drive, in the City of Concord, California (the “Development”); and

WHEREAS, on February 18, 2026, the Community Development Bond Program Manager of the County held a public hearing on the proposed issuance of the Note by the County for, and the financing, ownership and operation of, the Development, as required under the provisions of the Internal Revenue Code (the “Code”) applicable to tax-exempt obligations, following published notice of such hearing, and communicated to the Board of Supervisors of the County all written and oral testimony received at the hearing; and

WHEREAS, on March 3, 2026, the Board of Supervisors of the County adopted Resolution No. 2026-59 authorizing the issuance of the Note to finance the Development in satisfaction of public approval requirements of the Code; and

WHEREAS, the California Debt Limit Allocation Committee adopted its Resolution No. 25-358 on December 10, 2025 allocating \$12,075,837 of the State of California ceiling on private activity bonds for 2025 to the County for the purpose of financing the Development; and

WHEREAS, in order to assist in the financing of the Development, the County has determined to issue the Note in one or more taxable or tax-exempt series, as authorized by the Act, and sell the Note to BMO Bank N.A., as initial funding lender (the “Funding Lender”) pursuant to a funding loan agreement (the “Funding Loan Agreement”) among the County, U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”), and the Funding Lender, and to use the proceeds of the sale of the Note to make a loan to the Borrower

pursuant to a borrower loan agreement (the "Borrower Loan Agreement") among the Fiscal Agent, the County and the Borrower, with amounts due from the County to the Funding Lender under the Note and the Funding Loan Agreement to be payable solely from amounts paid by the Borrower under the Borrower Loan Agreement; and

WHEREAS, good faith estimates of certain information relating to the Bonds are disclosed and set forth in Exhibit A attached to this Resolution as required by California Government Code Section 5852.1; such estimates were provided by the County's municipal advisor, PFM Financial Advisors LLC, based on preliminary pricing information provided by the Borrower; and

WHEREAS, the County previously issued its \$6,317,600 County of Contra Costa Multifamily Housing Revenue Bonds (Lakeside Apartments) 2004 Series A-1 (the "2004 Series A-1 Bonds"), \$1,020,000 County of Contra Costa Multifamily Housing Revenue Bonds (Lakeside Apartments) 2004 Series A-2 (the "2004 Series A-2 Bonds"), and \$4,462,400 County of Contra Costa Multifamily Housing Revenue Bonds (Lakeside Apartments) 2004 Series A-3 (the "2004 Series A-3 Bonds"); and, together with the 2004 Series A-1 Bonds and the 2004 Series A-2 Bonds, the "2004 Bonds") to finance a multifamily housing rental project located on the Development; and

WHEREAS, the County and Lakeside Apartments, L.P., a California limited partnership (the "Prior Owner") entered into that certain Regulatory Agreement and Declaration of Restrictive Covenants dated as of June 1, 2004 (the "Prior Regulatory Agreement"), recorded on May 27, 2005 as Document No. 2005-0192069-00 in the Official Records of the County of Contra Costa, in connection with the issuance of the 2004 Bonds; and

WHEREAS, the 2004 Bonds are secured by payments to be made by the Prior Owner under a Loan Agreement between U.S. Bank National Association, as Agent, and the Prior Owner, as borrower, dated as of June 1, 2004 (as amended, the "Loan Agreement"); and

WHEREAS, in connection with the issuance of the Note for the Development, the Borrower will cause the prepayment of the Loan Agreement, which will in turn cause the redemption of the 2004 Bonds; and

WHEREAS, in connection with the issuance of the Note for the Development and the sale and transfer of the Development to the Borrower, the County and the Borrower desire to enter into a new Regulatory Agreement and Declaration of Restrictive Covenants for the Development (the "Regulatory Agreement"); and

WHEREAS, in connection with the redemption of the 2004 Bonds and in consideration of the execution and delivery of the Regulatory Agreement, the Prior Regulatory Agreement will be terminated, pursuant to a Termination of Regulatory Agreement and Declaration of Restrictive Covenants (the "Termination of Regulatory Agreement") between the County and the Prior Owner and consented to by the Borrower; and

WHEREAS, there have been prepared various documents with respect to the issuance by the County of the Note, copies of which are on file with the Clerk of the Board, and the Board of Supervisors now desires to approve the issuance of the Note and the execution and delivery of such documents by the County; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in connection with the issuance of the Note as contemplated by this Resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Contra Costa, as follows:

The Board of Supervisors hereby finds and declares that the foregoing recitals are true and correct.

Pursuant to the Act and the Funding Loan Agreement, the Note is hereby authorized to be issued in one or more series, including a tax-exempt series designated as "County of Contra Costa, California, Multifamily Housing Revenue Note (Lakeside Apartments), 2026 Series A (Tax-Exempt)" in an aggregate principal amount not to exceed \$12,075,837 and a taxable series designated as "County of Contra Costa, California, Multifamily Housing Revenue Note (Lakeside Apartments), 2026 Series B (Taxable)" in an aggregate principal amount not to exceed \$3,000,000.

The Note shall be executed by the manual or facsimile signature of the Chair of the Board of Supervisors or the Director of the Department of Conservation and Development, or either of their authorized designees, in the form set forth in and otherwise in accordance with the Funding Loan Agreement.

The Funding Loan Agreement, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Chair of the Board of Supervisors, the Vice-Chair of the Board of Supervisors, the County Administrator, the Director of the Department of Conservation and Development, the Deputy Director of the Department of Conservation and Development, and the Community Development Bond Program Manager (collectively, the "Designated Officers") is hereby authorized, for and in the name and on behalf of the County, to execute and deliver the Funding Loan Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Funding Loan Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 10 hereof, provided that no additions or changes shall authorize an aggregate principal amount of the Note in excess of the amounts set forth in Section 2 above), the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Funding Loan Agreement by the County. The date, maturity date, interest rate or rates, privileges, manner of execution, place of payment, terms of redemption and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

The Borrower Loan Agreement, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Designated Officers is hereby authorized to execute and deliver the Borrower Loan Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Borrower Loan Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 10 hereof), the approval of such changes to be conclusively evidenced by the execution and delivery of the Borrower Loan Agreement by the County.

The Regulatory Agreement, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Designated Officers is hereby authorized, for and in the name and on behalf of the County, to execute and deliver the Regulatory Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Regulatory Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 10 hereof), the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Regulatory Agreement by the County.

The Note, when executed, shall be delivered by the Fiscal Agent to the Funding Lender (as the initial purchaser of the Note), in accordance with written instructions executed on behalf of the County by any one of the Designated Officers of the County, which instructions said officers are hereby authorized, for and in the name and behalf of the County, to execute and deliver the Note. Such instructions shall provide for the delivery of the Note by the Fiscal Agent to the Funding Lender upon the funding by the Funding Lender of the purchase price of the Note as described in the Funding Loan Agreement.

The Termination of Regulatory Agreement, in the form on file with the Clerk of the Board, is hereby approved. Any one of the Designated Officers is hereby authorized to execute and deliver the Termination of Regulatory Agreement in said form, together with such additions thereto or changes therein as are recommended or approved by the Designated Officer executing the Termination of Regulatory Agreement upon consultation with Bond Counsel to the County (including such additions or changes as are necessary or advisable in accordance with Section 10 hereof), the approval of such changes to be conclusively evidenced by the execution and delivery of the Termination of Regulatory Agreement by the County.

With the passage of this Resolution, the County hereby confirms that it has adopted a Debt Management Policy and certifies that such Debt Management Policy complies with Government Code Section 8855(i), and that the County's financing described in this Resolution and its obligations under the Funding Loan Agreement and the

Note as contemplated by this Resolution is in compliance with the Debt Management Policy, and to the extent the sale and issuance of the Note and the execution and delivery of the Funding Loan Agreement is not in compliance with the County's Debt Management Policy, such noncompliance is waived in accordance with the terms of the County's Debt Management Policy. The County hereby instructs Stradling Yocca Carlson & Rauth LLP, as Bond Counsel, on behalf of the County, with respect to the Note described in this Resolution, (a) to cause notices of the proposed sale and final sale of the Note to be filed in a timely manner with the California Debt and Investment Advisory Commission pursuant to Government Code Section 8855, and (b) to check, on behalf of the County, the "Yes" box relating to such certifications in the notice of proposed sale filed pursuant to Government Code Section 8855.

The law firm of Stradling Yocca Carlson & Rauth LLP is hereby designated as Bond Counsel to the County for the Note. The fees and expenses of such firm for matters related to the Note shall be payable solely from the proceeds of the Note or contributions by the Borrower.

All actions heretofore taken by the officers and agents of the County with respect to the issuance of the Note, the redemption of the 2004 Bonds, and the execution and delivery of the Termination of Regulatory Agreement are hereby approved, confirmed and ratified, and the proper officers of the County, including the Designated Officers, are hereby authorized and directed, for and in the name and on behalf of the County, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Note, the redemption of the 2004 Bonds, and the execution and delivery of the Termination of Regulatory Agreement in accordance with this Resolution, including but not limited to subordination agreements providing for the seniority of the covenants and affordability restrictions in the Regulatory Agreement and any other certificates, agreements and documents described in the Funding Loan Agreement, the Borrower Loan Agreement, the Regulatory Agreement or the Termination of Regulatory Agreement, or otherwise necessary to issue the Note, redeem the 2004 Bonds, terminate the Prior Regulatory Agreement, and consummate the transactions contemplated by the documents approved by this Resolution.

This Resolution shall take effect upon its adoption.

EXHIBIT A

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the County of Contra Costa (the "County") prior to the County's regular meeting (the "Meeting") of its Board of Supervisors (the "Board") at which Meeting the Board will consider the authorization of a conduit revenue Note as identified below.

1. Name of Borrower: Lakeside Recap, L.P.
2. Board of Supervisors Meeting Date: May 19, 2026
3. Name of Bond Issue / Conduit Revenue Obligations: County of Contra Costa, California Multifamily Housing Revenue Note (Lakeside Apartments), 2026 Series A (Tax-Exempt) and 2026 Series B (Taxable)
4. Private Placement Lender or Note Purchaser, Underwriter or Municipal Advisor (mark one) engaged by the Borrower from which the Borrower obtained the following required good faith estimates relating to the Note:
 - a. The true interest cost of the Notes, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the new issue of the Note (to the nearest ten-thousandth of one percent): 2.46%
 - b. estimated finance charges of the Note, which mean the sum of all fees and charges paid to third

parties: \$445,413

c. The amount of proceeds received, or deemed received, by the public body for sale of the Note less the finance charges of such Note described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of such Note: \$11,792,593

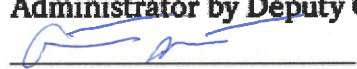
d. The total payment amount, which means the sum of all payments the Borrower will make to pay debt service on the Note plus the finance charges of the Note described in subparagraph (B) not paid with the proceeds of such Note (which total payment amount shall be calculated to the final maturity of such Note): \$14,081,380



CERTIFIED COPY

I certify this is a full, true, and correct copy of the original document which is on file in my office.

ATTEST, Monica Nino, Clerk of the Board of Supervisors and County Administrator by Deputy Clerk.

 on May 19, 2026