



THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

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

Adopted this Resolution on 01/21/2025 by the following vote:

AYES: John Gioia, Candace Andersen, Diane Burgis, Ken Carlson, Shanelle Scales-Preston

NOES: None

ABSENT: None

ABSTAIN: None

Resolution No. 2025-17

RESOLUTION SETTING FORTH THE COUNTY'S OFFICIAL INTENT TO ISSUE REVENUE BONDS TO FINANCE A MULTIFAMILY RENTAL HOUSING DEVELOPMENT KNOWN AS EL CERRITO PLAZA – PARCEL A SOUTH

WHEREAS, the Board of Supervisors of the County of Contra Costa (the "County") has determined that there is a shortage of safe and sanitary housing within the County, and that it is in the best interest of the residents of the County and in furtherance of the health, safety and welfare of the public for the County to assist in the financing of multifamily rental housing Developments; and

WHEREAS, pursuant to Division 31 of the Health and Safety Code of the State of California, and particularly Chapter 7 of Part 5 thereof (the "Act"), the County is empowered to issue and sell revenue bonds for the purpose of making mortgage loans or otherwise providing funds to finance the acquisition, construction and rehabilitation of multifamily rental housing, including units for lower income households and very low income households; and

WHEREAS, The Related Companies of California, LLC, as sponsor on behalf of ECP Parcel A South Housing Partners, L.P., a California limited partnership (or a County-approved affiliate or assignee, the "Borrower"), has requested that the County consider the issuance and sale of revenue bonds (the "Bonds") pursuant to the Act, in one or more series, including Bonds the interest on which is federally tax-exempt, all for the purpose of lending the proceeds thereof to the Borrower to provide financing (including reimbursement of Borrower's expenditures) for the acquisition, construction and equipping by the Borrower of 70 units of multifamily rental housing currently identified as El Cerrito Plaza - Parcel A South to be located at 515 Richmond Street (APN No. 504-050-12-5) in the City of El Cerrito, County of Contra Costa (the "Development"), to be owned by the Borrower; and

WHEREAS, the County expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Development within 60 days prior to the adoption of this resolution and may incur additional Reimbursement Expenditures prior to the issuance of indebtedness, for the purpose of financing costs associated with the Development on a long-term basis; and

WHEREAS, Sections 1.103-8(a)(5), 1.142-4, and 1.150-2 of the United States Treasury Regulations require the County to declare its reasonable official intent to reimburse prior expenditures for the Development with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the County wishes to declare its intention to authorize the issuance of the Bonds for the purpose of financing costs of the Development (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and conditions as may then be agreed upon by the County, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed \$50,000,000; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986, as amended (the “Code”) limits the amount of multifamily housing mortgage revenue bonds that may be issued in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (CDLAC) for such allocation, and CDLAC has certain policies that are to be satisfied in connection with any such allocation.

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

Section 1. The Board of Supervisors hereby finds and declares that the foregoing recitals are true and correct.

Section 2. (a) The Board of Supervisors hereby determines that it is necessary and desirable to provide financing for the Development (including reimbursement of the Reimbursement Expenditures) pursuant to the Act by the issuance of Bonds in an aggregate principal amount not to exceed \$50,000,000. The issuance of the Bonds shall be subject to the following conditions: (a) the County, by Resolution of the Board of Supervisors, shall have first agreed to acceptable terms and conditions for the Bonds (and for the sale and delivery thereof), and for all agreements with respect to the Bonds to which the County will be a party; (b) all requisite governmental approvals for the Bonds shall have first been obtained; (c) the Bonds shall be payable from revenues received with respect to a loan to the Borrower made with the proceeds of the Bonds, and neither the full faith nor the credit of the County shall be pledged to the payment of the principal of or interest on the Bonds; and (d) any occupancy and other requirements of the Code are satisfied or otherwise provided for with respect to Bonds, the interest on which is intended to be excluded from gross income for federal tax purposes. The expected date of issue of the Bonds is within eighteen (18) months of the later of the date the first Reimbursement Expenditure was made and the first date the Development is placed in service and in no event later than three (3) years after the date of the first Reimbursement Expenditure.

(b) Proceeds of the Bonds to be used to reimburse for Development costs are not expected to be used directly or indirectly to pay debt service with respect to any obligation or to be held as a reasonably required reserve or replacement fund with respect to an obligation of the County or any entity related in any manner to the County, or to reimburse any expenditure that was originally paid with the proceeds of any obligation, or to replace funds that are or will be used in such manner.

(c) As of the date hereof, the County has a reasonable expectation that the Bonds will be issued to reimburse Development costs. This Resolution is consistent with the budgetary and financial circumstances of the County, as of the date hereof. The Bonds will be repaid solely from proceeds of the Bonds and amounts paid by the Borrower. No other moneys are, or are reasonably expected to be, reserved, allocated on a long-term basis, or otherwise set aside by the County (or any related party) pursuant to its budget or financial policies to repay the Bonds.

Section 3. This Resolution is being adopted by the County in part for the purpose of establishing compliance with the requirements of Sections 1.103-8(a)(5), 1.142-4, and 1.150-2 of the Treasury Regulations. In such regard, the County hereby declares its official intent to use proceeds of the Bonds to reimburse the Reimbursement Expenditures. This action is taken expressly for the purpose of inducing the Borrower to undertake the Development, and nothing contained herein shall be construed to signify that the Development complies with the planning, zoning, subdivision, environmental and building laws and ordinances applicable thereto or to suggest that the County, or any officer or agent of the County will grant any such approval, consent or permit that may be required in connection with the acquisition, construction and equipping of the Development, or that the County will make any expenditure, incur any indebtedness, or proceed with the financing of the Development.

Section 4. 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 Assistant Deputy Director of the Department of Conservation and Development and the Community Development Bond Program Manager (collectively, the “Designated Officers”) is hereby authorized and directed to apply to CDLAC for an allocation from the state ceiling of private activity bonds to be issued by the County for the Development in an amount not to exceed \$50,000,000 and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, additional applications to CDLAC (if necessary), and any such actions heretofore taken by such Designated Officers and their designees are hereby ratified, approved and confirmed.

Section 5. Stradling Yocca Carlson & Rauth, LLP is hereby appointed to serve as Bond Counsel to the County in connection with the Development and the issuance and sale of the Bonds.

Section 6. The Designated Officers, and their designees, are hereby authorized to execute all necessary documents, in a form approved by County Counsel and/or Bond Counsel, and to perform such acts as are necessary to implement the approvals provided for in this Resolution.

Section 7. This Resolution shall take effect immediately upon its adoption.

ATTESTED: January 21, 2025

Monica Nino, County Administrator and Clerk of the Board of Supervisors


By: June McHuen, Deputy Clerk