



TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) PUBLIC HEARING REGARDING BONDS FOR CALIFORNIA BAPTIST UNIVERSITY

Finance Department

City Council
March 25, 2025

RiversideCA.gov

1

BACKGROUND

1. Revenue bond financing to fund capital projects
2. Issued by the California Municipal Financing Authority (CMFA)
3. Proceeds of the Bonds will be used to:
 - Refund the outstanding 2014A CBU Bonds,
 - Refund the outstanding 2013 Lancer Plaza Bonds, and
 - Issue tax-exempt bonds to fund the acquisition, construction, improvement, and equipping of a Softball & Baseball Clubhouse



2

RiversideCA.gov

2

TAX-EXEMPT REVENUE BONDS

- Section 147(f) of the IRS Code of 1986 requires any issuance of private activity revenue bonds be approved by the local government entity within which the project is located
- Requires a TEFRA public hearing to allow members of the public to comment on the project
- City is not under any obligation to repay the bonded indebtedness



3

RiversideCA.gov

3

TEFRA PUBLIC HEARING

- Request from California Baptist University
- Issue revenue or refunding bonds in an amount not-to-exceed \$100 million
- Funds to be used to refinance prior bonds to achieve debt service savings, and to finance the acquisition, construction, improvement and equipping of a softball and baseball clubhouse located on California Baptist University's campus in the City of Riverside



4

RiversideCA.gov

4

STRATEGIC PLAN ALIGNMENT



Strategic Priority No. 2 – Community Well-Being

Goal 2.1 - Facilitate the development of a quality and diverse housing supply that is available and affordable to a wide range of income levels.

Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability &
Resiliency



Equity



Innovation



5

RiversideCA.gov

5

RECOMMENDATIONS

That the City Council:

1. Conduct the Tax Equity and Fiscal Responsibility Act (TEFRA) Public Hearing regarding the issuance of revenue or refunding bonds for the project
2. Adopt the attached resolution authoring the issuance of revenue or refunding bonds in an amount not-to-exceed \$100 million by the California Municipal Finance Authority, on behalf of California Baptist University, for the project;
3. Authorize the City Manager, or his designee, to execute all the required documents, including making minor and non-substantive changes.



6

RiversideCA.gov

6