



CITY OF RIVERSIDE NOTICE OF PUBLIC HEARING

City of Arts & Innovation

NOTICE IS HEREBY GIVEN that on September 27, 2016, a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code") will be held by the City of Riverside (the "City") with respect to the proposed issuance by the California Statewide Communities Development Authority of its revenue bonds in one or more series in an amount not-to-exceed \$120,000,000 (the "Bonds"). The proceeds of the Bonds will be used to: (1) finance and refinance the Series 2016 Project, defined below; (2) prepay and retire all of the outstanding (a) California Statewide Communities Development Authority Revenue Bonds (Lancer Educational Student Housing Project) Series 2007A (the "Series 2007 Bonds"), issued for the Series 2007 Project, defined below, and (b) California Statewide Communities Development Authority Revenue Bonds (Lancer Educational Student Housing Project) Series 2010A (the "Series 2010 Bonds"), issued for the Series 2010 Project, defined below; (3) pay capitalized interest on the Bonds; (4) finance a debt service reserve fund for the Bonds; and (5) pay certain expenses incurred in connection with issuance of the Bonds. The facilities are to be owned and operated by Lancer Educational Housing, LLC, a California limited liability company (the "Borrower"), the sole member of which is Lancer Educational Housing Corporation, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code ("Lancer Corporation"). The Series 2016 Project, Series 2007 Project and Series 2010 Project are, or will be, owned and operated by the Borrower and located in the City.

The term "Series 2016 Project" means financing and refinancing the acquisition, construction, improvement, renovation, furnishing and equipping of certain housing facilities for faculty, staff and students of California Baptist University (the "University") by the Borrower, including related administrative facilities, site improvements, and parking, including but not limited to (1) a 32-unit apartment complex known as College Park Apartments located at 8230 Magnolia Avenue ("College Park") in the City of Riverside (the "City"); (2) student housing facilities known as The Point located at 3622 Adams Street on the University's main campus, the address of which is 8432 Magnolia Avenue, Riverside California 92504 (the "Campus"); (3) student housing facilities known as The Colony located at 3675 and 3697 Monroe Street on the Campus; (4) an apartment complex located on a parcel adjacent to the College Park; and (5) other improvements to existing housing facilities located on the Campus.

The proceeds that the University will receive from the sale of the improvements constituting the student housing facilities of College Park to the Borrower will be used to reimburse the University for all or a portion of the cost of the University's acquisition of College Park.

The improvements constituting the student housing facilities of The Point will be acquired by the Borrower from the University, and the proceeds that the University will receive from the sale of The Point to the Borrower will be used to finance and refinance all or a portion of the acquisition, construction, improvement and equipping of educational and related facilities, including related administrative facilities, site improvements, parking structures and surface parking, including but not limited to construction of or renovation of existing space for a new library and/or study spaces and other improvements located on the Campus and at 8775 Magnolia Avenue.

The improvements constituting the student housing facilities of The Colony will be acquired by the Borrower from Colony Student Housing, LLC, a California limited liability company ("Colony"), the sole member of which is Lancer Corporation, and the sale proceeds will be used to prepay and retire all or a portion of the California Statewide Communities Development Authority Revenue Bonds (Colony Student Housing, LLC) Series 2012 (the "Series 2012 Bonds") and the outstanding revolving business loan with California Bank and Trust, both issued to finance or refinance the acquisition of The Colony.

The term "Series 2007 Project" means the financing of the costs of acquisition, construction, improvement, renovation, remodeling, furnishing and equipping of certain housing facilities for faculty, staff and students of the University by the Borrower, all located on the Campus, more particularly described as follows: Smith Hall located at 8525 Diana Avenue; Simmons Hall located at 8555 Diana Avenue; the Lancer Arms Apartments located at 8447, 8449, 8451, and 8471 Diana Avenue; the University Place residence facilities located at 8374 and 8350 Magnolia Avenue; the Adams Villas residence facilities located at 3780 Adams Street; and the Magnolia Hacienda residence facilities located from 8386 to 8398 Magnolia Avenue.


The term "Series 2010 Project" means the financing of the costs of acquisition, improvement, renovation, remodeling, furnishing and equipping of certain housing facilities including a 94-unit apartment complex known as Tower Hall (fka the Royal Rose Apartments) and a 121-unit apartment complex known as The Village @ CBU (fka Rose Garden Village Apartments), each operated by the University and located on the Campus.

The proceeds the University received from the sale of the Series 2010 Project to the Borrower were used to finance the costs of the acquisition of land located at 3520 through 3594 Adams Street and construction of improvements thereon, which facilities and improvements are owned and operated by Lancer Plaza, LLC, a Delaware limited liability company, of which Lancer Corporation is the sole member.

The hearing will commence at 3 p.m. or as soon thereafter as the matter can be heard, and will be held in the Art Pick Council Chamber, City Hall, 3900 Main Street, Riverside, California 92522. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed and refinanced may attend the public hearing or, prior to the time of the hearing, submit written comments.

Additional information concerning the above matter may be obtained from and written comments should be addressed to, the City of Riverside, 3900 Main Street, Riverside, California, California 92522, Attention: Colleen J. Nicol, City Clerk of the City of Riverside. Any such written comments must be received by the City prior to the City Council meeting date of September 27, 2016.

Dated: September 9, 2016


COLLEEN J. NICOL, MMC
City Clerk of the City of Riverside

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