



TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) PUBLIC HEARING FOR CBU STUDENT HOUSING AND OTHER RELATED FACILITIES

Finance Department

City Council
March 5, 2019

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BACKGROUND

1. Revenue bond financing to fund capital projects
2. Issued by California Statewide Communities Development Authority (CSCDA)
3. Proceeds of the Bonds will be used for the acquisition, construction, improvement, and furnishing of a student residential complex, related administrative and support facilities, site improvements and parking facilities located at California Baptist University, Riverside.



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TAX-EXEMPT REVENUE BONDS

1. 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
2. Requires a TEFRA public hearing to allow members of the public to comment on the project
3. City is not under any obligation to repay the bonded indebtedness



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TEFRA PUBLIC HEARING

1. Request from Lancer Educational Housing, L.L.C.
2. Issue revenue and refunding bonds in an amount not to exceed \$90 million
3. Funds to be used for the acquisition, construction, and improvement of an approximately 600-bed residential complex, related administrative and support facilities and parking located at California Baptist University, Riverside



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RECOMMENDATIONS

That the City Council:

1. Conduct the TEFRA Public Hearing regarding the issuance of revenue and any refunding bonds along with the related plan of financing for the acquisition, construction, improvement, renovation, furnishing and equipping of an approximately 600 bed student housing facility and related administrative and support facilities, site improvements and parking ("Project") located within the City of Riverside ("City") for California Baptist University, Riverside ("University");



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RECOMMENDATIONS

2. Adopt a resolution in order to authorize the issuance of revenue bonds and refunding bonds in an amount not to exceed \$90,000,000 by the California Statewide Communities Development Authority, on behalf of Lancer Educational Housing, L.L.C., a California limited liability company for the Project; and
3. Authorize the City Manager, or his designee, to execute all required documents.



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