



TAX EQUITY AND FISCAL RESPONSIBILITY ACT (TEFRA) PUBLIC HEARING FOR ST. MICHAELS

Finance Department

City Council
February 4, 2020

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BACKGROUND

1. Revenue bond financing to fund capital projects
2. Issued by California Statewide Communities Development Authority (CSCDA)
3. Bonds related to the acquisition and development of a 50-unit multifamily rental housing project located at 4070 Jackson Street, 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 St. Michaels, LP
2. Issue revenue or refunding bonds in an amount not to exceed \$15 million
3. Acquisition and development of a 50-unit multifamily rental housing project located at 4070 Jackson Street, Riverside.



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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 along with the related plan of financing for the acquisition and development of a 50-unit multifamily rental housing project located at 4070 Jackson Street, Riverside, California;
2. Adopt a resolution authorizing the issuance of revenue bonds or refunding bonds in an amount not to exceed \$15,000,000 by the California Statewide Communities Development Authority, on behalf of St. Michaels LP, a California limited partnership company for the Project which includes a plan of financing for the purpose of financing or refinancing the Project; and
3. Authorize the City Manager, or designee, to execute all required documents and make certain changes as required, including making minor non-substantive changes and/or corrections.



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