



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

Finance Department

City Council
March 2, 2021

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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
4. City Council provided approval February 4, 2020, but financing was delayed due to COVID



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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



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TEFRA PUBLIC HEARING

- Request from St. Michaels, LP
- Issue revenue or refunding bonds in an amount not to exceed \$15 million
- 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 Public Hearing as required by the Internal Revenue Service Section 147(f) of the Internal Revenue code of 1986; and
2. Adopt the attached Resolution authorizing issuance of revenue bonds by the California Statewide Communities Development Authority on behalf of St. Michaels, LP; and
3. Authorize the City Manager, or his designee, to execute all required documents



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