



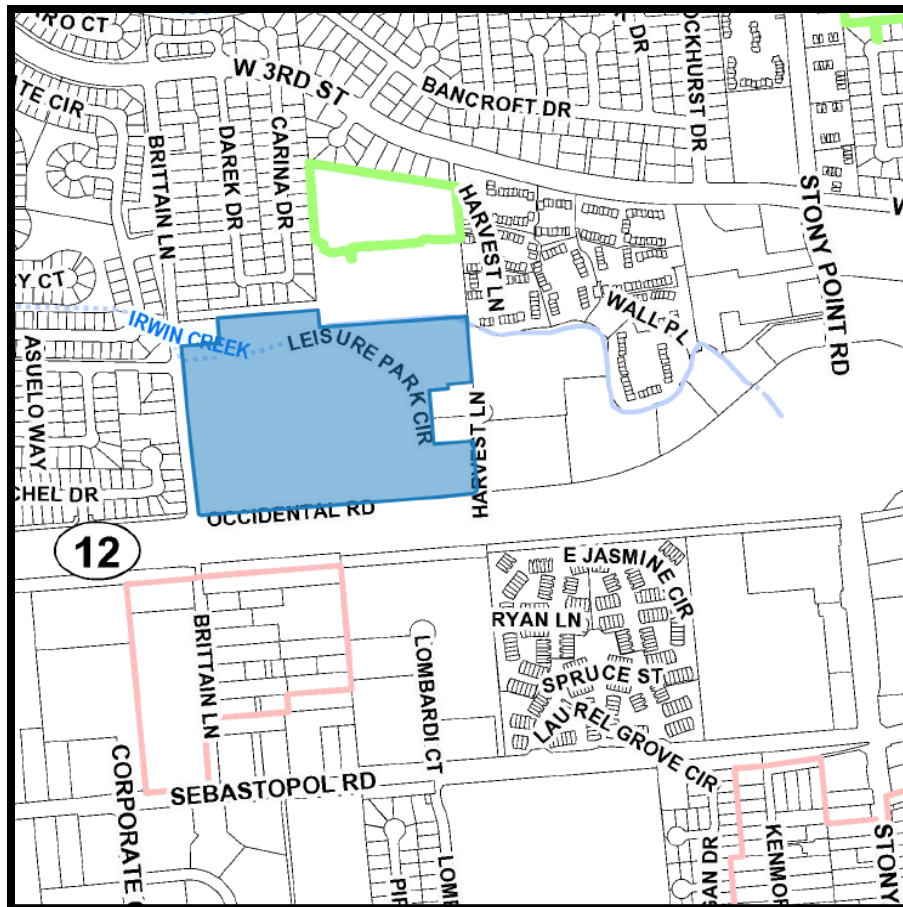
TEFRA HEARING
LEISURE PARK
2185 OCCIDENTAL ROAD

City Council Meeting
June 21, 2016

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Program Specialist
Housing and Community Services

CURRENT

- Millennium Housing (“MH”) owns Leisure Park, a 182 space mobilehome park.



CURRENT

- The prior park owner had notified residents that the park would be subdivided, which would have phased out the City's Mobilehome Rent Control Ordinance.
- MH purchased and rehabilitated the property in 2007 with tax exempt bond proceeds issued by Independent Cities Finance Authority ("ICFA").
- ICFA is a Joint Powers Authority – City is an associate member – that assists with financing affordable housing.

PROPOSED

- Issuance of tax exempt mobilehome park refunding revenue bonds in an amount not to exceed \$15,250,000.
- Purpose: pay off the existing bonds and refinance with a lower interest rate.

TEFRA HEARING

- TEFRA: The issuance of private activity bonds must be approved by the governing body in whose jurisdiction the project is located following a public hearing, which is often referred to as a TEFRA Public Hearing because it is held in accordance with the Tax Equity and Fiscal Responsibility Act (“TEFRA”) of 1982, Section 147(f) of the Internal Revenue Code of 1986, as amended.

BENEFIT

- Refinancing at a lower interest rate will enable MH to:
 - (1) pay off \$240,000 Housing Authority Loan;
 - (2) augment replacement and reserve fund for capital projects; and
 - (3) augment rental assistance fund.
- No fiscal impact on the General Fund - all financial obligations responsibility of MH.

RECOMMENDATION

- Approve the issuance by the Independent Cities Finance Authority of tax exempt, mobilehome park revenue refunding bonds in an amount not to exceed \$15,250,000 for Leisure Park, a mobilehome park located at 2185 Occidental Road.
- Questions?