



MEMORANDUM
COUNTY OF PLACER
Office of Economic Development

175 Fulweiler Avenue, Auburn, CA 95603-2133
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DATE: October 9, 2012

TO: Honorable Board of Supervisors

FROM: David C. Snyder, Director 

SUBJECT: PUBLIC HEARING FOR CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA) TAX EQUITY & FISCAL RESPONSIBLILITY ACT (TEFRA) HEARING – BOND FINANCING – CALIFORNIA SHOCK TRAUMA AIR RESCUE (CALSTAR)

ACTION REQUESTED

1. Conduct a Public Hearing under the Tax Equity & Fiscal Responsibility Act (TEFRA) in connection with the proposed issuance in one or more series of revenue bonds by the California Statewide Communities Development Authority (CSCDA), a joint exercise of powers authority and public entity of the State of California, in an amount not to exceed \$55,000,000 in total for 10 JPA partners, part of which includes financing for a new EC135 Helicopter and equipment at the California Shock Trauma Air Rescue (CALSTAR) facility, 13750 Lincoln Way, Auburn, CA 95603.
2. Adopt a Resolution approving the issuance of the bonds by the CSCDA for the benefit of California Shock Trauma Air Rescue (CALSTAR), to provide for the financing of the Project. Such adoption is solely for the purposes of satisfying the requirements of TEFRA, the IRS Code and the California Government Code Section 6500 (et seq.).

BACKGROUND

The developers of the above listed Project plan to use bond financing in order to provide for the financing of a new EC 135 Helicopter at their facility in the Bowman area of Auburn. CSCDA is a joint exercise of powers authority consisting of over 500 California cities, counties and special districts, including Placer County. In order to initiate the financing, the member participant of the Authority in which the facility is located must (i) conduct a public hearing, and (ii) approve the Authority's issuance of indebtedness. Although the Authority will be the issuer of the tax-exempt revenue obligations for the applicant, the financing cannot proceed without the county's approval of the financing.

ENVIRONMENT IMPACT

The action requested of your Board in approving the issuance of bonds by the California Statewide Communities Development Authority for the benefit of California Shock Trauma Air Rescue is not a project pursuant to CEQA Guidelines Section 15378(b)(4).

FISCAL IMPACT

The Bonds to be issued by the CSCDA for the Project will be the sole responsibility of the Borrower, and the County will have no financial, legal, moral obligation, liability or responsibility for the Project or the repayment of the Bonds for the financing of the Project. All financing documents with respect to the issuance of the Bonds will contain clear disclaimers that the Bonds are not obligations of the County or the State of California, but are to be paid for solely from funds provided by the Borrower.

There are no costs associated with membership in the CSCDA and the County will in no way become exposed to any financial liability by reason of its membership in the CSCDA. In addition, participation by the County in the CSCDA will not impact the County's appropriations limits and will not constitute any type of indebtedness by the County. Outside of holding the TEFRA hearing and adopting the required resolution, no other participation or activity of the County or the Board of Supervisors with respect to the issuance of the Bonds will be required.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resol. No:

**RESOLUTION APPROVING THE
ISSUANCE OF TAX-EXEMPT
OBLIGATIONS BY THE CALIFORNIA
STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

The following **RESOLUTION** was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held **Tuesday, October 9, 2012** by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, California Shock Trauma Air Rescue, dba CALSTAR has requested that the California Statewide Communities Development Authority (the "Authority") issue its notes, bonds or any other evidence of indebtedness (the "Obligations") in an aggregate principal amount not expected to exceed \$55,000,000 for the purpose of providing funds for the financing or refinancing of a new air rescue helicopter, other air rescue equipment and related property (the "Equipment") and related costs located or to be located in the jurisdiction of Placer County; and

WHEREAS, the Authority has requested that the Board of Supervisors of Placer County approve the issuance of the Obligations and the Equipment in order to satisfy the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and the requirements of Section 9 of the Amended and Restated Joint Exercise of Powers Agreement (the "Joint Powers Agreement"), dated as of June 1, 1988, among certain local agencies, including Placer County; and

WHEREAS, Placer County held a public hearing on Tuesday, October 9, 2012 at 9:30 a.m. providing a reasonable opportunity for persons to comment on the issuance of the Obligations and the Equipment; and

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WHEREAS, it is intended that this resolution shall constitute the approval of the issuance of the Obligations to finance the acquisition of the Equipment as required by Section 147(f) of the Code, Section 9 of the Joint Powers Agreement and Section 91530(f) of the Government Code of the State of California;

NOW, THEREFORE, BE IT RESOLVED, by the Placer County Board of Supervisors, that the issuance of the Obligations to finance acquisition of the Equipment are hereby approved for the purposes of Section 147(f) of the Code and Section 9 of the Joint Powers Agreement.

BE IT FURTHER RESOLVED, that the Placer County Board of Supervisors shall certify the adoption of this resolution, and thenceforth and thereafter the same shall be in full force and effect.