

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA # 9:10 a.m.

Urgent Routine

AGENDA DATE October 6, 2009

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

Public Hearing to Consider the Extension of Maturity Date of the California Enterprise Development Authority Variable Rate Demand Revenue Bonds, Series 2006 (Community Hospice, Inc. Project) (the "Bonds") issued by the California Enterprise Development Authority (the "Authority") for the benefit of Community Hospice, Inc., a nonprofit public benefit corporation (the "Borrower")

STAFF RECOMMENDATIONS:

1. Conduct the scheduled Public Hearing at 9:10 a.m. on October 6, 2009 to receive public comment.
2. Adopt the attached resolution approving the extension of maturity date of variable rate demand revenue bonds issued by the Authority for the benefit of the Borrower.

FISCAL IMPACT:

The Board of Supervisor's approval of the extension of the maturity date and weighted average maturity of the Bonds issued by the Authority for the benefit of the Borrower will not have a fiscal impact on the County. The Bonds are a special, limited obligation of the Authority payable solely through the payment of principal and interest by the Borrower and supported by letters of credit from the Bank of Stockton and the Bank of New York. Concurrently with the extension of the maturity date of the Bonds, a letter of credit issued by the Federal Home Loan Bank of San Francisco will be substituted for the letter of credit provided by the Bank of New York.

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BOARD ACTION AS FOLLOWS:

No. 2009-683

On motion of Supervisor O'Brien, Seconded by Supervisor Chiesa

and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) _____ Denied

3) _____ Approved as amended

4) _____ Other:

MOTION:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

Public Hearing to Consider the Extension of Maturity Date of the California Enterprise Development Authority Variable Rate Demand Revenue Bonds, Series 2006 (Community Hospice, Inc. Project) (the "Bonds") issued by the California Enterprise Development Authority (the "Authority") for the benefit of Community Hospice, Inc., a nonprofit public benefit corporation (the "Borrower")

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FISCAL IMPACT (CONTINUED:)

The Bonds are not an obligation of the County or any member of the Authority. Neither the faith or credit, nor the taxing power of the County, the State or any political subdivision is pledged to the repayment of the Bonds.

DISCUSSION:

The Borrower, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California, has requested that the Authority extend the maturity date and weighted average maturity of the Authority's Variable Rate Demand Revenue Bonds, Series 2006 (Community Hospice, Inc. Project) (the "Bonds").

The Bonds were issued pursuant to an Indenture of Trust, dated November 1, 2006, in an original aggregate principal amount of \$5,200,000 for the benefit of the Borrower pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State, (commencing with Section 6500). The Bonds were issued to (1) finance the cost of or reimburse the Borrower for acquiring, constructing, improving, rehabilitating, equipping and furnishing an administrative facility located at 4368 Spyres Way, Modesto, California 95356 and a community hospice facility located at 2201 Euclid Avenue, Hughson, California 95326 (the "Facilities"), (2) fund the cost of any insurance premium, letter of credit fees or other credit enhancement costs with respect to the financing, (3) pay capitalized interest with respect to the financing, (4) fund a reserve fund, if necessary, with respect to the financing and (5) pay certain costs of issuance in connection with the financing;

The extension of the maturity date and weighted average maturity of the Bonds by the Authority must be also be approved by the governmental unit on behalf of which the Bonds are issued and a governmental unit having jurisdiction over the territorial limits in which the Facilities are located pursuant to the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code");

Because the Facilities are located within the territorial limits of the County, the Authority and the Borrower have requested that the Board of Supervisors approve the extension of the maturity date and the weighted average maturity of the Bonds pursuant to the Code.

POLICY ISSUES:

The Board of Supervisors conducting of the scheduled public hearing and approval of the resolution to extend the maturity date of the Bonds is consistent with the Board of Supervisor's priority of effective partnership.

Public Hearing to Consider the Extension of Maturity Date of the California Enterprise Development Authority Variable Rate Demand Revenue Bonds, Series 2006 (Community Hospice, Inc. Project) (the "Bonds") issued by the California Enterprise Development Authority (the "Authority") for the benefit of Community Hospice, Inc., a nonprofit public benefit corporation (the "Borrower")
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STAFFING IMPACTS:

Existing staff of the Debt Advisory Committee including Chief Executive Office and County Counsel have and will assist in completing the necessary staff work. Other than the public hearing and the adoption of the resolution, no additional County involvement is required.

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
STATE OF CALIFORNIA

Date: October 6, 2009

No. 2009-683

On motion of Supervisor O'Brien and approved by the following vote,
and approved by the following vote,

Seconded by Supervisor Chiesa

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

Item # 9:10 a.m.

THE FOLLOWING RESOLUTION WAS ADOPTED:

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS APPROVING
THE EXTENSION OF MATURITY DATE OF VARIABLE RATE DEMAND REVENUE BONDS ISSUED
BY CALIFORNIA ENTERPRISE DEVELOPMENT AUTHORITY IN AN ORIGINAL AGGREGATE
PRINCIPAL AMOUNT OF \$5,200,000 FOR THE BENEFIT OF COMMUNITY HOSPICE, INC. AND
OTHER MATTERS RELATING THERETO HEREIN SPECIFIED**

WHEREAS, Community Hospice, Inc., a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Borrower"), has requested that California Enterprise Development Authority (the "Authority") extend the maturity date and weighted average maturity of the Authority's Variable Rate Demand Revenue Bonds, Series 2006 (Community Hospice, Inc. Project) (the "Bonds"); and

WHEREAS, the Bonds were issued pursuant to an Indenture of Trust, dated November 1, 2006, in an original aggregate principal amount of \$5,200,000 (the "Bonds") for the benefit of the Borrower pursuant to Chapter 5 of Division 7 of Title 1 of the Government Code of the State, (commencing with Section 6500) (the "Act"). The Bonds were issued to (1) finance the cost of or reimburse the Borrower for acquiring, constructing, improving, rehabilitating, equipping and furnishing an administrative facility located at 4368 Spyres Way, Modesto, California 95356 and a community hospice facility located at 2201 Euclid Avenue, Hughson, California 95326 (the "Facilities"), (2) fund the cost of any insurance premium, letter of credit fees or other credit enhancement costs with respect to the financing, (3) pay capitalized interest with respect to the financing, (4) fund a reserve fund, if necessary, with respect to the financing and (5) pay certain costs of issuance in connection with the financing (collectively, the "Project"); and

WHEREAS, the extension of the maturity date and weighted average maturity of the Bonds by the Authority must be approved by the governmental unit on behalf of which the Bonds are issued and a governmental unit having jurisdiction over the territorial limits in which the Facilities are located pursuant to the public approval requirement of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code");

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk
Stanislaus County Board of Supervisors,
State of California



WHEREAS, the Facilities are located within the territorial limits of the County of Stanislaus (the "County") and the Board of Supervisors of the County (the "Board of Supervisors") is the elected legislative body of the County; and

WHEREAS, the Authority and the Borrower have requested that the Board of Supervisors approve the extension of the maturity date and the weighted average maturity of the Bonds by the Authority and the financing of the Project with the proceeds of the Bonds pursuant to Section 147(f) of the Code; and

WHEREAS, it is intended that this Resolution shall comply with the public approval requirements of Section 147(f) of the Code; *provided, however*, that this Resolution is neither intended to nor shall it constitute an approval by the Board of Supervisors of the Project for any other purpose; and

WHEREAS, a public hearing was held by the Board of Supervisors on this 6th day of October, 2009, at the meeting which commenced at the hour of 9:00 a.m., at 1010 Tenth Street, Board of Supervisors Chambers, Stanislaus, California, 95354, following duly published notice thereof in a newspaper of general circulation in the County of Stanislaus, on September 21, 2009, and all persons desiring to be heard have been heard.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Supervisors of the County of Stanislaus as follows:

Section 1. The Board of Supervisors hereby approves the extension of the maturity date and weighted average maturity of the Bonds as approved by the Authority in its resolution. This resolution shall constitute "host" approval of the issuance of the Bonds within the meaning of Section 147(f) of the Code and shall constitute the approval of the issuance of the Bonds within the meaning of the Act; provided, however, that this Resolution shall not constitute an approval by the Board of Supervisors of the Project for any other purposes, including compliance thereof with CEQA, nor does it constitute an approval of the underlying credit or financial structure of the Bonds.

Section 2. All actions heretofore taken by the officers, employees and agents of the County with respect to the approval of the Bonds are hereby approved, confirmed and ratified, and the officers and employees of the County and their authorized deputies and agents are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all certificates and documents which they or bond counsel may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this Resolution.

Section 3. This Resolution shall take effect from and after its adoption.

RESOLVED FURTHER, the Clerk of the Board of Supervisors of the County of Stanislaus shall certify the adoption of this Resolution, and thenceforth and thereafter the same shall be in full force and effect.

**CERTIFICATE OF CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF STANISLAUS**

I, Christine Ferraro Tallman, Clerk of the Board of Supervisors of the County of Stanislaus, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at the meeting of the Board of Supervisors of the County of Stanislaus duly and regularly held in Stanislaus, California, on September 21, 2009, of which meeting all of the members of said Board had due notice.

I further certify that I have carefully compared the foregoing copy with the original minutes of said meeting on file and of record in my office; that said copy is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified, rescinded or revoked in any manner since the date of its adoption, and the same is now in full force and effect.

IN WITNESS WHEREOF, I have executed this certificate and affixed the seal of the County of Stanislaus hereto this 6th day of October, 2009.

CHRISTINE FERRARO TALLMAN
Clerk of the Board of Supervisors,
County of Stanislaus

Christine Ferraro

By

Clerk of the Board of Supervisors

