



**RESOURCE  
MANAGEMENT AGENCY  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

ALLEN ISHIDA  
District One

PETE VANDER POEL  
District Two

PHILLIP A. COX  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** February 2, 2016

Public Hearing Required	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Published Notice Required	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Advertised Published Notice	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

CONTACT PERSON: Celeste Perez PHONE: (559) 624-7010

**SUBJECT:** Issuance of Bonds by the California Municipal Finance Authority for Family Health Care Network

**REQUEST(S):**

That the Board of Supervisors:

1. Hold a Public Hearing at 9:30 a.m. or shortly thereafter, for consideration of a resolution approving the issuance of revenue bonds by the California Municipal Finance Authority in an aggregate principal amount not to exceed \$15,250,000 for the purpose of refinancing the acquisition, construction, improvement and equipping of health and medical facilities for Family HealthCare Network, and certain other matters relating thereto.
2. Approve the resolution approving the Issuance of Bonds by the California Municipal Finance Authority for Family HealthCare Network.

**SUMMARY:**

The County has received a request from Family HealthCare Network ("FHCN"), a California nonprofit, public benefit corporation, and the California Municipal Finance Authority ("the Authority") to conduct a public hearing as required by the Internal Revenue Code of 1986 (the "Code") in order to permit the issuance by the Authority of tax-exempt revenue bonds in an aggregate amount not to exceed \$15,250,000 million (the "Bonds") for the benefit of FHCN. The County has been a member of the Authority since August 2007 pursuant to authorization granted in Board of Supervisors Resolution No. 2007-0554.

The proposed Bonds are classified as private activity bonds for purposes of the Code. Because the Authority's Board of Directors is not an elected body, section

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147(f)(2)(E)(ii) of the Code provides that a governmental unit with elected representatives and jurisdiction over the area in which the projects to be financed are located, in this case the Board of Supervisors, is an "applicable elected representative" with respect to the Bonds. The County will incur no obligation whatsoever by reason of its holding of the public hearing and approval of the issuance of the Bonds by the Authority.

Although the Authority (not the County) will be the issuer of the Bonds, the financing cannot proceed without the County approving of the Authority's issuance of the Bonds.

The Authority's joint exercise of powers agreement explicitly provides that the Authority is a public entity, separate and apart from the members executing the agreement, and the debts, liabilities and obligations of the Authority do not constitute debts, liabilities or obligations of any of the members executing the agreement. The County will in no way become exposed to any contractual financial liability by reason of its membership in the Authority or the issuance of the Bonds. In addition, participation by the County in the Authority will not impact the County's appropriations limit and in no way will constitute any type of indebtedness of the County.

Once the County holds the required public hearing and adopts the required resolution following the public hearing, no other participation of the County in the actions of the Authority or in the bond financing process will be required.

FHCN will use the proceeds of the Bonds for the following project (the "Project") located in the County:

(a) Refund the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network), 2008 Series A, issued to make a loan to FHCN to

- (i) Refinance a loan incurred construct FHCN's Oak Center facility, located at 400 East Oak Avenue in Visalia, California,
- (ii) Finance the construction of renovations to FHCN's Porterville facility located at 1107 West Poplar Avenue in Porterville, California,
- (iii) Finance the construction of a building expansion, a storage building and a parking lot, including land preparation costs, adjacent to FHCN's existing Porterville facility, to be located at 1137 West Poplar Avenue in Porterville, California,
- (iv) Finance construction of an expansion of FHCN's Cutler-Orosi facility located at 12586 Avenue 408 in Orosi, California, and
- (v) Finance the acquisition of furnishings, computer equipment and software, and practice management systems, to be used at all of FHCN's facilities, all facilities owned and operated by FHCN in connection with the provision its community health care services (collectively, the 2008 Project"), and

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(b) Refund the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network.), 2011 Series A, and the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network.), 2011 Series B, issued to

- (i) Finance the acquisition of a parcel of land located at 332 North Bridge Street, Visalia, California, adjacent to its existing Visalia Oak facility, and to construct thereon an approximately 27,000 square foot, two-story health center providing 12 dental operatories and 44 medical exam rooms, and
- (ii) Finance the construction of an approximately 4,000 square foot building on the campus of its Porterville Health Center at 1107 West Poplar Avenue, Porterville, California, providing 12 dental operatories, all facilities owned and operated by FHCN in connection with the provision its community health care service.

County Counsel has reviewed all materials.

**FISCAL IMPACT/FINANCING:**

No net County cost to the General Fund.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

This Project will enhance the safety and security of the public by improving the Quality of Life for both the general population in the region and the patients who seek care at FHCN facilities.

**ADMINISTRATIVE SIGN-OFF:**

*FOR*  *1/20/16*  
Benjamin Ruiz Jr., S.E., P.E. Date  
Interim Director

Cc: Auditor-Controller  
County Counsel  
County Administrative Office (2)

# BEFORE THE BOARD OF SUPERVISORS COUNTY OF TULARE, STATE OF CALIFORNIA

IN THE MATTER OF ISSUANCE OF )  
REVENUE BONDS BY THE CALIFORNIA ) Resolution No. \_\_\_\_\_  
MUNICIPAL FINANCE AUTHORITY IN AN )  
AGGREGATE PRINCIPAL AMOUNT NOT )  
TO EXCEED \$15,250,000 FOR THE )  
PURPOSE OF REFINANCING THE )  
ACQUISITION, CONSTRUCTION, )  
IMPROVEMENT AND EQUIPPING OF )  
HEALTH AND MEDICAL FACILITIES FOR )  
FAMILY HEALTHCARE NETWORK AND )  
CERTAIN OTHER MATTERS RELATING )  
THERE TO )

WHEREAS, Family HealthCare Network, a California nonprofit, public benefit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 ("FHCN"), has requested that the California Municipal Finance Authority (the "Authority") participate in the issuance of one or more series of revenue bonds in an aggregate principal amount not to exceed \$15,250,000 (the "Bonds") to:

(a) refund the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network.), 2008 Series A, issued to make a loan to FHCN to (i) refinance a loan incurred to finance the construction of FHCN's Oak Center facility, located at 400 East Oak Avenue in Visalia, California, (ii) finance the construction of renovations to FHCN's Porterville facility located at 1107 West Poplar Avenue in Porterville, California, (iii) finance the construction of a building expansion, a storage building and a parking lot, including land preparation costs, adjacent to FHCN's existing Porterville facility, to be located at 1137 West Poplar Avenue in Porterville, California, (iv) finance construction of an expansion of FHCN's Cutler-Orosi facility located at 12586 Avenue 408 in Orosi, California, and (v) finance the acquisition of furnishings, computer equipment and software, and practice management systems, to be used at all of FHCN's facilities, all facilities owned and operated by FHCN in connection with the provision its community health care services (collectively, the 2008 Project"), and

(b) refund the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network.), 2011 Series A, and the outstanding California Municipal Finance Authority Insured Revenue Bonds (Family HealthCare Network.), 2011 Series B, issued to (i) finance the acquisition of a parcel of land located at 332 North Bridge Street, Visalia, California, adjacent to its existing Visalia Oak facility, and to construct thereon an approximately 27,000 square foot, two-story health center providing 12 dental operatories and 44 medical exam rooms, and (ii) finance the construction of an approximately 4,000 square foot building on the campus of its Porterville Health Center at 1107 West Poplar Avenue, Porterville, California, providing 12 dental operatories, all facilities owned and operated by FHCN in connection with the

provision its community health care services;

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds by the Authority must be approved by the County because the Project is located within the territorial limits of the County;

WHEREAS, the Board is the elected legislative body of the County and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code;

WHEREAS, the Authority has requested that the Board approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the County; and

WHEREAS, pursuant to section 147(f) of the Code, the Board has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

*Section 1.* The foregoing recitals are true and correct.

*Section 2.* The Board hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the Board that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said section 147(f) and (b) Section 4 of the Agreement.

*Section 3.* The officers of the County are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

*Section 4.* The County will incur no obligation whatsoever by reason of its holding of the public hearing and approval of issuance of the Bonds by the Authority.

*Section 5.* This resolution shall take effect immediately upon its adoption.

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I, the undersigned hereby certify that the foregoing Resolution was duly and regularly adopted and passed by the Board of Supervisors of the County of Tulare in a regular meeting assembled on the 2nd day of February, 2016, by the following vote to wit:

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE BOARD  
OF SUPERVISORS, AT AN OFFICIAL MEETING HELD \_\_\_\_\_, BY THE  
FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: MICHAEL C. SPATA,  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk