



Board Agenda Item 5

DATE: March 9, 2021

TO: Board of Supervisors

SUBMITTED BY: Jean M. Rousseau, County Administrative Officer

SUBJECT: West Annex Jail Project - Resolution and Facility Sublease

RECOMMENDED ACTION(S):

1. Receive presentation by the Sheriff-Coroner - Public Administrator regarding the West Annex Jail project, at 2208 Merced Street, in downtown Fresno;
2. Approve and authorize the Chairman to execute A Resolution of The Board of Supervisors of The County of Fresno Authorizing The Execution And Delivery of A Facility Sublease For And Ratifying All Previous Actions With Respect To The Fresno Jail Project And Authorizing Certain Actions In Connection Therewith (the Resolution) [such actions include, but are not limited to, ratifying the Project Delivery and Construction Agreement dated May 31, 2016 by and among the County, the State Public Works Board of the State of California (SPWB), and the Board of State and Community Corrections of the State of California (BSCC), the Ground Lease dated August 25, 2017 by and between the County and the BSCC, and the Easement Agreement for Grants of Access, Utilities and Repairs dated August 25, 2017 granted by the County to the BSCC, and approving the following proposed Site Lease and Facility Lease for the County's consent thereto], relating to the BSCC's lease of the Fresno Jail Project (also known as the West Annex Jail project) to the SPWB under the proposed Site Lease to be by and between those parties, the SPWB's lease-back of the Fresno Jail Project to the BSCC under the proposed Facility Lease to be by and between those parties, and the BSCC's sublease of the Fresno Jail Project to the County under the proposed Facility Sublease to be by and between the BSCC and the County, all in connection with the SPWB's proposed financing of the Fresno Jail Project, under Senate Bill 1022, through the SPWB's issuance and sale of its lease revenue bonds, 2021 Series B, for various capital projects, including, but not limited to, the Fresno Jail Project (approximately \$79.2 million principal amount of such SPWB bonds to be attributable to the Fresno Jail Project), and the portion of such SPWB bonds to be attributable to the Fresno Jail Project to be secured, in part, by the base rental payments to be made by the BSCC to the SPWB under such Facility Lease;
3. Ratify the Cooperation Agreement dated August 4, 2017 by and between the County and the SPWB; and
4. Authorize each of the Authorized Officers (defined in the Resolution) to approve and execute any amendments and/or agreements, if needed in the determination of any such Authorized Officers, for the subordination (or similar conditions, restrictions, or terms) of existing County agreements with contractors providing kiosks, infrastructure, equipment, or fixtures in the WAJ (such contractors to include, but are not limited to, Canteen of Fresno, Inc. (Jail commissary), Touch Legal, Inc. (legal research) TOUCHPAY Payment Systems, LP (inmate money handling kiosk service), Global Tel*Link Corporation (telephone system, video visitation, victim notification system)) to the SPWB's bond financing agreements,

including but not limited to, the Ground Lease, the Site Lease and/or the Facility Lease, and authorizing the County and the respective contractor to agree to execute same by electronic signatures.

Your Board's approval of this item will result in the seven-year culmination of multiple County agreements that are providing substantial State tax-exempt bond financing for the West Annex Jail (WAJ) project. Once the County complete construction, and makes the WAJ operational, the WAJ will replace the existing South Annex Jail for inmate housing.

Your Board's approval of the second recommendation action, the recommended Resolution, will (a) approve the proposed Site Lease and Facility Lease between State parties, and individually authorize certain "Authorized Officers" (e.g., Chairman, CAO) to execute the recommended Facility Sublease between the BSCC and the County, (b) authorize the Authorized Officers to approve other related bond documents (e.g., a forthcoming County tax certificate for compliance with certain federal income tax laws, and other restrictions on the County's use of the WAJ, imposed by the SPWB, and agreements, and (c) ratify all prior actions with respect to the financing of the WAJ project.

Your Board's approval of the third recommended action will ratify the 2017 Cooperation Agreement, which imposes SPWB restrictions on the County's use of the WAJ, related to federal income tax law compliance, and necessary upgrades to the Central Plant, which have been financed by the County's local match of its own tax-exempt bond proceeds.

Your Board's approval of the fourth recommended action will delegate authority to Staff to work toward resolving a new, potentially-time sensitive SPWB requirement for the County to require its contractors providing kiosks, infrastructure, equipment, or fixtures in the WAJ, to subordinate any contract rights they might have to occupy the WAJ to the SPWB's financing agreements.

The principal amount of the SPWB's bonds to be attributable to the WAJ project will be approximately \$79.2 million, and such bonds are expected to have a 15-year term. Under these transactions, the County will be a sublessee (not an owner) of the WAJ while the SPWB's bond are outstanding. The County's right to occupy the WAJ during such term will depend on the BSCC's ability to timely pay debt service on the SPWB's bonds. Once the SPWB's bonds are fully paid off by the BSCC, the County will own the WAJ.

The State's financing for the WAJ project is not a grant program, but a bond financing that the State is utilizing to fund a substantial portion of this capital project. The County is not obligated to repay the SPWB's bonds, but, the SPWB imposes several operational and administrative requirements upon the County to ensure that the County protects the tax-exempt status of the SPWB's bonds and operates the WAJ.

As discussed below, there are two unresolved issues relating to this item: (1) the legal effect of your Board's approval of the "Site Lease and Facility Lease" between the State parties; and (2) the clarity of the SPWB's permission for the County to house federal detainees at the WAJ.

The WAJ is located in District Three; however, the impact of this item is countywide.

ALTERNATIVE ACTION(S):

The County is contractually committed to complete this financing and operate the WAJ, upon completion. The WAJ is needed to implement the County's plan for discontinuing the South Annex Jail for inmate housing. Although your Board has the prerogative to further negotiate with the SPWB, the SPWB is not entertaining further discussion. If your Board does not approve this item today, it is conceivable that the SPWB might drop the County from the SPWB's currently proposed April 2021 bond issuance and defer the financing of the WAJ to the next SPWB financing sometime in the Fall of 2021; it is unknown at the time this item was prepared what adverse consequences, if any, the County might experience from that delay.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. In 2013, the County applied for, and in 2014, received the State's commitment for funding for a substantial portion of this Project-i.e., approximately \$79.2 million. The State funding received is known as Senate Bill (SB) 1022 funding. The County has been reimbursed by the State for approximately \$64,830,302 of the \$64,987,689 spent as of December 31, 2020; the County is waiting to be reimbursed for amounts spent in November, 2020 (\$78,502) and December, 2020 (\$78,885). The balance of potential State reimbursements is \$14,363,698. There is sufficient funding in the associated FY 2020-21 Adopted Budget for the WAJ project. Ongoing operational costs associated with the completed detention facility will be included in the Sheriff's subsequent budget requests for Org 3111.

DISCUSSION:**A. Project overview.**

The WAJ will be located west of the North Annex Jail. The WAJ is a 119,000 square-foot detention facility that will have four floors consisting of one full basement level and three above-grade floors that will provide housing, program, and administrative space. These three above-grade floors contain five levels. The main floor is one level, and the two housing floors each have a mezzanine (two levels). The detention facility will have 150 medium/maximum security beds per housing floor for 300 total medium/maximum security beds. Once the new facility is constructed and ready for occupancy, the South Annex Jail (SAJ) will close resulting in a net reduction of 199 operational beds. Once it becomes operational, the WAJ will replace the SAJ's outdated linear cells with new generation pods and allow for greater observation and supervision of inmates than the SAJ. The new detention facility will provide necessary housing, treatment, and program space for special needs inmates, specifically those with behavioral health issues. It will also include a new centralized video visitation area on the first floor and a new shipping/receiving/laundry area. The implementation of video visitation will allow for reassignment of correctional officers to be more appropriately assigned to supervise inmates rather than perform clerical functions.

1. SB 1022 Financing Program - Background.

Assembly Bill (AB) 109, the Public Safety Realignment Act, became operational on October 1, 2011 and mandated a massive shift in the supervision of many felony criminal offenders and parolees from the California Department of Corrections and Rehabilitation to county law enforcement authorities. As a result, the Fresno County Jail has received an increase in the number of inmates with many receiving longer sentences and are considered more sophisticated than inmates housed prior to AB 109. The Fresno County Jail was not designed for this population nor for providing the treatment programs and services that the AB 109 felony criminal offenders need. In recognition of the challenges counties are facing as a result of AB 109, on June 27, 2012, SB 1022 became law authorizing State lease revenue bond financing for the acquisition, design and construction of adult local criminal justice facilities (Gov Code, §§ 15820.92 - 15820.926). The SB bond financing is not a grant but a financing program that imposes certain requirements on the County, discussed below.

In 2013, the County applied to the BSCC for SB 1022 funding, and the County estimated that the total cost of the WAJ project would be \$87,993,000. To be eligible for the State's SB 1022 funding, the County was required to commit to contributing a local of 10% match, approximately \$8.8 million of the total eligible project costs, which may be a combination of cash (hard) or in-kind (soft) contributions.

The County's total cash (hard) match is approximately \$22.6 million:

2002 Tobacco Bonds	\$2.3 million
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2006 Tobacco Bonds	\$6.8 million
Mendota Landfill Sale Proceeds	\$1.2 million
General Fund	\$7.6 million
Proposition 172	\$4.3 million

In addition, the County's in-kind (soft) match included the WAJ site and the cost of a needs assessment that led up to the County's application to the BSCC for SB 1022 funding.

2. The State's SB 1022 Financing Program.

In 2016, the County, the SPWB, and the BSCC entered into the Project Delivery and Construction Agreement (PDCA), the master agreement for the SB 1022 program, which included proposed initial forms (drafts) of the agreements that the County would subsequently approve in 2017, in final form, as discussed below, and the proposed initial form of the recommended Facility Sublease for this item (recommended action two).

In 2017, the County leased the SB 1022 site for the WAJ project to the BSCC under a Ground Lease and granted certain non-exclusive easements, under the Easement Agreement for Grants of Access, Utilities and Repairs to the BSCC for the operation of the Central Plant that serves the downtown jail facilities to ensure that the Central Plant would provide its services to the WAJ during its operation for so long as the SPWB's bonds are outstanding. Also, in 2017, under the BSCC Jail Construction Agreement, and related Right of Entry for Construction and Operation Agreement, the County has been constructing the WAJ project.

Furthermore, in 2017, the SPWB required the County to enter into the Cooperation Agreement for the County to protect the federal tax-exempt status of the SPWB's forthcoming bonds:

(a) General Tax Compliance: The County agrees not to undertake any action that adversely affects the tax-exempt status of the SPWB's bonds or the tax-exempt bonds that are part of the County's cash match (County's Bonds). But if the County fails to keep, observe or perform the foregoing covenants, the SPWB may exercise "*any and all remedies available pursuant to law*" to enforce such covenants and the County agrees to pay to the SPWB "*all damages recoverable at law*" that the SPWB may incur by reason of such failure of the County.

(b) "Private Business Use" Compliance: The County agrees not to undertake or allow any activities that exceed the "private business use" limitation for the proceeds of the SPWB's bonds and the County's Bonds, measured both under the law, and specifically for the WAJ project. "Private business use" is discussed below. This is much more restrictive than the law requires for the County's own tax exempt bonds, which measures the "private business use" limitation for all properties financed by each bond issue, not just a single bond-financed project. The County also agrees to enter into Amendment No. 1 to the County's 2017 federal detainee housing agreement with the U.S. Department of Justice, U.S. Marshals Service (the "2017 Federal Housing Agreement"), which the County has done, and the County will be required, at the closing of the SPWB's bonds, to represent that the County expects not more than 15 beds in the WAJ project will be used for federal detainees at any one time.

The Cooperation Agreement was executed mainly in relation to the 2017 Federal Housing Agreement. But the record is not entirely clear as to your Board's authorization of the Cooperation Agreement. To ensure a clear record that would facilitate the SPWB's bonds, recommended action three requests your Board's ratification of the Cooperation Agreement.

3. The SB 1022 Covenant - Necessary Discontinuance of SAJ for Inmate Housing

SB 1022 contains a limitation concerning the "addition" of housing capacity. Specifically, Government Code

§ 15820.926(b), one of the statutes in SB 1022, provides, in part:

Any county requesting to add housing capacity using this financing authority shall be required to certify and covenant in writing that the county is not and will not be leasing housing capacity to any other public or private entity, with the exception of state agencies, for a period of 10 years beyond the completion date of the adult local criminal justice facility.

Well after obtaining the SB 1022 funding award, the County learned that the BSCC has taken the position that federal housing agreements are leases. However, the 2017 Federal Housing Agreement is not, according to its terms, a lease under real property law. And it is clear that the County's WAJ will provide a net reduction in beds, once the SAJ discontinues housing inmates, and therefore, will not be an "addition" of housing capacity. The BSCC and the County resolved the matter by including the following covenant to the BSCC Construction Agreement:

J. Leasing of Beds. Participating County represents to the BSCC that the Project Proposal does not request to use the SB 1022 ... Financing Program to "add"-i.e., to result in a net increase in-housing capacity to the Participating County. If the County Project Proposal results in a net increase in housing capacity to the Participating County, Participating County agrees not to lease any housing capacity constructed, using the financing authority of the SB 1022 ... Financing Program, of the County Project to any other public or private entity for a period of 10 years beyond the date of the Final Completion of the County Project....

This State-law limitation (SB 1022) is separate from, and in addition to, the limitations under federal income tax laws below on "private business use."

4. The SPWB's Bonds.

The County has been receiving SB 1022 reimbursements from the BSCC to pay for the WAJ project. The County will not directly receive SPWB bond proceeds, but, the SPWB's bonds would pay off an internal State loan to the BSCC from the State Treasurer (the SPWB's bonds would encumber the WAJ during of their term). But under the Ground Lease, the County agrees to fully cooperate and provide all necessary assistance to the BSCC and the SPWB to aid them in their efforts to finance the WAJ project.

The State is now going through its bond financing process for the WAJ project, which will be implemented by your Board's approval of the first and second recommended actions, receiving the Sheriff-Public Administrator's presentation, as regular item, and your Board's adoption of the recommended Resolution, respectively. Because this item involves a borrowing-the SPWB's lease revenue bonds, it is being presented as a regular item (Gov. Code, sec. § 53635.7).

Since the County has leased the SB 1022 site for the WAJ project to the BSCC under the Ground Lease for the same term of the Facility Lease, the BSCC controls the SB 1022 site for that time period, and therefore may lease that site to the State Public Works Board (SPWB) for the duration of the Ground Lease. The BSCC will lease the completed WAJ project to the SPWB for a nominal amount under their own Site Lease, and in a simultaneous transaction, the SPWB will lease back the completed WAJ project to the BSCC under their own Facility Lease (this is called a lease-lease back) for rental payments to be made by the BSCC to the SPWB, which will assign those payments to its bondholders as debt service on the SPWB's bonds. This arrangement is known as lease revenue bond financing.

The proposed Facility Lease between the State parties will be a "beneficial use" lease, making it exempt from the State's constitutional debt limitation for long-term arrangements that do not have voter approval (Cal Const. Article XVI, sec. 1). That is, to be exempt from the debt limitation, the Facility Lease has a "beneficial use" contingency, such that the BSCC agrees to pay the debt service, except where it cannot use the leased facility, e.g., due to the leased facility not yet being completed for occupancy, or otherwise due to damage, destruction or condemnation. This form of lease revenue bond financing will have significance for the SPWB's bond financing of the WAJ project because the WAJ project will not be

completed before the SPWB issues and sells its bonds. So, if the County does not deliver the facility to the BSCC for its occupancy by the County's projected date (plus any time built in for capitalized interest, if any, that the SPWB might add to be payable in lieu of the BSCC's rents), the BSCC's base rental payments (which will ultimately be debt service payments) will be abated (*i.e.*, bond holders will not be paid their debt service) until such occupancy is delivered.

The BSCC will sublease the completed WAJ project to the County under the recommended Facility Sublease if authorized by your Board's approval of the second recommended action, the recommended Resolution.

5. The recommended Resolution.

Under the second recommended action, the recommended Resolution, your Board would authorize various actions, the key ones of which are summarized here:

(a) The recommended form (draft) of the Facility Sublease is approved, and each of the Authorized Officers, below, is authorized to approve the final Facility Sublease.

(b) Each of these County officers, or their designees, is an "Authorized Officer:" Chairman; CAO; COO; Sheriff-Public Administrator; Auditor-Controller/Treasurer-Tax Collector; Director of Public Works & Planning, Director of Internal Services/CIO; and Risk Manager.

(c) The proposed "Site Lease and Facility Lease" are approved by your Board, and the County consents to the Site Lease and the Facility Lease and acknowledges that the County's right to occupy the WAJ pursuant to the Facility Sublease may be terminated (*i.e.*, the County may be removed from the WAJ) in accordance with the Facility Sublease, including (i) a BSCC default under the Facility Lease, and (ii) a County default under the Facility Sublease.

Note: The "Site Lease and Facility Lease" on file with the Clerk for this item are only forms (drafts). But your Board is being asked to approve and consent to the "Site Lease and Facility Lease" without any qualification that is approving only forms (drafts) of those leases (contrasted to the form (draft) of Facility Sublease, above); that has an uncertain legal effect of such a Board decision as the "Site Lease and Facility Lease" (not yet fully-executed by the State parties) do not, as of March 9, 2021 actually exist as legally valid and binding agreements, and, that leaves open the possibility of the State parties changing or adding to those agreements after your Board's approval thereof, again creating uncertainty of what your Board approves. After the County made two requests that your Board only approve forms (drafts), the SPWB declined to revise the recommended Resolution.

(d) All actions heretofore taken by any officer of the County with respect to the execution and delivery of the PDCA, the Ground Lease, and the Easement Agreement are ratified, approved and confirmed by your Board, and the County affirms that the PDCA, the Ground Lease, and the Easement Agreement remain in full force and effect and enforceable against the County in accordance with their terms.

(e) Each of the Authorized Officers and the other County officers, acting alone, are authorized to do any and all things and to execute and deliver any and all documents, certificates (including tax certificates) and agreements which they may deem necessary and advisable in order to consummate the execution and delivery of the Facility Sublease and the issuance of the SPWB's bonds and effectuate the purposes of the recommended Resolution.

(f) The County reaffirms the representations made by the County in the PDCA regarding its Cash (Hard) Match for the WAJ is true and accurate remain valid and binding on the County with modifications subsequently made (see County funding sources above).

6. Facility Sublease.

Under the recommended Facility Sublease, the BSCC subleases the completed facility to the County for its use, operation, and maintenance, for the terms of the SPWB's lease revenue bonds. The County's rights and obligations under this recommended agreement are subject to the terms of the Site Lease between the State parties, and subject and subordinate to the Facility Lease between the State parties. This means that the County's right to use and occupy depend on the BSCC performing its obligations under the Facility Lease, such as the BSCC paying all rental payments (debt service) on the Facility Lease. Specifically:

(a) The County acknowledges that, if the BSCC breaches the terms of the Facility Lease, a remedy for such breach available to the SPWB under the Facility Lease is to enter and re-let the WAJ to another entity-this means the BSCC would be removed, and the County, as well would be removed, from the WAJ. If the SPWB, at its discretion, chooses to exercise this remedy, the SPWB agrees that its first offer to relet the WAJ shall be made to the County, but, the terms of such offer shall be determined at the sole reasonable discretion of the SPWB.

(b) The County shall continuously operate and maintain the WAJ and shall have no right to abandon the WAJ. The County shall, at its own cost and expense, pay for all maintenance and repair, of the WAJ, and all utility services to the WAJ, and pay for any insurance policies, except those provided by the BSCC pursuant to the Facility Lease.

(c) The BSCC shall pay all rents as required under the Facility Lease. The County shall pay as rent such amounts, if any, in each year for all applicable taxes and assessments.

(d) The County shall not sublet, assign or allow any third party, including but not limited to the federal government, to use any portion of the WAJ, without obtaining the prior written consent and approval of the BSCC and SPWB, which may be granted or denied in their sole discretion, and, provided further, that any such sublease, assignment or use agreement shall be subject to certain conditions.

(e) The County also agrees it will not create or allow any recorded or unrecorded rights (e.g., encumbrance) upon the WAJ site or the Central Plant except "Permitted Encumbrances."

(f) The 2017 Federal Housing Agreement is identified as a "Permitted Encumbrance" under the Facility Lease between the State parties, and the recommended Facility Sublease.

Note: In 2017, the County amended the 2017 Federal Housing Agreement to accommodate the SPWB consistent with item (d), above. But the new restriction on the "federal government" agreement (item (d), above) was added by the SPWB, in its draft of the Facility Sublease on February 12, 2021. To seek clarity, the County's negotiating team asked the SPWB to briefly state in the "consent and approval" clause (item (d), above) of the recommended Sublease that the 2017 Federal Housing Agreement is exempt (since such consent has already been obtained in 2017); instead the SPWB gave the County the oral assurance that such federal agreement would be later be referenced in the County's tax certificate that is to be delivered at the bond closing (incidentally, the foregoing "Permitted Encumbrances" language in the Facility Lease to show SPWB consent is only between the State parties).

(g) The County agrees to fully cooperate with the BSCC, the SPWB and the State Treasurer so that they can comply with and carry out all of their provisions of their "continuing disclosure" agreement to provide continuing disclosure in the secondary bond market.

(h) The County will not take any action or fail to take any action that would adversely affect the federal tax exempts status of SPWB's bonds. The County agrees that it will not enter into any arrangement with any person or entity other than a state or local governmental which provides for such person to manage, operate, or provide services with respect to the WAJ, unless the County complies with certain IRS Revenue

Procedure, and the SPWB, in its discretion, consents to such proposed arrangement.

Note: this provision may be very onerous for the County. The County's negotiating team requested that the County instead be required to seek the SPWB's bond counsel approval within an agreed upon time (and to use updated current IRS guideline rather than the outdated inflexible IRS guideline in the foregoing provision), but, the SPWB declined that request.

7. Federal Income Tax Issues.

The SPWB's lease revenue bonds would be issued on a tax-exempt basis. Tax-exempt bonds are governed by federal income tax laws, which strictly limit the amount of "private business uses" of projects that they finance, measured by gross bond proceeds used. Under the SPWB's bond documents, including the recommended Facility Sublease and the Cooperation Agreement, the County, as a user of the SPWB's bond financed property, promises not to use or permit the use of the facility in any manner which would cause the SPWB's bonds to exceed the "private business use" limitations.

Typically, "private business uses" occur when the bond issuer (here, the SPWB), or a user of the bond financed property (here, the County or BSCC), grants a special legal entitlement to "nongovernmental" entities to lease, own, or in some cases, manage tax-exempt bond-financed properties. A "nongovernmental" entity generally is a business, a nonprofit entity, or the federal government, unless there is a legal exception to that general rule.

Generally, for "private business uses" that would be related to the County's WAJ operations, the limitation is 10% of the SPWB's gross bond proceeds, and the County is further limited to only up to 5% of the SPWB's gross bond's proceeds for "private business uses" that would be unrelated or "disproportionate" to these County operations. Also, generally "private business uses" are measured cumulatively for each affected tax-exempt bond issuance with respect to such bond's financed properties; those cumulative uses count against the single "private business use" limitation (*i.e.*, 10% or reduced to 5%, as stated above) for the affected bond issuance during the life of those bonds. Furthermore, under the Cooperation Agreement for the SPWB's bonds, the foregoing restrictions are further limited, as stated above. And the County agrees that not more than 15 federal detainees at any one time may be housed in the West Annex Jail.

As required by the SPWB, the County has conducted an intensive due diligence investigation in 2017 and against very recently, and produced several agreements relating to expected third-party use of the WAJ, to confirm the County's expectation that its agreements for third-party use of the WAJ do not exceed "private business use" limitations. The SPWB's bond counsel was satisfied with the production, except that there remains only one proposed agreement relating to the Central Plant (outside of the SPWB's bond-financed site) for the SPWB's bond counsel to review.

8. Potential new Subordination issue.

On March 3, 2021, the SPB's bond counsel raised a question, for the first time, whether the SPWB might want to require the County to cause its contractors providing provide kiosks, infrastructure, equipment, or fixtures in the WAJ to subordinate their agreements to the SPWB's leasing agreements that will encumber the WAJ site. During the 2017 tax due diligence review with the SPWB and the same bond counsel, these types of agreements were identified for the SPWB, but, the question was not raised then. SPWB's in-house counsel is reviewing this issue. To avoid delay, as your Board meets next on March 23, Staff seeks this delegation authority.

9. Term of Financing

The term of the SPWB's bonds is expected to be 15 years. Once the BSCC fully pays off the SPWB's bonds, the State's leases expire, and the County receives full title to the WAJ.

B. Next Steps for SPWB's Bond Financing.

The SPWB is moving under an accelerated schedule. Key events are as follows:

- April 5 - SPWB special meeting to approve the issuance and sale of its bonds.
- April 6 - SPWB issues its preliminary official statement to the bond market.
- April 14 - SPWB sells the bonds to an underwriter.
- April 22 - SPWB closes the bonds (transaction completed).

C. California Environmental Quality Act (CEQA) Compliance

The WAJ project, of which the recommended actions are part, has already been reviewed and approved under the CEQA. Initial Study No. 6786 was prepared and processed for the WAJ project (Unclassified Conditional Use Permit Application No. 3436 and Variance Application No. 3962) which, based on comment from various agencies of jurisdiction and staff analysis, did not reveal any significant project related impacts. A Negative Declaration was prepared for the project which was considered by the Fresno County Planning Commission on December 11, 2014. Upon hearing the matter, the Commission voted to adopt the Negative Declaration prepared for the project and approve the aforementioned land use applications thus authorizing development of the WAJ. The determinations of the Planning Commission, including to approve the Negative Declaration for the WAJ, were neither appealed nor challenged. No further review under CEQA is required.

OTHER REVIEWING AGENCIES:

Stradling Yocca Carlson & Rauth, the SPWB's bond counsel
Hawkins, Delafield & Wood LLP, the County's bond counsel

REFERENCE MATERIAL:

BAI #10, November 14, 2017

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Resolution; On file with Clerk - Facility Sublease; On file with Clerk - Form of Site Lease; On file with Clerk - Form of Facility Lease; On file with Clerk - PDCA; On file with Clerk - Ground Lease; On file with Clerk - Easement Agreement; On file with Clerk - Cooperation Agreement

CAO ANALYST:

Samantha Buck