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December 3, 2013

Board of Supervisors
County of Marin
San Rafael, CA 94903

Subject: Tax-exempt financing by the California Enterprise Development Authority ("CEDA"); Consent to hold a Tax Equity and Fiscal Responsibility Act ("TEFRA") public hearing on December 3, 2013 regarding issuance of up to \$30,000,000 of tax-exempt conduit obligations for the benefit of Marin Country Day School, a California nonprofit public benefit corporation (the "Borrower"), to refinance outstanding bonds issued in July 2007 to finance capital improvements to certain educational facilities at 5221 Paradise Drive, California 94925.

Dear Board Members:

RECOMMENDED ACTION: It is recommended that the Board of Supervisors (1) conduct a public hearing and (2) approve the issuance of not to exceed \$30,000,000 of California Enterprise Development Authority Revenue Obligations (the "Obligations") for the benefit of Marin Country Day School, a California nonprofit public benefit corporation (the "Borrower").

BACKGROUND: The County of Marin is an associate member of the California Enterprise Development Authority ("CEDA"), a joint powers authority established by the California Association for Local Economic Development whose purpose is to issue tax-exempt and taxable conduit revenue bonds to fund commercial and industrial development projects within member jurisdictions. Federal law requires a public hearing before the Board of Supervisors prior to any bond issuance by CEDA for projects under the County's jurisdiction. If the Board of Supervisors does not approve the refinancing project, CEDA cannot issue tax-exempt obligations.

Marin Country Day School (the "School"), founded in the mid-1950's, is a Grades K-8 co-educational independent school with an enrollment of 577 students. The School offers a rigorous and comprehensive curriculum grounded in traditional academic disciplines, world language, art, drama, technology, outdoor education and physical education. The School mission, underscored by its core values of respect, responsibility and compassion, is for children to become skilled learners and ethical human beings, motivated to make a difference in the world. The School's students go on to attend high schools throughout the Bay Area and the United States. In addition to the day school program, the School also provides, after-school enrichment programs, an extensive service learning program, community education

programs open to other school communities and summer programs sponsored by MCDS and in partnership with other organizations in the Bay area.

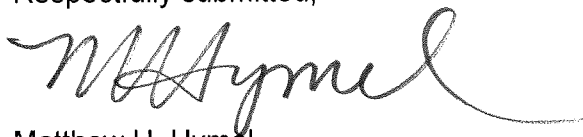
CEDA will loan the proceeds of the Obligations to the Schools to (i) refinance \$25 million of outstanding variable rate demand revenue bonds issued in July 2007 by ABAG Finance Authority for Non-Profit Corporations (the "Prior Bonds") and (ii) pay associated transaction costs. The Prior Bonds financed the construction and improvements of educational facilities, on the School's campus in Corte Madera; consisting of two Multi-Purpose Rooms for community meetings, a Learning Center with enhanced library and technology space, administrative offices and areas for outdoor learning and environmental sciences.

Because the Project is located within the County's jurisdiction and interest on the Obligations is intended to be tax-exempt, a public hearing and the approval of the Obligations by the Board of Supervisors is required by the Internal Revenue Code of 1986.

The County held a TEFRA hearing in connection with the Prior Bonds on June 19, 2007. A new TEFRA hearing is required with respect to the Obligations to ensure compliance with Federal tax requirements.

FISCAL IMPACTS: None. The Obligations are a special, limited obligation of CEDA payable solely through the Borrower's repayment of loan from CEDA which repayment is used to pay the principal of and interest on the Obligations. The Obligations issued by CEDA are not an obligation of the County or any member of CEDA. Neither the faith or credit, nor the taxing power of the County, any member of CEDA, the State or any political subdivision is pledged to the repayment of the Obligations.

Respectfully submitted,



Matthew H. Hymel
County Administrator

Cc: Steven Woodside, County Counsel
Roy Given, Director of Finance