

REGULAR MEETING AGENDA

November 7, 2019 at 2:00 p.m.

League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814

Telephonic Locations:

County of Solano
675 Texas Street, Fairfield, CA 94533

77 De Silva Island Drive
Mill Valley, CA 94941

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

City of Lafayette
3675 Mt. Diablo Blvd., Suite 210
Lafayette, CA 94549

County of Butte
7 County Drive, Oroville, CA 95965

City of Sausalito
420 Litho Street, Sausalito, CA 94965

709 Portwalk Place
Redwood City, CA 94061

3252 Southern Hills Drive
Fairfield, CA 94534

County of Yuba
915 8th Street, Marysville, CA 95901

247 Electric Street
Auburn, CA 95603

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Larry Combs, Chair	_____ Jordan Kaufman, Member
_____ Kevin O'Rourke, Vice Chair	_____ Marcia Raines, Member
_____ Tim Snellings, Secretary	_____ Michael Cooper, Alt. Member
_____ Brian Moura, Treasurer	_____ Niroop Srivatsa, Alt. Member
_____ Dan Mierzwa, Member	
2. Consideration of the Minutes of the October 17, 2019 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2019 at ___: __ m, Signed _____. Please email signed page to info@cscda.org

B. ITEMS FOR CONSIDERATION

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
 - a. Miramar Tower Preservation, LP (Miramar Tower Apartments), City of Los Angeles, County of Los Angeles; up to \$32,000,000 in multi-family housing revenue bonds.
 - b. Pavilion Affordable Housing, LP (Pavilion Court Apartments), City of Pico Rivera, County of Los Angeles; up to \$35,000,000 in multi-family housing revenue bonds.
6. Statewide Community Infrastructure Program (SCIP) 2019C:
 - a. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for multiple Assessment Districts:
 1. Open consolidated assessment districts public hearing.
 2. Close consolidated assessment districts public hearing.
 3. Open assessment ballots and announce results.
 - b. Consideration of the following resolutions with respect to SCIP:
 1. Resolution abandoning proceedings for SCIP Assessment District No. 19-02 (Santosha), City of Tracy, County of San Joaquin.
 2. Resolution approving final engineer’s reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions.
 3. Resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
 4. Resolution authorizing the issuance, sale and delivery of not to exceed \$21,474,250.89 of SCIP Revenue Bonds, Series 2019C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.
7. Consider the following resolutions relating to Community Facilities District No. 2015-01 (University District), City of Rohnert Park, County of Sonoma, State of California:
 - a. Resolution of intention to designate an improvement area and to authorize the levy of special taxes.

- b. Resolution to incur bonded indebtedness to finance certain development impact fees and the acquisition and construction of certain public facilities, to mitigate the impacts of development within the new improvement area and calling for a public hearing.
- 8. Consideration of Open PACE Handbook & Documents for Enhanced Capital.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

- 9. Executive Director Update.
- 10. Staff Updates.
- 11. Adjourn.

NEXT MEETING: Thursday, November 21, 2019 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of Block 7 Downtown Investors, LP (Block 7 Downtown Apartments), City of Redding, County of Shasta; issue up to \$50 million in multi-family housing revenue bonds.

November 7, 2019



TABLE OF CONTENTS

November 7, 2019

Item 2	October 17, 2019 Regular Minutes	Page	6
Item 3	Consent Calendar	Page	9
Item 5a	Miramar Tower Apartments	Page	13
Item 5b	Pavilion Court Apartments	Page	25
Item 6	SCIP 2019C	Page	35
Item 7	University District CFD	Page	39
Item 8	Enhanced Capital Commercial PACE	Page	41

.....

SPECIAL MEETING

Item 2	Consent Calendar	Page	46
--------	------------------	------	----



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

October 17, 2019 at 2:00 p.m.

California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

Commission Chair Larry Combs called the meeting to order at 2:04 pm.

1. Roll Call.

Commission members present: Tim Snellings

Commission members participating via teleconference: Larry Combs, Dan Mierzwa, Jordan Kaufman, Marcia Raines, and Michael Cooper.

Others present: Jon Penkower, Bridge Strategic Partners; and Sendy Young, CSAC Finance Corporation.

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; and Trisha Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of October 3, 2019 Regular Meeting.

The Commission approved the October 3, 2019 Regular Meeting minutes.

Motion to approve and adopt by T. Snellings. Second by D. Mierzwa. Unanimously approved by roll-call vote.

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Consideration of membership renewal with California Housing Consortium.

2. Consideration of CSCDA's 2020 Meeting Calendar.

Motion to approve and adopt by M. Cooper. Second by D. Mierzwa. Unanimously approved by roll-call vote.

4. Public Comment.

There was no public comment.

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:

- a. Charter Oaks Apartments II, LP (Charter Oaks Apartments), City of Napa, County of Napa; up to \$45,000,000 in multi-family housing revenue bonds.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The project is the acquisition and rehabilitation of a 75-unit rental affordable housing project. 100% of the units will remain rent restricted for low-income tenants. This is Bayside's 1st financing with CSCDA. CSCDA's Executive Director recommended that the Commission adopt the resolution.

Motion to approve and adopt by M. Raines. Second by T. Snellings. Unanimously approved by roll-call vote.

- b. LIH Arbor Square, LP (Arbor Square Apartments), City of Lompoc, County of Santa Barbara; up to \$33,000,000 in multi-family housing revenue bonds.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The project is the acquisition and rehabilitation of an 127-unit rental affordable housing project. 100% of the units will remain rent restricted for low-income tenants. This is Levy's 7th financing with CSCDA. CSCDA's Executive Director recommended that the Commission adopt the resolution.

Motion to approve and adopt by D. Mierzwa. Second by J. Kaufman. Unanimously approved by roll-call vote.

6. Review of First Quarter FY 2019-20 Financials and Bank Account Activity.

Informational item. Executive Director Bando gave an update of the First Quarter FY 2019-20 Financials and Bank Account Activity.

7. Executive Director Update.

Executive Director Bando informed the Commission that Staff will be sending out calendar invites for next year's meetings.

8. Staff Update.

There was no staff update.

9. Adjourn.

The meeting was adjourned at 2:16 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, November 7, 2019 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814

RESOLUTION NO. 19H-__

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY SETTING
FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE
MULTIFAMILY HOUSING REVENUE BONDS TO UNDERTAKE
THE FINANCING OF VARIOUS MULTIFAMILY RENTAL
HOUSING PROJECTS AND RELATED ACTIONS**

WHEREAS, the Authority is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue mortgage revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing multifamily rental housing projects; and

WHEREAS, the borrowers identified in Exhibit A hereto and/or related entities (collectively, the "Borrowers") have requested that the Authority issue and sell multifamily housing revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation or construction as set forth in Exhibit A, of certain multifamily rental housing developments identified in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Authority, in the course of assisting the Borrowers in financing the Projects, expects that the Borrowers have paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects within 60 days prior to the adoption of this Resolution and prior to the issuance of the Bonds for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the Authority wishes to declare its intention to authorize the issuance of Bonds for the purpose of financing costs of the Projects (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and condition as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to each Project set forth in Exhibit A; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued on behalf of for-profit borrowers in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (the “Committee”) for such allocation, and the Committee has certain policies that are to be satisfied in connection with any such application;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Authority as follows:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby determines that it is necessary and desirable to provide financing for the Projects (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrowers to undertake the Projects, and nothing contained herein shall be construed to signify that the Projects comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and construction or rehabilitation of the Projects, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Project.

Section 3. This resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In such regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures.

Section 4. The officers and/or the program managers of the Authority are hereby authorized and directed to apply to the Committee for an allocation from the state ceiling of private activity bonds to be issued by the Authority for each of the Projects in an amount not to exceed the amounts set forth in Exhibit A, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this November 7, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on November 7, 2019.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Block 7 Downtown Apartments	City of Redding, County of Shasta	78	New Construction	Block 7 Downtown Investors, LP	\$50,000,000



Agenda Item No. 5a

Agenda Report

DATE: November 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Jon Penkower, Managing Director

PROJECT: Miramar Tower Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$32,000,000

EXECUTIVE SUMMARY:

Miramar Tower Apartments (the “Project”) is an acquisition and rehabilitation of 157 units of rental affordable housing located in the City of Los Angeles. 100% of the units will remain rent restricted for low-income senior tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 157-unit senior affordable rental housing facility located at 2000 Miramar Street in the City of Los Angeles.
- Tower residential building, community room, computer room, library, fitness center and laundry rooms.
- Consists of 156 one-bedroom units and one manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Jonathan Rose Companies is a national development, owner’s representative and investment management firm. The company’s mission is to strengthen communities of opportunity by developing innovative real estate solutions that build value, enhance resilience, and cultivate wellbeing. The work of Jonathan Rose Companies touches many aspects of community health. They work with cities and not-for-profits to build green, affordable and mixed-income housing, along with cultural, health and educational infrastructure. They also advocate that neighborhoods be enriched with parks and nature, mass transit, jobs, healthful food and places of contemplation. Since its founding in 1989, the firm has completed over \$2 billion of work. The company is widely

recognized as a leader for design excellence, walkability and economic, social and ecological responsibility, creating successful models that also enhance the ability of their residents, communities and cities to thrive. This is the company's second financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: June 12, 2019 – City of Los Angeles – unanimous approval

CDLAC Approval: May 16, 2019

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (140 units) restricted to 60% or less of area median income households.
 - 10% (16 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores and other retail establishments.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 30,000,000
Tax Credit Equity:	\$ 8,579,228
FHA Loan Proceeds:	\$ 7,000,000
Taxable Loan:	\$ 5,000,000
GP Contribution:	\$ 100
Total Sources:	\$ 50,579,328

Uses of Funds:

Acquisition:	\$ 39,200,000
Construction Costs:	\$ 6,841,515
Architect/Engineering:	\$ 454,468
Reserves:	\$ 415,080
Developer Fee:	\$ 675,519
Fees/Financing Costs:	\$ 997,663
Relocation:	\$ 628,000
Soft Costs:	\$ 1,117,083
Soft Cost Contingency:	\$ 250,000
Total Uses:	\$ 50,579,328

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco

Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento

Underwriter: Stifel, Atlanta

Finance Terms:

Rating:	MIG-1 (Moody's) (Construction Period – 2 years)
Term:	35 years
Structure:	Fixed Rate
Method of Sale:	Public Offering
Estimated Closing:	December 20, 2019

CSCDA Policy Compliance:

The financing of the Project complies with CSCDA's general and issuance policies.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends that the Commission adopt the resolution, which:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION NO. 19H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF ONE OR MORE SENIOR AND/OR SUBORDINATE SERIES OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$32,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT GENERALLY KNOWN AS MIRAMAR TOWER APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, rehabilitation, construction and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, Miramar Tower Preservation, LP, a California limited partnership (the “Borrower”), has requested that the Authority issue, sell and deliver revenue bonds to assist in the financing of the acquisition and rehabilitation of a 157-unit multifamily rental housing development (including one manager’s unit) for seniors located in the City of Los Angeles, California, and known as Miramar Tower Apartments (the “Project”);

WHEREAS, on December 12, 2018, the Authority received an allocation in the amount of \$30,000,000 (the “Allocation Amount”) of private activity volume cap from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the Authority is willing to issue not to exceed \$32,000,000 aggregate principal amount of its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Miramar Tower Apartments) 2019 Series M (the “Senior Bonds”) and/or California Statewide Communities Development Authority Subordinate Multifamily Housing Revenue Bonds (Miramar Tower Apartments) 2019 Series M-S (the “Subordinate Bonds,” and together with the Senior Bonds, the “Bonds”), provided that the aggregate portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the City of Los Angeles is a Program Participant (as defined in the Agreement) of the Authority;

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”), prior to their issuance, the Bonds are required to be approved by the “applicable elected representative” of the governmental unit on whose behalf the Bonds are expected to be issued and by a governmental unit having jurisdiction over the area in which any facility financed by the Bonds is to be located, after a public hearing held following reasonable public notice;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth in Exhibit A attached hereto;

WHEREAS, the Senior Bonds are expected to be initially offered for sale to the public by Stifel, Nicolaus & Company, Inc., as underwriter (the “Underwriter”), and the Subordinate Bonds are expected to be privately placed with Miramar Tower, a California Limited Partnership, as the purchaser of the Subordinate Bonds (the “Subordinate Purchaser”) in accordance with the Authority’s private placement policy;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the issuance of the Bonds, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Trust Indenture with respect to the Senior Bonds (the “Indenture”), to be entered into between the Authority and U.S. Bank National Association, as trustee (the “Trustee”);

(2) Loan Agreement with respect to the Senior Bonds (the “Loan Agreement”), to be entered into between the Authority and the Borrower;

(3) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into between the Authority and the Borrower;

(4) Bond Purchase Agreement (the “Bond Purchase Agreement”) relating to the Senior Bonds, to be entered into by the Authority, the Underwriter and the Borrower;

(5) Official Statement with respect to the Senior Bonds (the “Official Statement”), to be used in connection with the offer and sale of the Senior Bonds;

(6) Subordinate Master Pledge and Assignment (the “Pledge and Assignment”) to be entered into among the Authority, the Subordinate Purchaser, in its capacity as initial agent (the “Subordinate Bonds Agent”), and the Subordinate Purchaser, as initial holder, relating to the Subordinate Bonds; and

(7) Subordinate Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Subordinate Bonds Agent, relating to the Subordinate Bonds.

NOW, THEREFORE, BE IT RESOLVED by the members of the Commission as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Commission hereby find them to be so.

Section 2. Pursuant to the JPA Law, the Indenture and the Pledge and Assignment, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Miramar Tower Apartments) 2019 Series M” with respect to the Senior Bonds and “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Miramar Tower Apartments) 2019 Series M-S” with respect to the Subordinate Bonds, including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$32,000,000, provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the respective form set forth in and otherwise in accordance with the Indenture and the Pledge and Assignment, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and, if appropriate, attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture and the Pledge and Assignment, respectively, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture and the Pledge and Assignment, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

Section 3. The Indenture in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 19R-1 of the Authority, adopted on January 24, 2019) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Senior Bonds shall be as provided in the Indenture as finally executed.

Section 4. The Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature

and deliver the Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The Authority is hereby authorized to sell the Senior Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Official Statement in the form presented at this meeting is hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Senior Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement, as to the sections therein related directly to the Authority, is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Senior Bonds, said Official Statement in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Pledge and Assignment in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Subordinate Bonds shall be as provided in the Pledge and Assignment as finally executed.

Section 9. The Agency Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Agency Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 10. The Senior Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Senior Bonds by

executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Senior Bonds, when duly executed and authenticated, to or at the direction of the Underwriter, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee. Such instructions shall provide for the delivery of the Senior Bonds to or at the direction of the Underwriter in accordance with the Bond Purchase Agreement upon payment of the purchase price thereof.

Section 11. The Subordinate Bonds, when executed, shall be delivered to the Paying Agent for authentication. The Paying Agent is hereby requested and directed to authenticate the Subordinate Bonds by executing the certificate of authentication appearing thereon, and to deliver the Subordinate Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Paying Agent. Such instructions shall provide for the delivery of the Subordinate Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 12. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale, issuance and delivery of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to one or more tax certificates, a subordination and/or intercreditor agreement, any endorsement and/or assignment of the deed of trust and such other documents as described in the Indenture, the Pledge and Assignment, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 13. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Bonds or any redemption of the Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Indenture, the Pledge and Assignment, and other documents approved herein.

Section 14. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered by the Authority and no Bonds may be issued until the City of Los Angeles has held a hearing pursuant to Section 147(f) of the Code and approved the issuance of the Bonds for purposes of said Section 147(f) of the Code.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this November 7, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on November 7, 2019.

By _____
Authorized Signatory

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Statewide Communities Development Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its Commission (the "Commission") at which Meeting the Commission will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: Miramar Tower Preservation LP
2. Authority Meeting Date:
3. Name of Obligations: Multifamily Housing Revenue Bonds (Miramar Tower Apartments), 2019 Series M
4. ☐ Private Placement Lender or Bond Purchaser, ☒ Underwriter or ☐ Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A)] The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 1.5500%.
 - [(B)] The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$372,000.
 - [(C)] The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$30,000,000.
 - [(D)] The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$31,529,333.33.]
5. The good faith estimates [provided above / attached as Schedule A] were ☐ presented to the governing board of the Borrower, or ☐ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a

governing board, ___X_ presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: October 30, 2019



Agenda Item No. 5b

Agenda Report

DATE: November 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Pavilion Court Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Pico Rivera, County of Los Angeles

AMOUNT: Not to Exceed \$35,000,000

EXECUTIVE SUMMARY:

Pavilion Court Apartments (the “Project”) is an acquisition and rehabilitation of 132 units of rental affordable housing located in the City of Pico Rivera. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 132-unit affordable rental housing facility located at 8371 & 8405 Telegraph Road in the City of Pico Rivera.
- 3.7-acre site.
- Seven two-story and three-story buildings.
- Leasing office, two swimming pools and six laundry facilities.
- Consists of one-bedroom, two-bedroom and three-bedroom units and one manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Founded in 1990, Dylan Investment Properties (Dylan) is a real estate investment firm that focuses on the restoration, renovation and repositioning of distressed commercial and residential properties throughout the United States. Dylan has acquired, invested and managed over \$2 billion in real estate assets. Operating out of a single Los Angeles-based office, the company’s consolidated and interconnected operations give timely, professional, superlative responsiveness, and quality of life improvement to its investments. This is the company’s second financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: June 11, 2019 – City of Pico Rivera – unanimous approval

CDLAC Approval: July 17, 2019

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - o 90% (116 units) restricted to 60% or less of area median income households.
 - o 10% (14 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores and other retail establishments.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 23,516,398
Tax Credit Equity:	\$ 4,852,574
Seller Carry-Back Loan:	\$ 15,009,238
Operations Income:	\$ 1,072,495
GP Contribution:	\$ 827,250
Deferred Developer Fee:	\$ 4,549,967
Reserves:	<u>\$ 400,000</u>
Total Sources:	\$ 50,227,922

Uses of Funds:

Acquisition:	\$ 32,808,000
Construction Costs:	\$ 7,566,032
Permits & Fees:	\$ 230,000
Reserves:	\$ 765,758
Developer Fee:	\$ 5,631,322
Contingency:	\$ 983,932
Fees/Financing Costs:	\$ 2,142,878
Lease Up:	<u>\$ 100,000</u>
Total Uses:	\$ 50,227,922

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco

Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento

Bond Purchaser: Walker & Dunlop

Finance Terms:

Rating:	Unrated
Term:	17 years
Structure:	Fixed Rate
Method of Sale:	Private Placement
Estimated Closing:	November 30, 2019

CSCDA Policy Compliance:

The financing of the Project complies with CSCDA's general and issuance policies.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends that the Commission adopt the resolution, which:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION NO. 19H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE MULTIFAMILY HOUSING REVENUE OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT GENERALLY KNOWN AS PAVILION COURT APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE OBLIGATIONS.

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds and execute and deliver revenue notes for the purpose of financing, among other things, the acquisition, construction, rehabilitation, and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, Pavilion Affordable Housing, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”) has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Pavilion Court Apartments) 2019 Series U-1 (the “Note”) and issue and sell its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Pavilion Court Apartments) 2019 Series U-2 (the “Bonds” and together with the Note, the “Obligations”) to assist in the financing of the acquisition, rehabilitation and development of a 132-unit multifamily housing rental development located in the City of Pico Rivera, California, and known or to be known as Pavilion Court Apartments (the “Project”);

WHEREAS, on July 17, 2019, the Authority received an allocation in the amount of \$26,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Pico Rivera (the “City”) is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance, execution and delivery of the Obligations;

WHEREAS, the Authority is willing to issue, execute and deliver the Obligations in an aggregate principal amount not to exceed \$35,000,000, provided that the portion of such Obligations issued, executed and delivered as federally tax-exempt obligations shall not exceed the

Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Note will be executed and delivered to Walker & Dunlop, LLC, a Delaware limited liability company, as initial funding lender (the "Funding Lender") and initial holder of the Note;

WHEREAS, the Federal Home Loan Mortgage Company, a shareholder-owned government-sponsored enterprise ("Freddie Mac") has entered into an agreement with the Funding Lender whereby Freddie Mac has committed to facilitate the financing of the Project by purchasing the Funding Loan as evidenced by the Note from Walker & Dunlop, LLC, a Delaware limited liability company (the "Freddie Mac Seller/Service"), subject to such Freddie Mac Seller/Service's purchase of the Funding Loan as evidenced by the Note from the Funding Lender subject to satisfaction of certain conditions as described in the Funding Loan Agreement (defined below);

WHEREAS, the Bonds will be privately placed with Zions Bancorporation, N.A., dba California Bank & Trust, a national banking association, or a related entity (collectively, the "Holder"), as the initial purchaser of the Bonds, in each case in accordance with the Authority's private placement policy

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth in Exhibit A hereto;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the "Commission") the following documents required for the execution and delivery of the Obligations, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) A proposed form of Funding Loan Agreement (the "Funding Loan Agreement") to be entered into among the Authority, a fiscal agent to be named (the "Fiscal Agent") and the Funding Lender;

(2) A proposed form of Project Loan Agreement (the "Project Loan Agreement") to be entered into among the Authority, the Fiscal Agent and the Borrower;

(3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") with respect to the Project to be entered into by the Authority, the Fiscal Agent and the Borrower; and

(4) A proposed form of Master Pledge and Assignment (the "Pledge and Assignment") to be entered into among the Authority, Zions Bancorporation, N.A., dba California Bank & Trust, a national banking association, as agent (the "Agent"), the Holder, relating to the Bonds; and

(5) A proposed form of Master Agency Agreement (the "Agency Agreement") to be entered into between the Authority and the Agent, relating to the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the members of the Commission, as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Commission hereby find them to be so.

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note and issue and sell the Bonds in one or more series. The Note shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Pavilion Court Apartments) 2019 Series U-1" and the Bonds shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Pavilion Court Apartments) 2019 Series U-2" including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$35,000,000; provided that the aggregate principal amount of any tax-exempt Obligations issued, executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and the Bonds shall be issued in the form set forth in the Pledge and Assignment, and the Obligations shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement and the Bonds shall be secured in accordance with the terms of the Pledge and Assignment, each as presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Obligations shall be made solely from amounts pledged thereto under the Funding Loan Agreement and Pledge and Assignment, respectively, and the Obligations shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 19R-1 of the Authority, adopted on January 24, 2019 (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery of the Obligations), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Obligations shall be as provided in the Funding Loan Agreement as finally executed.

Section 4. The Project Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Project Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The Pledge and Assignment in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of issuance thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Pledge and Assignment as finally executed.

Section 7. The Agency Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Agency Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Authority is hereby authorized to execute and deliver the Note to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 9. The Authority is hereby authorized to execute and deliver the Bonds to the Agent and the registrar, if any, pursuant to the terms and conditions of the Pledge and Assignment.

Section 10. The Note, when executed, shall be delivered to the Fiscal Agent for authentication. The Fiscal Agent is hereby requested and directed to authenticate the Note by executing the certificate of authentication of the Fiscal Agent appearing thereon, and to deliver the Note, when duly executed and authenticated, to or at the direction of the Funding Lender, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Fiscal Agent. Such instructions shall provide for the delivery of the Note to or at the direction of the Funding Lender in accordance with the Funding Loan Agreement upon payment of the purchase price thereof.

Section 11. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the issuance, execution and delivery of

the Obligations are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note, termination of regulatory agreement and such other documents as described in the Funding Loan Agreement, the Pledge and Assignment and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, execution and delivery of the Obligations and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 12. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Obligations, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Obligations or any prepayment or redemption of the Obligations, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement, the Pledge and Assignment and other documents approved herein.

Section 13. This Resolution shall take effect upon its adoption.

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Statewide Communities Development Authority this November 7, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on November 7, 2019.

By _____
Authorized Signatory

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Borrower”) identified below has provided the following required information to the California Statewide Communities Development Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its Commission (the “Commission”) at which Meeting the Commission will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Borrower: Pavilion Affordable Housing, L.P.
2. Authority Meeting Date: November 7, 2019
3. Name of Obligations: Pavilion Court Apartments
4. ☐ Private Placement Lender or Bond Purchaser, ☐ Underwriter or ☒ Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 3.37%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$280,000.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$17,538,000.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$15,237,110.
5. The good faith estimates [provided above / attached as Schedule A] were ☐ presented to the governing board of the Borrower, or ☐ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a

governing board, ____ presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: 10/31/19

Agenda Item No. 6

Agenda Report

DATE: November 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE:

1. Conduct proceedings with respect to SCIP 2019C (hearing to be held at 2:00 p.m. or shortly thereafter)
2. Consideration of resolutions with respect to SCIP 2019C

BACKGROUND AND SUMMARY:

On September 19, 2019 the Commission approved the resolutions of intention for certain SCIP assessment districts and set the public hearing for today for the formation of the assessment districts outlined below.

The Commission is being asked today to:

- a. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for multiple Assessment Districts:
 1. Open consolidated assessment districts public hearing.
 2. Close consolidated assessment districts public hearing.
 3. Open assessment ballots and announce results.
- b. Consideration of the following resolutions with respect to SCIP:
 1. Resolution abandoning proceedings for SCIP Assessment District No. 19-02 (Santosha), City of Tracy, County of San Joaquin.
 2. Resolution approving final engineer’s reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions.
 3. Resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.

4. Resolution authorizing the issuance, sale and delivery of not to exceed \$21,474,250.89 of SCIP Revenue Bonds, Series 2019C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

FORMATION OF DISTRICTS:

The assessment districts are being formed for the purpose of financing certain improvements and/or development impact fees as further described in the related engineer's reports for such projects. Depending on market conditions and development status of each of the projects, such assessment districts will be included in one or more pooled or standalone bond issuances for SCIP.

Abandonment of Proceedings:

A resolution of intention was adopted on September 19, 2019 for Assessment District No. 19-02 (City of Tracy, County of San Joaquin), with a public hearing originally scheduled for today. The Santosha project is not moving forward at this time.

THE FINANCING:

The Series 2019C pooled SCIP revenue bonds will be issued to acquire certain limited obligation bonds issued for certain assessment districts, as described in the table below. The total anticipated financing for SCIP 2019C is expected to not exceed \$21,474,250.89 for the following projects:

County / Local Agency	Project Name	Developer	Net Acres	Zoning	Project Description	Total Units	Assessment Amount ⁽¹⁾
County of El Dorado	Stone Ranch	La Jolla Pacific Investments, LLC	8.34	R1, Single-Unit Residential	Single-Family Residential	24	\$1,131,797
County of Los Angeles, City of Gardena	Stonefield	KB Home Greater Los Angeles Inc.	3.90	R3, Medium Density Multiple-Family Residential	Multi-Family Residential	63	\$1,074,256
County of Placer, City of Lincoln	Lakeside 6 (Phases 7&8)	John Mourier Construction, Inc.	11.20	RD, Residential	Single-Family Residential	85	\$2,866,352
County of Placer, City of Lincoln	Lincoln 16	La Jolla Pacific Investments, LLC	2.75	R1, Single-Unit Residential	Single-Family Residential	16	\$424,816
County of Sacramento, City of Citrus Height	Mitchell Farms	Watt Communities LLC	34.00	SPA, Special Planning Area	Single-Family Residential	255	\$4,641,650
County of Sacramento, City of Elk Grove	Sheldon Terrace (Phase II)	KB Home Sacramento Inc.	7.60	RD-15, Medium Density Residential	Single-Family Residential	92	\$1,859,557
County of Sacramento, City of Folsom	Enclave at Folsom Ranch	Eagle Commercial Partners, LLC	14.70	SP-MLD, Multifamily Low Density	Single-Family Residential	111	\$4,203,561
County of Sacramento, City of Sacramento	Bruceville Terrace	KB Home Sacramento, Inc.	9.65	R-2B, Multi-Unit Dwelling Zone	Single-Family Residential	85	\$1,526,303
County of Sacramento	Portofino	Portofino on Bell, LLC	1.83	RD-20, Multiple Family Residential	Single-Family Residential	26	\$844,561
County of San Diego, City of Santee	Riverview	William Lyon Homes	5.88	TC, Town Center	Multi-Family Residential	128	\$2,295,042
County of Yuba	Orchard 6 (Phase II)	Orchard 6, LLC (JMC)	3.76	RS, Residential	Single-Family Residential	25	\$606,356
			103.61			910	\$21,474,251

Inclusion of the foregoing assessment districts in the SCIP 2019C pool is dependent upon market and development conditions for each assessment district, and certain of such assessment districts may be removed from the pool with the advice of the underwriter and bond counsel.

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds	\$ 18,995,000.00
Premium:	<u>\$ 2,479,250.89</u>
	\$ 21,474,250.89

Uses:

Project Fund	\$ 18,216,090.25
Capitalized Interest	\$ 642,936.26
Debt Service Reserve Fund	\$ 1,078,256.09
Cost of Issuance	\$ 1,043,469.39
Underwriter Discount	\$ 474,875.00
Contingency	<u>\$ 19,084.00</u>
	\$ 21,474,250.89

Pursuant to Section 5852.1 of the California Government Code, the Authority has received certain representations and good faith estimates from RBC Capital Markets, as the underwriter of the California Statewide Communities Development Authority Statewide Community Infrastructure Program Revenue Bonds, Series 2019C and has disclosed such good faith estimates as follows:

1. TIC: 4%
2. Sum of all fees and charges paid to third parties: \$1,518,344.39
3. Net Proceeds: \$21,175,599.85
4. Total Net Debt Service (+Annual Fees): \$34,836,350 (Total Annual Fees: \$1,741,817.50)

RECOMMENDED ACTION:

CSCDA's Executive Director recommends that the Commission approve the following:

1. Conduct proceedings with respect to the Statewide Community Infrastructure Program ("SCIP") for multiple Assessment Districts:
 - a. Open consolidated assessment districts public hearing.
 - b. Close consolidated assessment districts public hearing.
 - c. Open assessment ballots and announce results.
2. Consideration of the following resolutions with respect to SCIP:
 - a. Resolution abandoning proceedings for SCIP Assessment District No. 19-02 (Santosha), City of Tracy, County of San Joaquin.
 - b. Resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions.
 - c. Resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.

- d. Resolution authorizing the issuance, sale and delivery of not to exceed \$21,474,250.89 of SCIP Revenue Bonds, Series 2019C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

Documents:

<https://www.dropbox.com/sh/47g5h7snnj1w1hh/AABOrZJQVv4hLAEQsoqGEIC-a?dl=0>



Agenda Item No. 7

Agenda Report

DATE: November 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: University District (City of Rohnert Park) – Community Facilities District

PURPOSE: Consideration of the various resolutions for the designation of Improvement Area No. 3 for Community Facilities District No. 2015-01 (University District), City of Rohnert Park, County of Sonoma, State of California (the “University District CFD”).

EXECUTIVE SUMMARY/BACKGROUND:

University District is the development of 270 acres and 1,236 single family residences in the City of Rohnert Park. Bonds in the amount of \$10,900,000 were issued by CSCDA for Improvement Area No. 1 in 2016 which consists of 399 single family homes. Bonds were issued for Improvement Area No. 2 in 2017 in the amount of \$14,500,000 for 409 single family homes. The project is adjacent to Sonoma State University.

The actions requested today are the first step in the formation of Improvement Area No. 3 for the District which will include an additional 400 single family homes. The bonds for this Improvement Area will not exceed \$15,000,000.

The total financing for University District CFD will not exceed \$50,000,000, and the financing for Improvement Area No. 3 will be brought back to the Commission for final approval.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA’s Executive Director recommends the following actions:

- a. Resolution of intention to designate an improvement area and to authorize the levy of special taxes.
- b. Resolution to incur bonded indebtedness to finance certain development impact fees and the acquisition and construction of certain public facilities, to mitigate the impacts of development within the new improvement area and calling for a public hearing for January 23, 2020 at the California State Association of Counties.

Documents: https://www.dropbox.com/sh/14g1xd6h2d5xe8f/AACe_JoqSGtbgl24VV-sIC7La?dl=0



Agenda Item No. 8

Agenda Report

DATE: November 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Open PACE Handbook & Documents for Enhanced Capital

EXECUTIVE SUMMARY:

CSCDA's Open PACE program currently has nine program administrators: Renew Financial, AllianceNRG/Counterpointe, PACE Funding, CleanFund Commercial Capital, Petros PACE Finance, Greenworks Lending, PACE Equity, White Oak Advisors and E3.

About Enhanced Capital

Enhanced Capital is a diversified, national asset manager that invests capital into small businesses, renewable energy projects, historic real estate rehabilitation and affordable housing projects through federal and state incentive programs and other public policy investment strategies. Enhanced Capital is proposing to finance commercial PACE projects as conduit bonds versus under a program administrator platform. Enhanced Capital anticipates engaging a team comprised of firms similar to those required for an assessment district financing or community facilities district, in order to administer each PACE financing.

In order to complete this structure with CSCDA a program handbook and documents that outline the parameters of the commercial PACE financing are required to be approved.

OVERVIEW:

Attached are the program handbook and documents Enhanced Capital is proposing to utilize. Staff and counsel, Jones Hall, have reviewed the program handbook and related documents. The documents meet all of CSCDA's general, issuance and PACE guidelines.

All commercial PACE transactions originated by Enhanced Capital will be brought back to the Commission for approval.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the program handbook and documents for Enhanced Capital relating to commercial PACE projects.

Attachment: Enhanced Capital Program Handbook &

Documents: https://www.dropbox.com/sh/4ra2qbrmz51bikt/AAAuTLIVQp1qoTeQl_WHAjDka?dl=0



SPECIAL MEETING AGENDA

November 7, 2019

2:15 p.m. or upon adjournment of the Regular CSCDA Meeting

**League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814**

Telephonic Locations:

County of Solano
675 Texas Street, Fairfield, CA 94533

77 De Silva Island Drive
Mill Valley, CA 94941

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

City of Lafayette
3675 Mt. Diablo Blvd., Suite 210
Lafayette, CA 94549

County of Butte
7 County Drive, Oroville, CA 95965

City of Sausalito
420 Litho Street, Sausalito, CA 94965

709 Portwalk Place
Redwood City, CA 94061

3252 Southern Hills Drive
Fairfield, CA 94534

County of Yuba
915 8th Street, Marysville, CA 95901

247 Electric Street
Auburn, CA 95603

1. Roll Call.
____ Larry Combs, Chair
____ Kevin O'Rourke, Vice Chair
____ Tim Snellings, Secretary
____ Brian Moura, Treasurer
____ Dan Mierzwa, Member
____ Jordan Kaufman, Member
____ Marcia Raines, Member
____ Michael Cooper, Alt. Member
____ Niroop Srivatsa, Alt. Member
2. Consent Calendar.
3. Public Comment.
4. Adjourn.

This ____ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2019 at ____: ____m, Signed _____. Please email signed page to info@cscda.org

NEXT MEETING: Thursday, November 21, 2019 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of Legacy Square, L.P. (Legacy Square Apartments), City of Santa Ana, County of Orange; issue up to \$40 million in multi-family housing revenue bonds.

November 7, 2019

RESOLUTION NO. 19H-__

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY SETTING
FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE
MULTIFAMILY HOUSING REVENUE BONDS TO UNDERTAKE
THE FINANCING OF VARIOUS MULTIFAMILY RENTAL
HOUSING PROJECTS AND RELATED ACTIONS**

WHEREAS, the Authority is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue mortgage revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing multifamily rental housing projects; and

WHEREAS, the borrowers identified in Exhibit A hereto and/or related entities (collectively, the "Borrowers") have requested that the Authority issue and sell multifamily housing revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation or construction as set forth in Exhibit A, of certain multifamily rental housing developments identified in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Authority, in the course of assisting the Borrowers in financing the Projects, expects that the Borrowers have paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects within 60 days prior to the adoption of this Resolution and prior to the issuance of the Bonds for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the Authority wishes to declare its intention to authorize the issuance of Bonds for the purpose of financing costs of the Projects (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and condition as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to each Project set forth in Exhibit A; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued on behalf of for-profit borrowers in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (the “Committee”) for such allocation, and the Committee has certain policies that are to be satisfied in connection with any such application;

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Authority as follows:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby determines that it is necessary and desirable to provide financing for the Projects (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrowers to undertake the Projects, and nothing contained herein shall be construed to signify that the Projects comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and construction or rehabilitation of the Projects, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Project.

Section 3. This resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In such regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures.

Section 4. The officers and/or the program managers of the Authority are hereby authorized and directed to apply to the Committee for an allocation from the state ceiling of private activity bonds to be issued by the Authority for each of the Projects in an amount not to exceed the amounts set forth in Exhibit A, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this November 7, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called special meeting of the Commission of said Authority held in accordance with law on November 7, 2019.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Legacy Square Apartments	City of Santa Ana, County of Orange	93	New Construction	Legacy Square, L.P.	\$40,000,000