



REGULAR MEETING AGENDA
August 6, 2020 at 2:00 p.m.

Pursuant to Governor Newsom’s Executive Order, Commissioners of the California Statewide Community Development Authority or staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public may participate in the meeting telephonically. Members of the public may observe and offer comment at this meeting telephonically by dialing 623-404-9000, Meeting ID 240 338 9861 Passcode 747188. If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”) please contact info@cscda.org or 1-800-531-7476 prior to the meeting for assistance.

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Kevin O’Rourke, Chair	_____ Brian Stiger, Member
_____ Tim Snellings, Vice Chair	_____ Marcia Raines, Member
_____ Brian Moura, Secretary	_____ Michael Cooper, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Niroop Srivatsa, Alt. Member
_____ Dan Mierzwa, Member	
2. Consideration of the Minutes of the July 23, 2020 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

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. Town School for Boys, City and County of San Francisco; issue up to \$10 million in tax-exempt obligations.
6. Community Facilities District No. 2015-01 Improvement Area No. 1 (University District)
 - a. Consider the Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2015-

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01, Improvement Area No. 1 (University District), Special Tax Bonds, Series 2020; authorizing the execution and delivery of a first supplemental indenture providing for the issuance of such bonds; approving a bond purchase contract providing for the sale of such bonds; approving an official statement; approving a continuing disclosure certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

Community Facilities District No. 2015-01 Improvement Area No. 2 (University District)

b. Consider the Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 2 (University District), Special Tax Bonds, Series 2020; authorizing the execution and delivery of a first supplemental indenture providing for the issuance of such bonds; approving a bond purchase contract providing for the sale of such bonds; approving an official statement; approving a continuing disclosure certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

7. Community Facilities District No. 2020-02 (Atwell).

a. Conduct second reading and adopt “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California”.

8. Consideration of Process for Distributing CSCDA Interest Earnings.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

9. Executive Director Update.

10. Staff Updates.

11. Adjourn.

NEXT MEETING: Thursday, August 20, 2020 at 2:00 p.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of HT Terrace Renewal LP (Harriet Tubman Terrace Apartments), City of Berkeley, County of Alameda; issue up to \$40 million in multi-family housing revenue bonds.
2. Inducement of APP Properties, Inc. (APP Hayward Jet Center), City of Hayward, County of Alameda; issue up to \$6,000,000 in exempt-facility revenue bonds.
3. Consideration of Community HousingWorks Annual Dreambuilder sponsorship.
4. Consideration of San Diego Housing Federation Conference Sponsorship.



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

July 23, 2020 at 2:00 p.m.

Commission Chair Kevin O'Rourke called the meeting to order at 2:00 pm.

1. Roll Call.

Commission members participating via teleconference: Kevin O'Rourke, Tim Snellings, Brian Moura, Jordan Kaufman, Dan Mierzwa, Brian Stiger, and Marcia Raines.

Others participating via teleconference: James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sendy Young, CSAC Finance Corporation; Jim Manker, CSAC Finance Corporation; Chase Broffman, CSAC Finance Corporation; Trisha Ortiz, Richards Watson & Gershon; Patricia Eichar, Orrick, Herrington & Sutcliffe; and Besorah Won, Orrick, Herrington & Sutcliffe.

2. Consideration of the Minutes of July 9, 2020 Regular Meeting.

The Commission approved the July 9, 2020 Regular Meeting minutes.

Motion to approve by B .Moura. Second by M. Raines. Unanimously approved by roll-call vote.

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Miraflores Community Devco LLC (Miraflores Homes), City of Richmond, County of Contra Costa; issue up to \$90 million in multi-family housing revenue bonds.
2. Consideration of contract amendment for David Taussig & Associates related to Renew Financial's CaliforniaFirst PACE program.
3. Consideration for resolution ratifying forms of documents for Petros PACE Finance commercial Open PACE financings.
4. Consider and approve the levy of special taxes for fiscal year 2020-2021 for the following:

- (i) Community Facilities District No. 2012-01 (Fancher Creek) Improvement Area Nos. 1 & 3;
- (ii) Community Facilities District No. 2007-01 (Orinda Wilder Project);
- (iii) Community Facilities District No. 2018-03 (Uptown Newport);
- (iv) Community Facilities District No. 2016-02 (Delta Coves) Improvement Area Nos. 1 & 2;
- (v) Community Facilities District No. 2015-01 (University District) Improvement Area Nos. 1 & 2;
- (vi) Community Facilities District No. 2016-01 (Napa Pipe);
- (vii) Community Facilities District No. 2019-01 (333 North Prairie);
- (viii) Community Facilities District No. 2020-01 (Sand Creek).

Motion to approve by J. Kaufman. Second by T. Snellings. Unanimously approved by roll-call vote.

4. Public Comment.

Chase Broffman informed the Commission that the CSCDA promotional video has been completed. It will be shared at the next CSCDA meeting.

5. Community Facilities District No. 2020-02 (Atwell) City of Banning, County of Riverside:

a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):

- i. Open CFD No. 2020-02 Public Hearing.
- ii. Close CFD No. 2020-02 Public Hearing.

Commission Chair O'Rourke opened the public hearing with respect to the CFD No. 2020-02. There were no oral or written comments from the public. The hearing was closed. All ballots have been cast in favor of formation of the community facility district, and no ballots have been cast opposed. The community facility district is being formed for the purpose of financing certain public improvements and/or development impact fees.

Motion to close the public hearing by B. Moura. Second by B. Stiger. Unanimously approved by roll-call vote.

b. Consideration of the following resolutions with respect to formation of CFD No. 2020-02:

- i. Resolution of formation establishing CFD No. 2020-02 and providing for the

levy of a special tax to finance construction of certain public capital improvements eligible for payment from certain development impact fees.

Motion to approve by B. Moura. Second by T. Snellings. Unanimously approved by roll-call vote.

- ii. Resolution deeming it necessary to incur bonded indebtedness to finance construction of certain public capital improvements to mitigate the impacts of development within CFD No. 2020-02.

Motion to approve by B. Moura. Second by D. Mierzwa. Unanimously approved by roll-call vote.

- iii. Resolution calling special mailed-ballot election within CFD No. 2020-02.

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

- c. Conduct special election within CFD No. 2020-02.
- d. Consider resolution declaring result of special mailed-ballot election for CFD No. 2020-02.

Motion to approve by B. Moura. Second by D. Mierzwa. Unanimously approved by roll-call vote.

- e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California”.

Motion to waive the reading of the full ordinance and read by title only by D. Mierzwa. Second by B. Stiger. Unanimously approved by roll-call vote.

- 6. SCIP 2020B - Consider the following resolutions to initiate proceedings to form Community Facilities District No. 2020-03 (Windrows), City of Fontana, County of San Bernardino:

- i. A resolution approving a joint community facilities agreement and declaring intention to establish California Statewide Communities Development Authority Statewide Community Infrastructure Program Community Facilities District No. 2020-01 (Windrows), City of Fontana, County of San Bernardino, State of California and to levy a special tax therein to finance certain public improvements.

Motion to approve contingent upon City of Fontana adopting correct SCIP resolution by D. Mierzwa. Second by B. Moura. Unanimously approved by roll-call vote.

- ii. A resolution to incur bonded indebtedness to finance certain public improvements and certain development impact fees to mitigate the impacts of

development within California Statewide Communities Development Authority Statewide Community Infrastructure Program Community Facilities District No. 2020-03 (Windrows), City of Fontana, County of San Bernardino, State of California and calling for a public hearing.

Motion to approve by T. Snellings. Second by J. Kaufman. Unanimously approved by roll-call vote

7. Consideration of sponsorship for the Local Government Summer Institute (LGSI) at Stanford and the California

Staff informed the commission that CSCDA has received requests from the LGSI and CCMF for sponsorships and carryover sponsorships for 2021. It is recommended that a rollover of the 2020 LGSI sponsorship to the 2021 program, and to review an additional sponsorship for 2021 in January 2021. It is also recommended CSCDA move to a Corporate Benefactor sponsor for CCMF in the amount of \$3,000 due to the uncertainty of sponsorship benefits such as the City Managers dinner, with the potential to increase the sponsorship to \$10,000 if the City Managers dinner happens in 2021. In addition, the Executive Director will continue to review and bring back additional recommendations for sponsorships in light of the current environment.

Motion to approve by M. Raines. Second by D. Mierzwa. Unanimously approved by roll-call vote.

8. Market Update of CSCDA Activities (Information Only).

Staff gave an update of recent activities in CSCDA's programs.

9. Staff Update.

Staff informed the Commission that unfortunately CSCDA did not get allocated any New Markets Tax Credit awards. Staff will reapply for the next round.

10. Adjourn.

The meeting was adjourned at 2:33 p.m.

Submitted by: Sedy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, August 6, 2020 at 2:00 p.m.



Agenda Item No. 3

Agenda Report

DATE: August 6, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

3. Consideration of Community HousingWorks (CHW) Annual Dreambuilder sponsorship.

CHW is a San Diego based nonprofit housing developer that has completed 14 financings through CSCDA. CHW has an annual fundraiser called Dreambuilder. The fundraiser helps support CHW's mission that includes not only providing beautiful, sustainable and affordable homes, but also resident services for next generation success and more – for their 9,000 residents. The recommendation is to participate as a Leadership Sponsor the provides the following for \$5,000.

- *6 virtual tickets to DreamBuilder*
- *15 second pre-roll advertisement prior to the start of the event*
- *CHW social media recognition to over 5,600 followers*
- *Logo recognition on DreamBuilder website*

4. Consideration of San Diego Housing Federation Conference Sponsorship.

CSCDA has sponsored the San Diego Housing Federation's annual conference the last five years. The sponsorship of \$1,000 provides CSCDA's logo on conference materials (which will be virtual this year). The conference has been valuable over the past five years and continued sponsorship is recommended.

RESOLUTION NO. 20H-__

**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 August 6, 2020.

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 August 6, 2020.

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
Harriet Tubman Terrace Apartments	City of Berkeley, County of Alameda	91	Acquisition and Rehabilitation	HT Terrace Renewal LP	\$40,000,000

RESOLUTION NO. 2020_ -__

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY SETTING
FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE
SPECIAL FACILITY AIRPORT REVENUE BONDS TO
UNDERTAKE THE FINANCING OF FBO FACILITIES AT
HAYWARD EXECUTIVE AIRPORT 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 special facility airport revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing interests in and improvements to fixed base of operation ("FBO") facilities at airports in California; and

WHEREAS, the borrower identified in Exhibit A hereto and/or related entities (collectively, the "Borrower") has requested that the Authority issue and sell special facility airport 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 interests in and improvements to FBO facilities at airports in California identified in Exhibit A hereto (collectively, the "Project"); and

WHEREAS, the Authority, in the course of assisting the Borrower in financing the Project, expects that the Borrower has paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Project 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 Project 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 Project (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and conditions 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 the Project set forth in Exhibit A; and

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 Project (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 Borrower to undertake the Project, and nothing contained herein shall be construed to signify that the Project complies 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 Project, 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 solely 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.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August ____, 2020.

I, the undersigned, a duly appointed and qualified Member of the California Statewide Communities Development Authority, DO 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 August ____, 2020.

By _____
Member of the Commission

EXHIBIT A

<u>Project Name</u>	<u>Project Location</u>	<u>Project Description</u>	<u>New Construction/ Acquisition and Rehabilitation</u>	<u>Legal Name of Initial Owner/Operator</u>	<u>Bond Amount</u>
Hayward Jet Center	Hayward Executive Airport 22005 Skywest Drive, Hayward, California 94541	The project consists of the acquisition and renovation of an existing 30,000 square foot aircraft storage hangar at Hayward Executive Airport.	Acquisition and rehabilitation	Hayward FBO LLC (or an affiliate)	\$5,000,000



Agenda Item No. 5a

Agenda Report

DATE: August 6, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Town School for Boys

PURPOSE: Authorize the Issuance of Tax-Exempt Obligations to Refinance School Facilities in the City and County of San Francisco

AMOUNT: Not to Exceed \$10,000,000

EXECUTIVE SUMMARY:

Town School for Boys (“Town School” or the “School”), has requested that CSCDA issue tax-exempt nonprofit revenue obligations in an amount not to exceed \$10,000,000 (the “Obligations”) to refinance certain educational facilities located on its main campus in the City and County of San Francisco.

PROJECT ANALYSIS:

About Town School:

Town School was founded in 1939 and is an independent, non-profit, accredited K-8 boys school. The school is located at 2750 Jackson Street in San Francisco. There are 417 students enrolled for the 2020-21 school year. Approximately 100 faculty and staff are employed by the school.

As an all boys’ school, Town School provides a rich, challenging and rigorous educational experience that addresses the distinctive energy levels and developmental styles of boys. Town School values being a diverse and inclusive community that nurtures integrity, sensitivity and respect in its boys, and prepares them to become productive and contributing members of an ever-changing world. This is Town School’s second financing with CSCDA.

About the Financing:

The refinancing is of 2013 bonds issued by CSCDA. As a result of the refinancing, Town School is able to reduce its interest rate from 3.70 % to 3.10%, and a deferment of principal payments allowing more cash-flow during these unstable economic times.

Public Agency Approval:

TEFRA Hearing: July 28, 2020 – City and County of San Francisco

Public Benefit:

The School is an important part of the San Francisco community, employing 88 full time employees and 12 part-time employees. 417 students currently attend the School, with 20% receiving financial aid. The School's financial aid program allows for a more diverse student population and for students to attend the School that otherwise could not afford full tuition.

Sources and Uses:

Sources of Funds:

Tax-Exempt Loan:	<u>\$10,000,000</u>
Total Sources:	\$10,000,000

Uses of Funds:

Refinance of Loan:	<u>\$10,000,000</u>
Total Uses:	\$10,000,000

*The School will pay cost of issuance out-of-pocket.

Finance Partners:

Bond Counsel: Norton, Rose, Fulbright LLP, San Francisco

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

Private Placement Purchaser: First Republic Bank, San Francisco

Finance Terms:

Anticipated Rating: Unrated
Term: 30 years at a fixed interest rate
Method of Sale: Private Placement
Estimated Closing: August 27, 2020

CSCDA Policy Compliance:

The financing complies with CSCDA's general, issuance and K-12 private school 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. __NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF OBLIGATIONS IN A PRINCIPAL
AMOUNT NOT TO EXCEED \$10,000,000 TO REFINANCE THE CONSTRUCTION,
IMPROVEMENT AND EQUIPPING OF CERTAIN EDUCATIONAL FACILITIES FOR TOWN
SCHOOL FOR BOYS AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), a number of California cities, counties and special districts (each, a "Program Participant") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Statewide Communities Development Authority (the "Authority") was organized;

WHEREAS, the Authority is authorized by its Agreement to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development;

WHEREAS, the Authority is authorized by a resolution adopted March 21, 1991, to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements to finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 which are determined by the Authority to satisfy the criteria set forth in such resolution (the "Eligible Organizations");

WHEREAS, pursuant to the provisions of the Act, the cities, counties and special districts which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal;

WHEREAS, the City and County of San Francisco (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Chapter 1, Division 1 of Title 3 of the Government Code of the State of California;

WHEREAS, pursuant to the provisions of the Act and the Agreement, the Authority is authorized to enter into installment purchase and/or sale agreements with the Eligible Organizations and to deliver certificates of participation evidencing interests therein;

WHEREAS, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement with the Eligible Organizations;

WHEREAS, Town School for Boys, a California nonprofit public benefit corporation (the "Corporation"), wishes to refinance the construction, improvement and equipping of certain educational facilities (the "Project") owned and operated by the Corporation and located in the City, through the refunding of the Authority's 2013 Tax-Exempt Loan, Series C (Town School for Boys), currently outstanding in the aggregate principal amount of \$10,000,000, which originally financed the Project;

WHEREAS, the Corporation is requesting the assistance of the Authority in refinancing the Project;

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (the “Lender”), the Authority and the Corporation (the “Master Loan Agreement”), the Authority will grant a loan to the Corporation in an aggregate principal amount not exceeding \$10,000,000 (the “Obligations”), for the purpose of refinancing the Project;

WHEREAS, pursuant to the Master Loan Agreement, the Authority will assign to the Lender all of the Authority’s rights (except certain reserved rights) in relation to the Obligations;

WHEREAS, the Lender is a Qualified Institutional Buyer (as defined in the Master Loan Agreement), and the Obligations will be held by and registered in the name of the Lender or another Qualified Institutional Buyer (as defined in the Master Loan Agreement);

WHEREAS, pursuant to an Assignment Agreement to be executed by the Authority (the “Assignment Agreement”), the Authority will assign to the Lender all of the Authority’s rights in relation to the personal property assets of the Corporation in which the Authority has been granted a security interest pursuant to a Security Agreement executed by the Corporation in favor of the Authority;

WHEREAS, there have been made available to the Commissioners of the Authority the proposed forms of the Master Loan Agreement and the Assignment Agreement.

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

NOW THEREFORE, BE IT RESOLVED by the Commission of the California Statewide Communities Development Authority, as follows:

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligations in an aggregate principal amount not to exceed Ten Million dollars (\$10,000,000). The Obligations shall be issued and secured in accordance with the terms of the Master Loan Agreement presented at this meeting.

Section 2. The proposed forms of Master Loan Agreement and Assignment Agreement, as made available to the Commissioners, are hereby approved. Any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20R-1 of the Authority, adopted on January 23, 2020, or any other resolution of the Authority (each, an “Authorized Signatory”) is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement and the Assignment Agreement in substantially said forms, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Obligations shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligations, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 4. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Obligations are hereby ratified, confirmed and approved.

Section 5. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Obligations as may be required thereby and in accordance with Section 9 of the Agreement to provide refinancing for the Project.

Section 6. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 6th day of August, 2020.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO 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 August 6, 2020.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

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: **Town School for Boys**
2. Authority Meeting Date: **August 6, 2020**
3. Name of Obligations: **\$10,000,000 CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY 2020 TAX-EXEMPT LOAN (TOWN SCHOOL FOR BOYS)**
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): **3.10%**
 - [(B)] The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$90,000**
 - [(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: **\$10,000,000**
 - [(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): **\$15,372,590**
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: _____



Agenda Item No. 6

Agenda Report

DATE: August 6, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Community Facilities District No. 2015-01 Improvement Area No. 1 (University District)

- a. Consider the Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 1 (University District), Special Tax Bonds, Series 2020; authorizing the execution and delivery of a first supplemental indenture providing for the issuance of such bonds; approving a bond purchase contract providing for the sale of such bonds; approving an official statement; approving a continuing disclosure certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

Community Facilities District No. 2015-01 Improvement Area No. 2 (University District)

- b. Consider the Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 2 (University District), Special Tax Bonds, Series 2020; authorizing the execution and delivery of a first supplemental indenture providing for the issuance of such bonds; approving a bond purchase contract providing for the sale of such bonds; approving an official statement; approving a continuing disclosure certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

BACKGROUND:

- At the November 7, 2019 meeting the Commission approved the resolution of intention for the third issuance of bonds for the University District project in Rohnert Park.
- A public hearing was held on January 23, 2020 with 100% property owner approval of the financing and no comments were received.
- The ordinance levying the special tax for the University District CFD was adopted on February 6, 2020.

The actions requested today are the final steps for the issuance of additional bonds for the University District CFD Improvement Area No. 1 & 2.

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. Series 2020 bonds will be issued for the additional 428 single family homes. The project is adjacent to Sonoma State University.

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Underwriter: RBC Capital Markets, San Francisco
Special Tax Consultant: David Taussig & Associates, Newport Beach

SB 450 Good Faith Estimates:

1. TIC: 4.706%
2. Sum of all fees and charges paid to third parties: \$353,000
3. Net Proceeds: \$5,871,193
4. Total Net Debt Service (+Annual Fees): \$14,304,406

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds	\$6,523,000
Premium	<u>\$ 393,849</u>
	\$6,918,849

Uses:

Project Fund	\$5,871,193
Capitalized Interest	\$ 312,656
Debt Service Reserve Fund	\$ 382,000
Cost of Issuance	\$ 222,500
Underwriter Discount	<u>\$ 130,500</u>
	\$6,918,849

RECOMMENDED ACTIONS:

CSCDA's Executive Director recommends that the Commission approve the attached resolution (Attachment A):

1. Approving the issuance of the CFD No. 2015-01 (University District) Improvement Area 1 & 2 Special Tax Bonds, Series 2020; Authorizing the execution and delivery of an Indenture and Disbursement Agreement; Approving the form of the Bond Purchase Contract, and Official Statement and a Continuing Disclosure Certificate; Authorizing the sale of such bonds; Authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

Documents: <https://www.dropbox.com/sh/wn09k65g1znimbe/AAD1qyIodotB6FJLRXUA1wz-a?dl=0>



Agenda Item No. 7

Agenda Report

DATE: August 6, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Atwell (City of Banning) – Community Facilities District (CFD)

PURPOSE: Conduct second reading and adopt “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California”.

EXECUTIVE SUMMARY:

On June 18, 2020 the Commission approved the joint community facilities agreement, the resolution of intention to establish the Atwell CFD in the City of Banning (the “City”). The public hearing was held on July 23, 2020. This is the third step in the formation of the CFD. The CFD is being formed to finance public facilities and maintenance as outlined below.

Today’s action is the second reading and adoption of the ordinance for the Atwell CFD.

The CFD is being formed to finance public facilities as outlined below, and the approval of the financing will be brought back to the Commission when bonds are ready to be issued.

BACKGROUND:

Pardee Homes has an approved master planned community in the City that will create up to 4,862 single and multifamily residential developments, with neighborhood and community parks, trails, a community center, and 2 elementary school sites. The financing will include the following improvements, fees and maintenance:

Public Capital Improvements:

- a. Public Streets, Freeway Interchange and other related improvements within public right of way
- b. Potable and Non-Potable Water Facilities
- c. Sewer Facilities
- d. Dry Utilities

- e. Public Parks, Park and Ride Lots, Community Center, Open Space and Landscaping
- f. Storm Water Drainage, Retention and Detention Facilities
- g. Fire Facilities, Police Facilities and other Government Facilities

City of Banning Development Impact Fees:

- a. Fire Facilities
- b. Police Facilities
- c. Traffic Control Facilities
- d. General Plan
- e. Park Land Development
- f. General City Facilities
- g. Energy Conservation
- h. New Electrical Service
- i. Water Connection
- j. Water Meter
- k. Sewer/Wastewater Connection
- l. Any other Capital Improvement, Development Impact, Mitigation, Capacity or Connection Fees and Charges

Maintenance:

The types of services authorized to be financed are police protection services, fire protection and suppression services, ambulance and paramedic services, lighting of parks, parkways, streets, traffic signals, roads and open space, flood and storm protection and water quality improvement services.

The financing is estimated to not exceed \$16,000,000.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following:

- 1. Conduct second reading and adopt "Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California". (Attachment A)

ATTACHMENT A

ORDINANCE NO. 20ORD-5

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**ORDINANCE LEVYING A SPECIAL TAX FOR FISCAL YEAR 2020-2021
AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO
IMPROVEMENT AREA NO. 1 OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2020-02 (ATWELL), CITY OF BANNING,
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

BE IT ENACTED BY THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY:

SECTION 1. Pursuant to California Government Code Sections 53316 and 53340, and in accordance with the Rate and Method of Apportionment (the “RMA”), as set forth in Exhibit F of Resolution No. 20SCIP-40 (the “Resolution of Intention”) adopted June 18, 2020, as incorporated into Resolution No. 20SCIP-56 (the “Resolution of Formation”) adopted July 23, 2020, with respect to the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California (the “Community Facilities District”) including Improvement Area No. 1 therein (the “Improvement Area”), a special tax is hereby levied on all taxable parcels within the Improvement Area for the 2020-2021 fiscal year and for all subsequent fiscal years in the amount determined by the Community Facilities District in accordance with the RMA, until collection of the Special Tax by the Commission ceases and a Notice of Cessation of Special Tax is recorded in accordance with Section 53330.5 of the Act, provided that this amount may in any fiscal year be levied at a lesser amount by resolution of the Commission.

SECTION 2. The Authority’s special tax consultant, currently Willdan Financial Services, 27368 Via Industria, Suite 200, Temecula, California 92590, telephone (951) 587-3575, is authorized and directed, with the aid of the appropriate officers and agents of the Authority, to determine each year, without further action of the Commission, the appropriate amount of the Special Tax (pursuant to, and as that term is defined in, the Resolution of Formation) to be levied for the Improvement Area, to prepare the annual Special Tax roll in accordance with the RMA, and to present the roll to the Commission for consideration.

SECTION 3. Upon approval by the Commission, whether as submitted or as modified by the Commission, the special tax consultant is authorized and directed, without further action of the Commission, to provide all necessary and appropriate information to the Riverside County Auditor in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the Special Tax on the secured property tax roll of the County; provided, that as stated in the Resolution of Formation and in Section 53340 of the California Government Code, the Commission has reserved the right to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the Authority, including

but not limited to, direct billing by the Authority to the property owners, supplemental billing and, under the circumstances provided by law, judicial foreclosure, all or any of which the Commission may implement in its discretion by resolution.

SECTION 4. The appropriate officers and agents of the Authority are authorized to make adjustments to the Special Tax roll prior to the final posting of the Special Tax to the Riverside County tax roll each fiscal year, as may be necessary to achieve a correct match of the Special Tax levy with the assessor's parcel numbers finally utilized by the Riverside County Auditor in sending out property tax bills.

SECTION 5. The Authority agrees that, in the event the Special Tax is collected on the secured tax roll of Riverside County, the County may charge its reasonable and agreed charges for collecting the Special Tax as allowed by law, prior to remitting the Special Tax collections to the Authority.

SECTION 6. Taxpayers claiming that the amount of the Special Tax on their property is not correct are referred to Section 9 of the RMA for the proper claims procedure.

SECTION 7. If for any cause any portion of this Ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of this Ordinance, and the application of the Special Tax to all other parcels, shall not be affected.

SECTION 8. This Ordinance shall take effect and be in force thirty (30) days after its final passage; and before the expiration of fifteen (15) days after its passage the same shall be published, with the names of the members voting for and against the same, at least once in a newspaper of general circulation published and circulated in the area of the Community Facilities District.

* * *

I, the undersigned, the duly appointed and qualified representative of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing ordinance was first read at a regular meeting of the Commission on July 23, 2020, and was duly passed and adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on August 6, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____ /s/_____
Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 8

Agenda Report

DATE: August 6, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consideration of Process for Distributing CSCDA Interest Earnings

BACKGROUND:

CSCDA holds CDLAC performance deposits for multi-family housing projects. The deposits are returned to the project sponsor when bonds are issued or forfeited to CDLAC in the event the project is not successfully completed. Performance deposits are held in an interest-bearing account. The difference between CSCDA's performance deposits held for projects and the balance in CSCDA's CDLAC account is \$213,256. We do not have complete accounting records prior to July 1, 2015, but we believe the \$213,256 represents interest earnings on performance deposits held in the account.

Effective June 25, 2015, CSCDA enacted a Bank Account Administration and Disbursement of Funds Authorization Policy (the "2015 Policy"). CSCDA maintains a Professional Services Account to pay its administrative expenses. The Professional Services Account is funded with the allocation of 5% of Prior Administrative Fees plus 5% of New Administrative Fees up to an ongoing balance of \$500,000.

When the 2015 Policy was enacted, the balance in the Professional Services Account was extremely low, and staff was concerned that CSCDA would not be able to pay its ongoing administrative expenses. Therefore, the 2015 Policy established an Operating Reserve of \$300,000 which was equally funded by the League of California Cities and the California Association of Counties.

RECOMMENDATION:

The Operating Reserve, established in 2015, has not been needed or used in five years and the Executive Director recommends that the funds, plus interest earnings, be returned to the LCC and CSAC. It is prudent to hold an operating reserve, and the Executive Director recommends replenishing the Operating Reserve with the surplus balance in the CDLAC accounts. The return of the Operating Reserve to the LCC and CSAC, and transfer of surplus CDLAC balances would occur on August 31, 2020. Surplus balances in the CDLAC accounts would be transferred to CSCDA's Operating Reserve on an annual basis as of June 30 of each year.

To enact these changes, the Executive Director recommends approval of an Updated and Revised Bank Account Administration and Disbursement of Funds Authorization Policy which will become effective August 31, 2020. The Updated and Revised Policy has been reviewed by CSCDA's counsel. Redline and clean copies of the Policy are included in the agenda materials.

California Statewide Communities Development Authority
Updated and Revised Bank Account Administration and Disbursement of Funds
Authorization Policy
(effective ~~as of June 25, 2015~~ August 31, 2020)

The purpose of this Policy is to identify sources of funds for the California Statewide Communities Development Authority (“CSCDA” or “the Authority”), to establish the names of various bank accounts and to establish the authorization procedures for the disbursement of funds for the Authority. CSCDA maintains a primary institutional trust account and various sub-accounts with U.S. Bank National Association (“US Bank”). CSCDA’s cash receipts consist of issuance fees, issuance fee deposits, CDLAC deposits, administrative fees and administrative fee prepayment deposits. Issuance fees are paid by borrowers to CSCDA when bonds are issued by CSCDA on the borrower’s behalf. Issuance fee deposits are made by borrowers who expect to issue bonds through CSCDA. CDLAC deposits are received by CSCDA from borrowers on behalf of the California Debt Limit Allocation Committee and are returned back to borrowers when authorized by CDLAC after bonds are issued by CSCDA. Administrative fees are annual fees that are paid to CSCDA for the life of the bonds or length of the Qualified Project Period for qualified rental residential projects. Administrative fees are billed and collected monthly, quarterly or semi-annually from borrowers. Certain administrative fees are prepaid to fully fund ongoing administrative fees due to CSCDA over the life of a bond issue.

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The administration of CSCDA’s accounts and procedures for the disbursement of funds from CSCDA’s account and sub-accounts is set forth below.

Management/Administration Agreements

CSCDA has Program Management/Administration Agreements with the following entities.

- HB Capital Resources (HBCR) – Prior Program Manager, agreement terminating on June 30, 2015
- Bridge Strategic Partners (BSP) – New Program Manager commencing July 1, 2015
- California State Association of Counties (CSAC)/CSAC Finance Corporation – ongoing Sponsor and Administrator
- League of California Cities (LCC) – ongoing Sponsor and Administrator

Program Management Personnel

Program Management Personnel prepare requests for the disbursement of issuance fees, issuance fee deposits, CDLAC deposits, administrative fees, administrative fee deposits and most professional service fees except the fees and expenses of the CSCDA’s Executive Director and General Counsel.

Prior Program Management Personnel include the following individuals from TapRoot Partners (successor to HB Capital Resources):

HB Capital Resources

- ~~— Richard Watson, General Manager~~
- ~~— Luis Castro, Program Manager~~
- Amy Stoneham, ~~Senior Accounting Manager~~ Chief Administrative Officer
- ~~— Huiling Ren, Accounting Manager~~

Prior Program Management Personnel will have view-only access which is limited to the CSCDA Prior Administrative Fee Sub-Accounts and the Prior Administrative Fee Prepayment Sub-Accounts.

New Program Management Personnel include the following individuals from Bridge Strategic Partners:

Bridge Strategic Partners

- James Hamill, Principal
- Jon Penkower, Principal

New Program Management Personnel will have view-only access to CSCDA’s primary account and all sub-accounts.

Approval Personnel

Approval Personnel are individuals who may request an Authorized Signatory for the disbursement of funds. The following personnel are appointed, by title as the names of the appointed person may change, as Approval Personnel in this policy:

League of California Cities

- ~~Chris McKenzie~~ Carolyn Coleman, Executive Director
- Norman Coppinger, Director of Administrative Services
- Perry Stottlemeyer, Assistant Administrative Services Director, Accounting

California State Association of Counties/ CSAC Finance Corporation

- ~~Matt Cate~~ Graham Knaus, Executive Director
- ~~Graham Knaus, Director of~~ Alan Fernandez, Chief Executive Officer
- Christy Stutzman, Operations ~~and Member Services~~ Manager
- ~~— Laura Labanich, Acting Executive Director, CSAC Finance Corporation~~

Approval Personnel will have view-only access to CSCDA’s account and all sub-accounts.

Authorized Signatories

Authorized Signatories include CSCDA officers and the Executive Director. The following individuals are appointed, by title as the names of the appointed persons may change, as Authorized Signatories in this policy:

California Statewide Communities Development Authority

- ~~— Larry Combs, Chair~~

- Kevin O'Rourke, Chair
- Tim Snellings, Vice Chair
- ~~Terry Schutten~~Jordan Kaufman, Treasurer
- ~~Dan Harrison~~Brian Moura, Secretary
- Catherine Bando, Executive Director (*NOT* authorized to disburse fees and expenses to herself)

Authorized signatories will have view-only access to CSCDA's account and all sub-accounts.

Account and Sub-Accounts

Certain CSCDA sub-accounts will remain unchanged. One sub-account will be removed and a variety of new sub-accounts will be established for the purpose of segregating funds from the Prior Program Management and the New Program Management as follows:

- **Prior Administrative Fee Sub-Account** – Established to collect administrative fees on bond issues that close on or prior to June 30, 2015
 - In addition to the Prior Administrative Fee Sub-Account, several prepayment sub-accounts are maintained by US Bank on behalf of borrowers who have prepaid administrative fees. These accounts will be renamed to reflect that the sub-accounts relate to transactions that closed on or prior to June 30, 2015. *For example:*
 - ~~CSCDA VISCAYA GARDENS PRIOR ADMINISTRATIVE FEE PREPAYMENT SUB ACCOUNT~~
 - ~~CSCDA BIOLA VILLAGE APTS PRIOR ADMINISTRATIVE FEE PREPAYMENT SUB ACCOUNT~~
 - ~~CSCDA CASA DE VALLEJO PRIOR ADMINISTRATIVE FEE PREPAYMENT SUB ACCOUNT~~
 - ~~ETC.~~
- **New Administrative Fee Sub-Account** – Established to collect administrative fees relating to bond issues that close on and after July 1, 2015
- **CDLAC Deposit Sub-Account** – The CDLAC Deposit Sub-Account will remain unchanged
- ~~**Prior Issuance Fee and Deposit Fee Sub-Accounts**~~ – Established to segregate Issuance Fees ~~and Deposits received on or prior to June 30, 2015.~~
- ~~**New Issuance Fee and Deposit Fee Sub-Accounts**~~ – Established to segregate Issuance Fees and Deposits received on and after to July 1, 2015. *“Net New Issuance Fees” represent payments to the LCC and CSAC after payments are made to BSP.*
- **Professional Services Reserve Sub-Account** – Established to pay litigation, insurance, administrative expenses and marketing expenses of CSCDA and funded from:

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- 5% of Prior Administrative Fees plus 5% of New Administrative Fees up to an ongoing balance of \$500,000

- **Operating Reserve Sub-Account** - ~~Established~~The Operating Sub-Account was originally established as a reserve to pay the operating expenses of CSCDA to the extent funds are not sufficient in the Professional Services ~~Reserve~~ Sub-Account. ~~The targeted balance of the Operating Sub-Account is was initially funded in 2015 by the LCC and CSAC with contributions of \$150,000 each for a total balance of \$300,000. The Operating Sub-Account will be funded as follows:~~

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~~During~~On the initial start up effective date of this Updated and Revised Policy, the LCC and CSAC will contribute equally until a current balance of \$300,000 is achieved by foregoing receipt of the LCC and CSAC's share of Net New Issuance Fee and Prior Administrative Fees. At the point the initial balance of \$300,000 is reached, the LCC and CSAC's ongoing share of the Net New Issuance Fees and Prior Administrative Fees will be distributed equally to LCC and CSAC.

- ~~To the extent~~in the Operating Reserve Sub-Account falls below \$300,000, 5% of CSAC and LCC's share of Net New Issuance Fees will be allocated to the Operating Reserve Sub-Account until the balance of \$300,000 is restored on a 50 percent/50 percent basis to the LCC and CSAC.

- ~~Charitable Contributions Sub-Account~~ ~~Established to make charitable contributions and funded prior to~~After balances in the Operating Reserve have been returned to the LCC and CSAC, and on the effective date of this Updated and Revised Policy, and at the end of each fiscal year ~~to the extent that other eligible Professional Services Reserve costs do not exceed \$500,000 or as determined by CSCDA in consultation with the LCC and CSAC.~~

- ~~Travel Sub-Account~~ ~~the Travel Sub-Account will be eliminated and any balances in the Travel Sub-Account will be deposited to the Professional Services,~~the Operating Reserve Sub-Account. ~~All future CSCDA Commissioner travel expenses will be paid from~~will be funded with excess balances held in the CDLAC Deposit Sub-Account which are above the Professional Services Reserve Sub-Account~~performance deposits held for pending CSCDA projects.~~

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Disbursement Process

Requests for disbursements from CSCDA's Account and Sub-Accounts will be prepared by the Prior and New Program Administrators. With the exception of CDLAC deposit refunds, requests for disbursements will be reviewed and approved by at least one person from the League of California Cities (LCC) and at least one person from the California State Association of Counties (CSAC) (the "Approval Personnel" identified above). CDLAC deposit refunds do not require the approval of CSAC and the LCC but evidence must be provided that CDLAC has authorized the deposit refund and CSAC and the LCC must be copied on all CDLAC refunds. With one exception, any single CSCDA authorized signatory (the "Authorized Signatories" identified above) can authorize US Bank to release funds that are duly authorized by the LCC and CSAC, or CDLAC in the case of CDLAC deposit refunds. The one exception is that the Executive

Director may not authorize disbursements to him/herself. Disbursements to the Executive Director must be made by any other Authorized Signatory.

Approval of Policy

This Updated and Revised Bank Account Administration and Disbursement Policy is approved by the California Statewide Communities Development Authority Board of Commissioners on this ~~June 18, 2015~~August 6, 2020 and will become effective on ~~June 25, 2015~~August 31, 2020.

The undersigned Chairman and Treasurer of the California Statewide Communities Development Authority DO HEREBY CERTIFY that the foregoing policy was duly approved by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on ~~June 24, 2015~~August 6, 2020.

Signed:

By _____ By _____

~~Larry Combs~~Kevin O'Rourke, Chairman
Treasurer

~~Terry Schutten~~Jordan Kaufman,

California Statewide Communities Development Authority
Updated and Revised Bank Account Administration and Disbursement of Funds
Authorization Policy
(effective August 31, 2020)

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- League of California Cities (LCC) – ongoing Sponsor and Administrator

Program Management Personnel

Program Management Personnel prepare requests for the disbursement of issuance fees, issuance fee deposits, CDLAC deposits, administrative fees, administrative fee deposits and most professional service fees except the fees and expenses of the CSCDA’s Executive Director and General Counsel.

Prior Program Management Personnel include the following individuals from TapRoot Partners (successor to HB Capital Resources):

HB Capital Resources

- Amy Stoneham, Chief Administrative Officer

Prior Program Management Personnel will have view-only access which is limited to the CSCDA Prior Administrative Fee Sub-Accounts and the Prior Administrative Fee Prepayment Sub-Accounts.

New Program Management Personnel include the following individuals from Bridge Strategic Partners:

Bridge Strategic Partners

- James Hamill, Principal
- Jon Penkower, Principal

New Program Management Personnel will have view-only access to CSCDA's primary account and all sub-accounts.

Approval Personnel

Approval Personnel are individuals who may request an Authorized Signatory for the disbursement of funds. The following personnel are appointed, by title as the names of the appointed person may change, as Approval Personnel in this policy:

League of California Cities

- Carolyn Coleman, Executive Director
- Norman Coppinger, Director of Administrative Services
- Perry Stottlemeyer, Assistant Administrative Services Director, Accounting

California State Association of Counties/ CSAC Finance Corporation

- Graham Knaus, Executive Director
- Alan Fernandez, Chief Executive Officer
- Christy Stutzman, Operations Manager

Approval Personnel will have view-only access to CSCDA's account and all sub-accounts.

Authorized Signatories

Authorized Signatories include CSCDA officers and the Executive Director. The following individuals are appointed, by title as the names of the appointed persons may change, as Authorized Signatories in this policy:

California Statewide Communities Development Authority

- Kevin O'Rourke, Chair
- Tim Snellings, Vice Chair
- Jordan Kaufman, Treasurer
- Brian Moura, Secretary

- Catherine Bando, Executive Director (**NOT** authorized to disburse fees and expenses to herself)

Authorized signatories will have view-only access to CSCDA’s account and all sub-accounts.

Account and Sub-Accounts

Certain CSCDA sub-accounts will remain unchanged. One sub-account will be removed and a variety of new sub-accounts will be established for the purpose of segregating funds from the Prior Program Management and the New Program Management as follows:

- **Prior Administrative Fee Sub-Account** – Established to collect administrative fees on bond issues that close on or prior to June 30, 2015
 - In addition to the Prior Administrative Fee Sub-Account, several prepayment sub-accounts are maintained by US Bank on behalf of borrowers who have prepaid administrative fees. These accounts will be renamed to reflect that the sub-accounts relate to transactions that closed on or prior to June 30, 2015.
- **New Administrative Fee Sub-Account** – Established to collect administrative fees relating to bond issues that close on and after July 1, 2015
- **CDLAC Deposit Sub-Account** – The CDLAC Deposit Sub-Account will remain unchanged
- **Issuance Fee Sub-Accounts** – Established to segregate Issuance Fees received.
- **Professional Services Sub-Account** – Established to pay litigation, insurance, administrative expenses and marketing expenses of CSCDA and funded from:
 - 5% of Prior Administrative Fees plus 5% of New Administrative Fees up to an ongoing balance of \$500,000
- **Operating Reserve Sub-Account** - The Operating Sub-Account was originally established as a reserve to pay the operating expenses of CSCDA to the extent funds are not sufficient in the Professional Services Sub-Account. The Operating Sub-Account was initially funded in 2015 by the LCC and CSAC with contributions of \$150,000 each for a total balance of \$300,000.
 - On the effective date of this Updated and Revised Policy, the current balance in the Operating Reserve Sub-Account will be allocated on a 50 percent/50 percent basis to the LCC and CSAC.
 - After balances in the Operating Reserve have been returned to the LCC and CSAC, and on the effective date of this Updated and Revised Policy, and at the end of each fiscal year, the Operating Reserve Sub-Account will be funded with excess balances held in the CDLAC Deposit Sub-Account which are above the performance deposits held for pending CSCDA projects.

Disbursement Process

Requests for disbursements from CSCDA’s Account and Sub-Accounts will be prepared by the Prior and New Program Administrators. With the exception of CDLAC deposit refunds, requests for disbursements will be reviewed and approved by at least one person from the League of California Cities (LCC) and at least one person from the California State Association of Counties (CSAC) (the “Approval Personnel” identified above). CDLAC deposit refunds do not require the approval of CSAC and the LCC but evidence must be provided that CDLAC has authorized the deposit refund and CSAC and the LCC must be copied on all CDLAC refunds. With one exception, any single CSCDA authorized signatory (the “Authorized Signatories” identified above) can authorize US Bank to release funds that are duly authorized by the LCC and CSAC, or CDLAC in the case of CDLAC deposit refunds. The one exception is that the Executive Director may not authorize disbursements to him/herself. Disbursements to the Executive Director must be made by any other Authorized Signatory.

Approval of Policy

This Updated and Revised Bank Account Administration and Disbursement Policy is approved by the California Statewide Communities Development Authority Board of Commissioners on this August 6, 2020 and will become effective on August 31, 2020.

The undersigned Chairman and Treasurer of the California Statewide Communities Development Authority DO HEREBY CERTIFY that the foregoing policy was duly approved by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on August 6, 2020.

Signed:

By _____

Kevin O’Rourke, Chairman

By _____

Jordan Kaufman, Treasurer