



REGULAR MEETING AGENDA

August 17, 2017 at 2:00 p.m.

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

Telephonic Locations:

709 Portwalk Place
Redwood City, CA 94061

247 Electric Street
Auburn, CA 95603

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

3252 Southern Hills Drive
Fairfield, CA 94534

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<input type="checkbox"/> Dan Harrison, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Larry Combs, Vice Chair	<input type="checkbox"/> Dan Mierzwa, Member
<input type="checkbox"/> Kevin O'Rourke, Treasurer	<input type="checkbox"/> Irwin Bornstein, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Brian Moura, Alt. Member
2. Consideration of the Minutes of the August 3, 2017 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. Alamo Garden Family Apartments, LP (Alamo Garden Apartments), City of Vacaville, County of Solano; issue up to \$25,000,000 in multifamily housing revenue bonds.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2017 at ___: ___ m, Signed _____. Please email signed page to info@cscda.org

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

10. Executive Director Update.
11. Staff Updates.
12. Adjourn.

NEXT MEETING: Thursday, September 7, 2017 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consent Calendar

- a. Inducement of LA 78, LP (LA 78 Apartments), City of Los Angeles, County of Los Angeles; issue up to \$25 million in multi-family housing revenue bonds.

August 17, 2017



TABLE OF CONTENTS
August 17, 2017

Item 2	August 3, 2017 Minutes	Page 6
Item 3	Consent Calendar	Page 9
Item 5a	Alamo Garden Family Apartments	Page 13
Item 5b	Palm Terrace Apartments	Page 20
Item 6	University District CFD	Page 27
Item 7	Horse Creek Ridge CFD	Page 33
Item 8	Open PACE Advisory Board	Page 63
Item 9	2016-17 Financial Results & Bank Account Activity	Page 64
*****	CSCDC Agenda	Page 69
Item 2	Meeting Minutes	Page 71
Item 4a	Livingston Community Health Approval	Page 73



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

August 3, 2017

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

Commission Chair Dan Harrison called the meeting to order at 2:02 pm.

1. Roll Call.

Commission members present: Dan Harrison

Commission members participating via teleconference: Larry Combs, Jordan Kaufman and Brian Moura

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

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; Tricia Ortiz, Richards, Watson & Gershon; Laura Labanieh, CSAC Finance Corporation

2. Consideration of the Minutes of the June 15, 2017 Regular Meeting and July 24, 2017 Adjourned Meeting.

The commission approved both sets of minutes.

Motion to approve by L. Combs. Second by B. Moura. Unanimously approved by roll-call vote.

3. Consideration of the Consent Calendar.

The Commission approved the following items on the Consent Calendar:

a. Inducement of Seminole Gardens Preservation Limited Partnership (Seminole Gardens Apartments), City of Palm Springs, County of Riverside; issue up to \$10 million in multi-family housing revenue bonds.

b. Inducement of New Cities Investment Partners, LLC (The Sands Apartments), City of Palm Desert, County of Riverside; issue up to \$90 million in multi-family housing revenue bonds.

- c. Inducement of Claremont 2017 LP (Claremont Village Apartments), City of Claremont, County of Los Angeles; issue up to \$45 million in multi-family housing revenue bonds.
- d. Inducement of Pioneer 2017 LP (Pioneer Gardens Apartments), City of Santa Fe Springs, County of Los Angeles; issue up to \$45 million in multi-family housing revenue bonds.
- e. Inducement of APP Properties, Inc. (APP Hayward Jet Center), City of Hayward, County of Alameda; issue up to \$750,000 in exempt-facility revenue bonds.
- f. Consider and approve the levy of special taxes for fiscal year 2017-2018 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. 2015-02 (Rio Bravo),
 - (iv) Community Facilities District No. 2016-02 Improvement Area Nos. 1 & 2 (Delta Coves); and
 - (v) Community Facilities District No. 2015-01, Improvement Area No. 1 (University District).

Motion to approve by J. Kaufman. Second by L. Combs. 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. LIH Harbor Magnolia, LP (Magnolia City and Harbor City Lights Apartments), City of Los Angeles, County of Los Angeles; issue up to in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA's general and issuance policies for unrated debt. 100% of the units will be rent restricted for 55 years. This is the 6th project that Levy has financed with CSCDA.

Motion to approve, by B. Moura. Second by J. Kaufman. Unanimously approved by roll-call vote.

- b. Daly City Pacific Associates, A California limited Partnership (Brunswick Apartments), City of Daly City, County of San Mateo; issue up to \$95,000,000 in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA's general and issuance policies. 100% of the units will be rent restricted for low-income senior tenants. The Pacific Companies has financed more than 20 projects with CSCDA.

Motion to approve, by L. Combs. Second by B. Moura. Unanimously approved by roll-call vote.

- c. Monument Boulevard Housing Associates (Sun Ridge Apartments), City of Concord, County of Contra Costa; issue up to \$33,930,907 in Multifamily housing revenue.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA's general and issuance policies unrated debt. The project is an acquisition and rehabilitation of 198 units. 100% of the units will remain rent restricted for low-income tenants.

Motion to approve, by J. Kaufman. Second by B. Moura. Unanimously approved by roll-call vote.

6. Consideration of Second Amendment to Professional Services Contract with Urban Future Bond Administration.

Executive Director Bando recommended approval of the Second Amendment to the Professional Services Contract with Urban Futures Bond Administration. The proposed amended contract has been reviewed and approved by CSCDA's General Counsel.

Motion to approve, by B. Moura. Second by L. Combs. Unanimously approved by roll-call vote.

7. Executive Director Update.

There was no Executive Director Update

8. Staff Updates.

There were no staff updates.

9. Adjourn.

The meeting was adjourned at 2:18 pm.

Submitted by: Sedy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, August 17, 2017 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

RESOLUTION NO. 17H-__

**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 17, 2017.

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 17, 2017.

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
LA 78 Apartments	City of Los Angeles, County of Los Angeles	78	Acquisition and Rehabilitation	LA 78, LP	\$25,000,000



Agenda Item No. 5a

Agenda Report

DATE: August 17, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Alamo Garden Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Vacaville, County of Solano

AMOUNT: Not to Exceed \$25,000,000

EXECUTIVE SUMMARY:

Alamo Garden Apartments (the “Project”) is an acquisition and rehabilitation of a 182-unit rental affordable housing project located in the City of Vacaville. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 182-unit affordable rental housing facility located at 1501 Alamo Drive in the City of Vacaville.
- 9.06 acre site.
- 29 one-story wood frame buildings.
- Consists of 68 one-bedroom units, 107 two-bedroom units, 5 three-bedroom units, and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

ROEM Development Corporation is a full-service development and construction organization that specializes in the acquisition, planning, financing, new construction, renovation, and asset management of affordable housing for families and seniors. As a longstanding developer of multifamily housing, ROEM maintains its commitment to working locally and collaboratively to successfully complete developments with quality control and efficiency. ROEM has previously

constructed or rehabilitated 25 multifamily and senior housing properties. This is ROEM's 13th financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: January 10, 2017 – City of Vacaville – unanimous approval

CDLAC Approval: July 19, 2017

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (161 units) restricted to 60% or less of area median income households.
 - 10% (19 units) restricted to 50% or less of area median income households.
 - 2 manager's units
- The Project is in close proximity to recreational facilities, grocery stores and public K-12 schools.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 21,200,000
Reserves:	\$ 456,834
Tax Credits:	\$ 5,272,287
Deferred Developer Fee:	\$ 2,768,366
Income:	<u>\$ 1,776,268</u>
Total Sources:	\$ 31,473,755

Uses of Funds:

Acquisition:	\$ 17,111,250
Construction Costs:	\$ 6,590,968
Architecture & Engineering:	\$ 101,275
Permits/Fees:	\$ 63,700
Relocation:	\$ 200,000
Capitalized Interest:	\$ 1,756,376
Developer Fee:	\$ 3,577,729
Reserves:	\$ 456,834
Cost of Issuance:	\$ 300,000
Other Soft Costs:	<u>\$ 1,315,623</u>
Total Uses:	\$ 31,473,755

Finance Partners:

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

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

Private Placement Purchasers: Citibank

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Closing: September 15, 2017

CSCDA Policy Compliance:

The financing for Alamo Garden Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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. 17-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS ALAMO GARDEN FAMILY 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 NOTES.

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, Alamo Garden Family Apartments, L.P., 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 Construction/Permanent Note (Alamo Garden Family Apartments) 2017 Series HH-1 and its California Statewide Communities Development Authority Multifamily Housing Revenue Construction Note (Alamo Garden Family Apartments) 2017 Series HH-2 (collectively, the "Notes") to assist in the financing of the acquisition and rehabilitation of a 182-unit multifamily housing rental development located in the City of Vacaville, California, and known as Alamo Garden Family Apartments (the "Project");

WHEREAS, on July 19, 2017, the Authority received an allocation in the amount of \$21,200,000 (the "Allocation Amount") from the California Debt Limit Allocation Committee ("CDLAC") in connection with the Project;

WHEREAS, the City of Vacaville (the "City") is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Notes;

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$25,000,000, provided that the portion of such Notes 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 and moderate income persons;

WHEREAS, the Notes will be executed and delivered to Citibank, N.A. (the "Funding Lender"), as the initial holder of the Notes; and

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 Notes, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Funding Loan Agreement (the "Funding Loan Agreement") to be entered into between the Funding Lender and the Authority;

(2) Borrower Loan Agreement (the "Borrower Loan Agreement") to be entered into between the Authority and Borrower;

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

(4) Contingency Draw-Down Agreement (the "Contingency Draw-Down Agreement") to be entered into by the Funding Lender and the Borrower;

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 Notes in one or more series. The Notes shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (Alamo Garden Family Apartments) 2017 Series HH-1" and "California Statewide Communities Development Authority Multifamily Housing Revenue Construction Note (Alamo Garden Family Apartments) 2017 Series HH-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 \$25,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of any Authorized Signatory (as defined below). The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes 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. 17R-4 of the Authority, adopted on March 2, 2017) (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 August 1, 2062), 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 Notes shall be as provided in the Funding Loan Agreement as finally executed.

Section 4. The Borrower 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 Borrower 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 Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

Section 7. The Authority is hereby authorized to execute and deliver the Notes to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes 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, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes 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 9. 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 Notes, 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 Notes or any prepayment of the Notes, 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 and other documents approved herein.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August 17, 2017.

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 August 17, 2017.

By _____
Authorized Signatory



Agenda Item No. 5b

Agenda Report

DATE: August 17, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Palm Terrace Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Lindsay, County of Tulare

AMOUNT: Not to Exceed \$12,012,908

EXECUTIVE SUMMARY:

Palm Terrace Apartments (the “Project”) is the new construction of a 50-unit rental housing project located in the City of Lindsay. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of 50-unit affordable rental housing facility located in the City of Lindsay.
- Consists of 14 one-bedroom units, 18 two-bedroom units and 17 three-bedroom units. One unit will be a manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Self-Help Enterprises is a nationally recognized community development organization whose mission is to work together with low-income families to build and sustain healthy homes and communities. Since 1965, Self-Help Enterprises’ efforts have touched the lives of over 55,000 families. Self-Help Enterprises’ service area is comprised of eight counties – Fresno, Kern, Kings, Madera, Mariposa, Merced, Stanislaus and Tulare County – in the heart of the San Joaquin Valley, the world’s most productive agricultural area. This is Self Help Enterprises’ fifth financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: November 22, 2016 – City of Lindsay – Unanimous approval.

CDLAC Approval: May 17, 2017.

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 49 units restricted to 50% or less of area median income households.
 - 1 manager's unit.
- The Project is in close proximity to recreational facilities, public K-12 schools and offers after-school programming and adult education.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 12,012,908
Other Loans:	\$ 500,000
Tax Credits:	<u>\$ 1,194,910</u>
Total Sources:	\$ 13,707,818

Uses of Funds:

Acquisition:	\$ 350,000
Construction Costs:	\$ 10,735,127
Architecture & Engineering:	\$ 800,000
Permits/Fees:	\$ 300,000
Capitalized Interest:	\$ 449,776
Developer Fee:	\$ 229,943
Cost of Issuance:	\$ 221,873
Other Soft Costs:	<u>\$ 621,099</u>
Total Uses:	\$ 13,707,818

Finance Partners:

Bond Counsel: Jones Hall, San Francisco

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

Private Placement Purchaser: JP Morgan Chase

Finance Terms:

Rating: Unrated
Term: 40 years at a fixed interest rate
Structure: Private Placement
Closing: August 24, 2017

CSCDA Policy Compliance:

The financing for Palm Terrace Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$12,012,908 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENTS KNOWN AS PALM TERRACE 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 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, construction, development and rehabilitation 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, Palm Terrace LP, L.P., a California limited partnership (the "Borrower"), has requested that the Authority issue, sell, and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Palm Terrace Apartments) 2017 Series GG (the "Bonds") to assist in the financing of the acquisition, construction and equipping of a multifamily rental development consisting of 50 units located at the southeast corner of Westwood Avenue and Hermosa Street, located in the City of Lindsay, County of Tulare, California, and to be known as Palm Terrace Apartments (the "Project");

WHEREAS, on May 17, 2017, the Authority received an allocation in the amount of \$12,012,908, from the California Debt Limit Allocation Committee ("CDLAC") in connection with the Project (the "Allocation Amount");

WHEREAS, City of Lindsay is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds after a duly noticed public hearing;

WHEREAS, the Authority is willing to issue not to exceed \$12,012,908 aggregate principal amount of Bonds, and 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 Bonds will be privately placed with JP Morgan Chase Bank, N.A. as holder (the “Holder”), as the initial purchaser of the Bonds, 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) Master Agency Agreement (the “Master Agency Agreement”) between the Authority and JP Morgan Chase Bank, N.A. as agent (the “Agent”);
- (2) Master Pledge and Assignment (the “Master Pledge and Assignment”) among the Authority, the Holder, and the Agent; and
- (3) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into between the Authority and the Borrower.

NOW, THEREFORE, BE IT RESOLVED by the California Statewide Communities Development Authority, 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 Master 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 (Palm Terrace Apartments) 2017 Series GG,” 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 \$12,012,908; provided that the aggregate principal amount of any Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Master Pledge and Assignment, and shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the manual or facsimile signature of 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 Master 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 Master Pledge and Assignment, respectively, and the Bonds 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 Master Agency Agreement and the Master Pledge and Assignment in the forms presented at this meeting are 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. 17R-4 of the Authority, adopted on March 2, 2017) (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 Master Agency Agreement and the Master 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 comply with the provisions of the Housing Law), 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 Master Pledge and Agreement as finally executed.

Section 4. 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 5. The Authority is hereby authorized to sell the Bonds to the Holder pursuant to the terms and conditions of the Master Pledge and Assignment.

Section 6. The Bonds, when executed, shall be delivered to the Agent for authentication and registration. The Agent is hereby requested and directed to register the Bonds by executing the certificate of registration appearing thereon, and to deliver the 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 Agent. Such instructions shall provide for the delivery of the Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 7. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance 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 a tax certificate, loan related documents, subordination agreements, such documents as are described in the Master 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 8. 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 Master Pledge and Assignment and other documents approved herein.

Section 9. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

The undersigned 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 August 17, 2017.

CALIFORNIA STATEWIDE
COMMUNITIES
DEVELOPMENT AUTHORITY

By: _____
Authorized Signature



Agenda Item No. 6

Agenda Report

DATE: August 17, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consider resolution approving the issuance of the CFD No. 2015-01, Improvement Area No. 2 (University District) Special Tax Bonds, Series 2017; authorizing the execution and delivery of an Indenture; approving a Bond Purchase Contract, Official Statement, and 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 AND SUMMARY:

At its May 18, 2017 meeting the CSCDA Commission approved the resolution of intention to designate Improvement Area No. 2 within the Community Facilities District for University District. The public hearing was held on July 6, 2017 and the district was formed with the first reading of the ordinance levying the assessment. The second and final reading of the ordinance levying the assessment was held on July 20, 2017. The actions being considered below are the final steps required to issue bonds for Improvement Area No. 2 of the University District.

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 \$10.9M were issued by CSCDA for Improvement Area No. 1 in February, 2016 which consists of 399 single family homes. The project is adjacent to Sonoma State University.

CSCDA received a written petition from Vast Oaks Properties L.P., California limited partnership (the "Owner"), requesting that proceedings be instituted to designate an additional improvement area within the Community Facilities District for the purpose of financing improvements. The proposed improvement area is within the boundaries of Improvement Area M and will be designated as Improvement Area No. 2. Improvement Area No. 2 will consist of approximately 65.23 gross acres containing 428 single-family residential homes upon full buildout. The remainder of Improvement Area M after formation of Improvement Area No. 2 is expected to be built out with 409 single family homes.

The financing will not exceed \$30,000,000. All improvements to be financed will be identical to those approved in the resolution of intention adopted by the CSCDA Commission on May 18, 2017.

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter: RBC Capital Markets, San Francisco

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds \$ 14,500,000

Uses:

Project Fund \$ 11,425,800
Capitalized Interest \$ 1,377,500
Debt Service Reserve Fund \$ 949,700
Cost of Issuance \$ 457,000
Underwriter Discount \$ 290,000
\$ 14,500,000

RECOMMENDED ACTIONS:

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

1. Approving the issuance of the CFD No. 2015-0 Improvement Area No. 2 (University District) Special Tax Bonds, Series 2017;
2. Authorizing the execution and delivery of an Indenture;
3. Approving the form of the Bond Purchase Contract, and Official Statement and a Continuing Disclosure Certificate;
4. Authorizing the sale of such bonds;
5. Authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

ATTACHMENT A

RESOLUTION NO. 17SCIP-[__]

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 2017; AUTHORIZING THE EXECUTION AND DELIVERY OF AN 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

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) has determined to issue not to exceed \$30,000,000 principal amount of its California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 2 (University District) Special Tax Bonds, Series 2017 (the “Bonds”); and

WHEREAS, there has been made available to the Commission a form of the Indenture (the “Indenture”) providing for the issuance of the Bonds; and

WHEREAS, the Commission has carefully considered the terms and conditions of the Indenture; and

WHEREAS, RBC Capital Markets, LLC (the “Underwriter”) has proposed to submit an offer to purchase the Bonds pursuant to a Bond Purchase Contract (the “Purchase Contract”) in substantially the form made available to the Commission; and

WHEREAS, the Commission has considered carefully the terms and conditions of the Purchase Contract, and has determined that a private sale of the Bonds to the Underwriter in accordance with the Purchase Contract would result in a lower overall cost to the Authority; and

WHEREAS, the Authority has caused to be prepared an Official Statement in preliminary form relating to the Bonds, a copy of which has been made available to the Commission; and

WHEREAS, the Authority has caused to be prepared a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) for the purpose of making undertakings to provide certain annual financial information and notice of certain enumerated events as required by Securities Exchange Commission Rule 15c2-12(b)(5) (the “Rule”);

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

Section 1. The Commission finds and determines that the foregoing recitals are true and correct.

Section 2. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 2 (University District) Special Tax Bonds, Series 2017” in an aggregate principal amount not to exceed thirty million dollars (\$30,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture as made available to the Commission. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to a resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or 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.

Section 3. The Indenture providing for the issuance of the Bonds, in substantially the form made available to the Commission, is hereby approved for execution by the Authority, and any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority to execute the Indenture in substantially said form, with such changes or additions 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 of the Indenture. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 4. The Purchase Contract providing for the sale of the Bonds, in substantially the form made available to the Commission, is hereby approved for execution by the Authority, and any Authorized Signatory is hereby authorized and directed to execute the Purchase Contract in substantially said form, with such changes or additions thereto 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 of the Purchase Contract, and the Secretary is hereby authorized and directed to deliver the Purchase Contract; provided, that, the true interest cost on the Bonds shall not exceed 8.0% per annum and the final maturity of the Bonds shall not be later than September 1, 2047.

Section 5. The Official Statement in preliminary form (the “Preliminary Official Statement”) relating to the Bonds, in substantially the form made available to the Commission, is hereby approved, and any Authorized Signatory is hereby authorized and directed to certify to the Underwriter that the Preliminary Official Statement is deemed to be final as of its date, except for certain final pricing and related information permitted to be omitted in accordance with the Rule, and the Underwriter is hereby authorized and directed to distribute or cause the distribution of copies of the Preliminary Official Statement to prospective purchasers of the Bonds, and any Authorized Signatory is hereby authorized to execute and deliver an Official Statement in final form (the “Final Official Statement”) relating to the Bonds in substantially the form of the Preliminary Official Statement, which Final Official Statement shall include final pricing and related information and other changes, as any member of the Commission with the advice of

counsel to the Authority may approve, such approval to be conclusively evidenced by such execution and delivery of the Final Official Statement, and the Underwriter is hereby authorized and directed to distribute or cause the distribution of copies of the Final Official Statement to all purchasers of the Bonds.

Section 6. The form and substance of the Continuing Disclosure Certificate is hereby approved. Any Authorized Signatory is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate in substantially the form made available to the Commission, with such changes or additions, as any member of the Commission with the advice of counsel to the Authority may approve, such approval to be conclusively evidenced by such execution and delivery.

Section 7. The Chair, Vice Chair, Secretary, Treasurer, any other members of the Commission and other appropriate officers and agents of the Authority, including the Authorized Signatories are hereby authorized and directed, jointly and severally, to do all things and to execute and deliver all documents and contracts they deem necessary or advisable for consummating the sale, execution, and delivery of the Bonds and otherwise to carry out, give effect to, and comply with the terms and intent of this Resolution, the Indenture, the Bonds, the Purchase Contract, the Continuing Disclosure Certificate, the Preliminary Official Statement, and the Official Statement. All such actions previously taken by the Authorized Signatories are hereby ratified, confirmed, and approved.

Section 8. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission 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 17, 2017.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 7

Agenda Report

DATE: August 17, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Horse Creek Ridge (San Diego County) – Community Facilities District

PURPOSE: Consideration of the various actions for the formation of Community Facilities District No. 2017-01 (Horse Creek Ridge), County of San Diego, State of California (the “Horse Creek Ridge CFD”).

EXECUTIVE SUMMARY:

At its July 6, 2017 meeting the CSCDA Commission approved the resolution of intention to form the Community Facilities District (CFD) for Horse Creek Ridge, and set the public hearing for this meeting. The actions being considered below are the second step required to issue bonds the Horse Creek Ridge CFD.

BACKGROUND:

The Horse Creek Ridge CFD is being formed to finance water public improvements associated with the Rainbow Municipal Water District (RMWD). RMWD approved the formation of the CFD by CSCDA on February 28, 2017.

The improvements include the following:

- Water connection and capacity fees, including but not limited to meter material fees and excluding fee components payable to the San Diego County Water Authority.
- Sewer connection and capacity fees.
- Developer capital contributions towards water or sewer infrastructure projects constructed by the District.
- Sewer facilities, including but not limited to gravity sewer pipelines, force mains, and lift stations and associated work necessary for their installation and completion such as but not limited to grading, excavating, and foundations.
- Water facilities, including but not limited to water pipelines and pressure reducing stations and associated work necessary for their installation and completion such as but not limited to grading, excavation, etcetera.

Horse Creek Ridge is located just east of the Interstate 15 and Highway 76 junction in Fallbrook, California. It is a new master planned community that will offer seven neighborhoods with eight parks, a recreation center, pools and an 8.5 acre sports park. Detached condominiums will range from 1,568 to 2,153 square feet and detached single family homes will range from 1,799 to 3,844 square feet. The Horse Creek Ridge development is the residential segment of the Campus Park project which will include a total of 521 single-family residences and 230 condominium dwelling units.

The financing will not exceed \$28,000,000 and will be brought back to the Commission for completion of the formation of the CFD and for final approval of the bond issuance.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following actions:

- a. Conduct proceedings with respect to formation of Horse Creek Ridge CFD:
 1. Open Public Hearing.
 2. Close Public Hearing.
- b. Consider the following resolutions relating to the formation of and special election within Horse Creek Ridge CFD:
 1. Resolution of formation establishing Horse Creek Ridge CFD and authorizing the levy of a special tax therein to finance the acquisition and construction of certain public facilities and to finance certain development impact fees. (Attachment A)
 2. Resolution deeming it necessary to incur bonded indebtedness to finance the acquisition and construction of certain public facilities and to finance certain development impact fees to mitigate the impacts of development within Horse Creek Ridge CFD. (Attachment B)
 3. Resolution calling special mailed-ballot election within Horse Creek Ridge CFD. (Attachment C)
- c. Conduct special election within Horse Creek Ridge CFD.
- d. Consider resolutions declaring results of special mailed-ballot election within Horse Creek Ridge CFD. (Attachment D)
- e. Conduct first reading of "Ordinance Levying a Special Tax for Fiscal Year 2017-2018 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge)." (Attachment E)

ATTACHMENT A

RESOLUTION NO. 17SCIP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

A RESOLUTION OF FORMATION ESTABLISHING CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE), AND PROVIDING FOR THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE THE CONSTRUCTION AND ACQUISITION OF CERTAIN PUBLIC FACILITIES AND TO FINANCE CERTAIN DEVELOPMENT IMPACT FEES

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) duly adopted its Resolution No. 17SCIP-55 (the “Resolution of Intention”) on July 6, 2017 wherein the Commission declared its intention to and proposed to establish a community facilities district within the jurisdictional boundaries of the Rainbow Municipal Water District (the “Local Agency”), to be designated and known as “California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge)” (the “Community Facilities District”), to authorize levying a special tax therein to finance the acquisition and construction of certain public capital improvements (including improvements financed with development impact fees, the “Improvements”) and certain development impact fees (the “Fees”), all under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State of California (the “Act”); and

WHEREAS, the resolution of the Local Agency approving formation of the Community Facilities District and the joint community facilities agreement with the Authority is attached as Exhibit A to the Resolution of Intention and incorporated therein by reference and such resolution is incorporated herein by reference (the “Local Agency Resolution”); and

WHEREAS, the Local Agency Resolution describes the project within the proposed Community Facilities District and approves a joint community facilities agreement under the authority of Section 53316.2 of the Act and the form of such joint community facilities agreement is attached to or embodied in such Local Agency Resolution; and

WHEREAS, the Rainbow Municipal Water District’s Local Agency Resolution embodies a joint community facilities agreement and further provides that the adoption of a Resolution of Intention for the Community Facilities District by the Commission will act as an acceptance, by the Authority, of the terms of the joint community facilities agreement embodied in the Rainbow Municipal Water District’s Local Agency Resolution; and

WHEREAS, the Resolution of Intention fixed a time and place for a public protest hearing (the “Public Hearing”) to be held by the Commission to consider the establishment of the Community Facilities District, the authorization of the special tax to be levied and collected within

the Community Facilities District (the “Special Tax”), the proposed rate, method of apportionment and manner of collection of the Special Tax, the Improvements and Fees proposed to be authorized to be paid for with the proceeds of the Special Tax collections, the establishment of an appropriations limit for the Community Facilities District, and all other matters set forth in the Resolution of Intention; and

WHEREAS, in the Resolution of Intention the Commission approved the boundary map, as provided for and described in California Streets and Highways Code Section 3110, entitled “Proposed Boundaries of California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) County of San Diego, State of California” (the “Proposed Boundary Map”), which Proposed Boundary Map was recorded on July 21, 2017, in the Book of Maps of Assessment and Community Facilities Districts maintained by the County Recorder of the County of San Diego in Book 46 at Page 91, and as Instrument No. 2017-7000279; and

WHEREAS, Exhibit E to the Resolution of Intention, and incorporated therein by reference, is the rate and method of apportionment of the Special Tax for the Community Facilities District;

WHEREAS, pursuant to the Resolution of Intention, the Authority’s special tax consultant, Willdan Financial Services (the “Special Tax Consultant”), on behalf of the County, submitted a report (the “Hearing Report”) to the Commission on the need for and estimated cost of the proposed Improvements to be financed; and

WHEREAS, the Commission has reviewed the Hearing Report, and it is incorporated herein by this reference and made a part of the record of the Public Hearing; and

WHEREAS, pursuant to the Resolution of Intention, the Public Hearing was set by the Commission for Thursday, the 17th day of August, 2017, at the hour of 2:00 o’clock P.M., at the offices of the California State Association of Counties, 1100 K Street, Sacramento, California 95814 (the “Public Hearing”); and

WHEREAS, Bond Counsel has filed a certificate with the Commission establishing that proper and timely notice of the Public Hearing was published in the *San Diego Union-Tribune* and that proper and timely notice was mailed to the sole landowner within the Community Facilities District; and

WHEREAS, at or shortly after the time set forth in the Notice of Public Hearing, the Commission held the Public Hearing at the place designated to consider the establishment of the Community Facilities District, the proposed rate, method of apportionment and manner of collection of the Special Tax, the Improvements and Fees proposed to be financed, the establishment of the appropriations limit, and all other matters set forth in the Resolution of Intention; and

WHEREAS, at the Public Hearing all persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District were given an opportunity to appear and to be heard, and the testimony of all interested persons and all taxpayers, property owners and registered voters for or against the establishment of the Community Facilities

District and the levy of the special tax, the extent of the Community Facilities District, the financing of the Improvements or Fees, the establishment of the appropriations limit for the Community Facilities District, or any other matters set forth in the Resolution of Intention, was heard and considered; and

WHEREAS, all registered voters residing within the boundaries of the proposed Community Facilities District, if any, and all owners of land within the boundaries of the proposed Community Facilities District that would not be exempt from the proposed levy of Special Tax, were allowed to submit written protests to any aspect of the proposals contained in the Resolution of Intention, and permitted to withdraw their protests prior to the close of the Public Hearing; and

WHEREAS, the Commission is fully advised in this matter;

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

Section 1. The above recitals are true and correct, and the Commission so finds and determines.

Section 2. Except to the extent inconsistent with this Resolution, the Resolution of Intention is reaffirmed, and its provisions and findings are, to that same extent, incorporated herein by this reference.

Section 3. The Commission finds and determines that as of the close of the Public Hearing, written protests, if any, to the establishment of the Community Facilities District, or to the levy of the Special Tax, or to the extent of the Community Facilities District, or to the acquisition and construction of any of the Improvements or the financing of any Fees described in the Resolution of Intention, or to the establishment of the appropriations limit for the Community Facilities District, or to any other matters contained in the Resolution of Intention, were submitted by less than 50 percent of the registered voters, or by less than six of the registered voters, if any, residing within the Community Facilities District. Similarly, the Commission finds that at the close of the Public Hearing, such written protests, if any, were submitted by the owners of less than one-half of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the Special Tax. Thus, the Commission finds that it is not precluded, by the Act, from proceeding further in this matter. The Commission hereby further orders and determines that all protests to the establishment of the Community Facilities District, or the levy of the Special Tax proposed to be levied therein, or the extent of the Community Facilities District, or the acquisition and construction of any of the described Improvements or financing of the Fees, or the establishment of the appropriations limit for the Community Facilities District, that may have been submitted, have been considered and are hereby overruled.

Section 4. The Improvements and Fees authorized to be financed by and through the Community Facilities District are those identified in the Local Agency Resolution and more particularly described on Exhibit C attached to the Resolution of Intention, which by this reference is incorporated herein and made a part of this Resolution. All of the Improvements to be financed directly or through Fees have an estimated useful life of five (5) years or longer, and are public facilities that a Local Agency or another governmental entity is authorized by law to

construct, own or operate, or to which they may contribute revenue, and that are necessary to meet increased demands placed upon the Local Agency or upon other local government agencies as a result of development occurring and anticipated to occur within the Community Facilities District. The Improvements to be financed directly or through Fees need not be physically located within the Community Facilities District.

Section 5. The cost of financing the Improvements and Fees includes incidental expenses comprising the costs of engineering, planning, design, construction staking, materials testing and coordination of the Improvements (including the Improvements to be financed by Fees), together with the costs of environmental evaluations thereof, and all costs associated with the creation of the Community Facilities District, the issuance of any bonds, the determination of the amount of any special taxes or the collection or payment of any special taxes and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District, together with any other expenses incidental to the Improvements and Fees. A representative list of incidental expenses proposed to be incurred are set forth on Exhibit D attached to the Resolution of Intention, which by this reference is incorporated herein and made a part of this Resolution.

Section 6. The proposed rate and method of apportionment for the Community Facilities District (the "RMA"), including the maximum annual special tax, shall be as set forth in Exhibit E, attached to the Resolution of Intention, which by this reference is incorporated herein and made a part of this Resolution. The RMA provides sufficient detail to allow each landowner or resident within the Community Facilities District to estimate the maximum amount that such person will have to pay, and specifies the conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied.

As required by the Act: (1) the maximum authorized special tax for financing the acquisition and construction of the Improvements and the financing of the Fees that may be levied against any parcel of land used for private residential purposes (which use commences no later than the date on which an occupancy permit for private residential use is issued) is specified as a dollar amount and shall not increase by more than two percent (2%) per year; (2) the special tax shall not be levied for Improvements and Fees against such property after the time stated in the RMA; and (3) under no circumstances shall the special tax be increased on such property, as a consequence of delinquency or default by the owners of any other parcel or parcels of land within the Community Facilities District, by more than ten percent (10%) above the level that would have been levied had there been no delinquencies.

Section 7. If the election referred to in Section 12 hereof results in the approval of the ballot measure described herein, then upon recordation of a Notice of Special Tax Lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the Special Tax (as defined in the RMA) shall attach to all nonexempt real property in the Community Facilities District, which lien shall continue in force and effect until the Special Tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or 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.

Section 8. If the election referred to in Section 12 hereof results in the approval of the ballot measure described herein, then except where funds are otherwise available, the Special Tax shall be annually levied within the Community Facilities District in an amount sufficient to finance the Improvements, including but not limited to the payment of interest on and principal of any bonds to be issued to finance the Improvements and the Fees; the making of lease payments for any public facilities (whether in conjunction with the issuance of certificates of participation or not); and the repayment of funds advanced by the Local Agency or the Developer for the Community Facilities District and including the repayment under any acquisition, deposit or other agreement (which shall not constitute a debt or liability of the Authority) of advances of funds or reimbursement for the lesser of the value or cost of work in-kind provided by any person for the Community Facilities District; shall be annually levied within the Community Facilities District.

Section 9. If the election referred to in Section 12 hereof results in the approval of the ballot measure described herein, then the Special Tax will be collected through the regular County of San Diego secured property tax bills, and will be subject to the same enforcement mechanism, and the same penalties and interest for late payment, as regular ad valorem property taxes; however, the Commission reserves the right to utilize any other lawful means of billing, collecting and enforcing the Special Tax, including direct billing, supplemental billing, and, when lawfully available, judicial foreclosure of the Special Tax lien.

Section 10. Should any property subject to the Special Tax be acquired by a public agency and then leased for private purposes, the Commission, pursuant to Section 53340.1 of the Act, will levy the Special Tax on the leasehold or possessory interests in property owned by a public agency (which property is otherwise exempt from the Special Tax), to be payable by the owner of the leasehold or possessory interests in such property.

Section 11. The Commission, pursuant to Section 53325.7 of the Act, hereby establishes the initial appropriations limit (fiscal year 2017-2018), as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for the Community Facilities District in the amount of \$28,000,000, subject to voter approval.

Section 12. The Commission will submit the authorizations of this Resolution to the qualified electors of the Community Facilities District in a special mailed-ballot election. Based on findings to be formally made by the Commission in a resolution to be adopted this date Calling a Special Mailed-Ballot Election within the Community Facilities District, to which reference is made for further particulars, the qualified electors of the Community Facilities District are the landowners owning property that will not be exempt from the Special Tax within the Community Facilities District, in accordance with Section 53326(b) of the Act.

Section 13. In the opinion of the Commission, the public interest will not be served by allowing the property owners in the Community Facilities District to intervene in a public bidding process pursuant to Section 53329.5(a) of the Act.

Section 14. The firm of David Taussig & Associates, 5000 Birch Street, Suite 6000, Newport Beach, California 92660, telephone (949) 955-1500, will be responsible for annually preparing, or causing to be prepared, the roll of Special Tax levies on the parcels within

the Community Facilities District identified by San Diego County Assessor's parcel numbers, and will be responsible for estimating future Special Tax levies pursuant to Section 53340.2 of the Act.

Section 15. The Commission finds and determines that all proceedings conducted and approved by the Commission with respect to the establishment of the Community Facilities District, up to and including the adoption of this Resolution, and the other Resolutions adopted this date in connection with the Community Facilities District, are valid and in conformity with the requirements of the Act, and this determination is final and conclusive for all purposes and is binding upon all persons. Accordingly, the Commission finds, determines and orders that the Community Facilities District is hereby established with all of the authorities described and set forth in this Resolution, the exercise of which is subject only to the election.

Section 16. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission 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 17, 2017.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

ATTACHMENT B

RESOLUTION NO. 17SCIP-__

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

A RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS TO FINANCE THE ACQUISITION AND CONSTRUCTION OF CERTAIN PUBLIC FACILITIES AND TO FINANCE CERTAIN DEVELOPMENT IMPACT FEES TO MITIGATE THE IMPACTS OF DEVELOPMENT WITHIN CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) duly adopted its Resolution No. 17SCIP-55 (the “Resolution of Intention”) on July 6, 2017 wherein it declared its intention to establish a community facilities district within the jurisdictional boundaries of the Rainbow Municipal Water District (the “Local Agency”), under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the Government Code of the State of California (the “Act”), to be known and designated as “California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge)” (the “Community Facilities District”), and to levy a special tax (the “Special Tax”) therein to finance, among other things, certain development impact fees (the “Fees,” as that term is defined in the Resolution of Intention) and the acquisition and construction of certain public facilities (the “Improvements,” as that term is defined in the Resolution of Intention) that will assist in mitigating the impact on the need for public facilities occasioned by new development that has occurred or is expected to occur within the boundaries of the Community Facilities District; and

WHEREAS, the Commission also adopted Resolution No. 17SCIP-56 (the “Resolution to Incur Bonded Indebtedness”) on July 6, 2017, declaring its intention to incur a bonded indebtedness in the principal amount of not to exceed twenty-eight million dollars (\$28,000,000), to finance the Fees and the acquisition and construction of the Improvements described in the Resolution of Intention; and

WHEREAS, the Resolution to Incur Bonded Indebtedness fixed a time and place for a public protest hearing (the “Public Hearing”) to be held by the Commission to consider incurring the proposed debt and to consider any other matters set forth in the Resolution to Incur Bonded Indebtedness; and

WHEREAS, the Resolution to Incur Bonded Indebtedness directed the Authority’s Bond Counsel to prepare, mail and publish a Notice of Public Hearing in accordance with the requirements of the Act; and

WHEREAS, Bond Counsel has filed a certificate with the Authority Secretary that the Notice of Public Hearing was properly prepared, mailed and published in accordance with the

requirements of the Act (the “Certificate of Mailing and Publication of Notice of Public Hearing”); and

WHEREAS, the Public Hearing was held by the Commission on Thursday, the 17th day of August, 2017, at the hour of 2:00 o’clock P.M., at the offices of the California State Association of Counties, at 1100 K Street, Sacramento, California 95814. At the Public Hearing the Commission considered the amount and the term of the bonds proposed to be authorized by the Community Facilities District, and all other matters set forth in the Resolution to Incur Bonded Indebtedness; and at the Public Hearing all persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District, were given an opportunity to appear and to be heard on, and they were permitted to present any matters relating to, the necessity for incurring the bonded indebtedness to finance the Fees and the costs of the acquisition and construction of the Improvements described in the Resolution of Intention; and the testimony of all interested persons and all taxpayers, property owners and registered voters for or against the authorization to issue bonds of the Community Facilities District or any other matters set forth in the Resolution to Incur Bonded Indebtedness, was heard and considered; and

WHEREAS, all registered voters residing within the boundaries of the proposed Community Facilities District, if any, and all owners of land within the boundaries of the proposed Community Facilities District that would not be exempt from the proposed levy of Special Tax, were allowed to submit written protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, and permitted to withdraw their protests prior to the close of the Public Hearing; and

WHEREAS, the Commission has adopted on this date its Resolution No. 17SCIP-__ establishing the Community Facilities District (the “Resolution of Formation”) which sets forth the Special Tax to be authorized within the Community Facilities District and the Fees and Improvements that may be financed with the proceeds of the Special Tax collections; and

WHEREAS, the Commission is fully advised in this matter;

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

Section 17. The above recitals are true and correct, and the Commission so finds and determines.

Section 18. The Commission accepts the Certificate of Mailing and Publication of Notice of Public Hearing and finds, based thereon, that proper notice of the Public Hearing have been given in accordance with the Act, and that the Public Hearing was conducted with proper and legal notices in all respects.

Section 19. The Commission finds and determines that at the close of the Public Hearing, written protests, if any, against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, were submitted by less than 50 percent of the registered voters, or by less than six of the registered voters, if any, residing within the Community Facilities District. Similarly, the Commission finds that at the close of the Public Hearing, such written protests, if any, were submitted by the owners of less

than one-half of the area of land in the territory proposed to be included in the Community Facilities District and not exempt from the Special Tax. Thus, the Commission finds that it is not precluded, by the Act, from proceeding further in this matter. The Commission hereby further orders and determines that all protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness that may have been submitted, have been considered and are hereby overruled.

Section 20. The Commission hereby declares that the public convenience and necessity require that a bonded indebtedness be incurred to finance the acquisition and construction of the Improvements and the Fees described in the Resolution of Formation. The authorization to finance the acquisition and construction of the Improvements includes incidental expenses for the Improvements comprising the costs of planning and designing the Improvements, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the Community Facilities District, the issuance of debt (as that term is defined in the Act, "Debt") in one or more series, the determination of the amount of any Special Taxes or the collection or payment of any Special Taxes and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District, together with any other expenses incidental to the acquisition and construction of the Improvements. Such costs and expenses are further described in Exhibit D to the Resolution of Intention.

Section 21. The whole of the territory within the Community Facilities District will be benefited by the Debt and will be subject to the Special Tax to pay for the Debt.

Section 22. The amount of the proposed Debt to be incurred in one or more series to finance the acquisition and construction of the Improvements and the Fees shall not exceed in aggregate twenty-eight million dollars (\$28,000,000), which amount may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the Debt is proposed to be incurred, including, but not limited to, the estimated costs of acquisition of land, rights-of-way, capacity or connection fees, satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the Debt is issued pursuant to the Act, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, bond and other reserve funds, discount fees, interest on any Debt of the Community Facilities District estimated to be due and payable within two (2) years of issuance, election costs, and all costs of issuance of the Debt, including, but not limited to, underwriter's discount fees for bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs.

Section 23. The maximum term of any series of Debt shall not exceed thirty (30) years from the date of its issuance.

Section 24. The maximum annual rate or rates of interest to be paid on any series of Debt shall not exceed twelve percent (12%) per annum, payable at least annually the first year and semiannually thereafter.

Section 25. Pursuant to Section 53353.5 of the Act, the authority to levy the Special Tax to finance the Fees and Improvements, the question of setting the appropriations limit for the Community Facilities District, and the question whether the Community Facilities District

will be authorized to incur Debt shall be combined into a single ballot question, and submitted to the qualified electors of the Community Facilities District at a special mailed-ballot election with ballots to be delivered to the Authority Secretary no later than 2:00 p.m. on August 17, 2017. If prior to that time the Authority Secretary shall have received all of the eligible ballots to be cast, pursuant to Section 53351(j) of the Act, the Authority Secretary will at that time declare the election closed.

Section 26. The election shall be conducted in accordance with the Commission's Resolution No. 17SCIP-__ Calling Special Mailed-Ballot Election, to be adopted this date, to which reference is made for further particulars.

Section 27. If the ballot proposition receives the approval of two-thirds (2/3) or more of the votes cast on the proposition, the Debt may be issued and sold in one or more series for the purpose for which it was authorized, and the Debt (except where funds are otherwise available) shall be paid exclusively from the annual levy of the Special Tax and is not and shall not be secured by any other taxing power or funds of the Authority of the Local Agency.

Section 28. It is the intention of the Commission that any Debt issued shall be callable (may be redeemed prior to their maturity dates) in accordance with the terms of the Act.

Section 29. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission 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 17, 2017.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

ATTACHMENT C

RESOLUTION NO. 17SCIP-__

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

RESOLUTION CALLING SPECIAL MAILED-BALLOT ELECTION WITHIN CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”), on July 6, 2017, adopted its Resolution No. 17SCIP-55 (the “Resolution of Intention”) and its Resolution No. 17SCIP-56 (the “Resolution to Incur Bonded Indebtedness”) thereby initiating proceedings to establish a community facilities district within the jurisdictional boundaries of the Rainbow Municipal Water District (the “Local Agency”), under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the Government Code of the State of California (the “Act”), to be known and designated as “California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge)” (the “Community Facilities District”); and

WHEREAS, both the Resolution of Intention and the Resolution to Incur Bonded Indebtedness set public protest hearings to be held concurrently on August 17, 2017 (the “Public Hearing”); and

WHEREAS, on August 17, 2017, at the time and place specified in the Notice of Public Hearing, the Public Hearing was held by the Commission, and at the close of the Public Hearing, the Commission determined that there was no majority protest under Section 53324 of the Act; and

WHEREAS, at the conclusion of the Public Hearing, the Commission adopted its Resolution No. 17SCIP-__ establishing the Community Facilities District (the “Resolution of Formation”) pursuant to Section 53325.1 of the Act, and its Resolution No. 17SCIP-__ Deeming it Necessary to Incur Bonded Indebtedness (the “Resolution Deeming it Necessary to Incur Bonded Indebtedness”) pursuant to Section 53351 of the Act; and

WHEREAS, in order to proceed with the levy of the special tax and establishment of an appropriations limitation for the Community Facilities District, as provided by the Resolution of Formation, and with the incurring of indebtedness as provided by the Resolution Deeming it Necessary to Incur Bonded Indebtedness, the three matters must be submitted to an election of the qualified electors of the Community Facilities District; and

WHEREAS, the three ballot questions just described may be combined into a single ballot measure pursuant to Section 53353.5 of the Act, as provided in the form of special election ballot attached hereto as Exhibit A and by this reference incorporated herein; and

WHEREAS, a Certificate Re Registered Voters and Landowners (the “Certificate Re Landowners”) has been filed with the Authority Secretary (the “Secretary”) and submitted to the Commission, certifying that as of August 17, 2017, there were no registered voters within the territory of the Community Facilities District; and

WHEREAS, a Certificate Re Receipt of Property Owner Waiver and Consent Forms (the “Certificate Re Waivers”), has been submitted by the Assistant to the Secretary (the “Assistant to the Secretary”), stating that each Landowner, or an authorized representative of each Landowner, has filed with the Secretary a properly executed Waiver and Consent (as defined below) in the form attached hereto as Exhibit B, and by this reference incorporated herein; and

WHEREAS, the Commission is fully advised in this matter;

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

Section 1. The above recitals are true and correct, and the Commission so finds and determines.

Section 2. The Commission accepts the Certificate Re Landowners heretofore filed in these proceedings and finds, in accordance therewith, that during the ninety days just past there have been days when there were no registered voters residing within the boundaries of the Community Facilities District. Accordingly, under Section 53326(b) of the Act, the qualified electors of the Community Facilities District for the proposed special election shall be the owners of land within the Community Facilities District.

Section 3. The Commission further finds and determines that the owners of land within the Community Facilities District (the “Landowners”) are the landowners set forth in the attachment to the Certificate Re Landowners and that the attachment correctly sets forth the amount of property owned by each Landowner and the number of votes to which each Landowner is entitled pursuant to Section 53326(b) of the Act, being the number of acres owned rounded up to the next whole acre.

Section 4. The Commission hereby approves the form of “Waiver and Consent Shortening Time Periods and Waiving Various Requirements for Conducting a Mailed-Ballot Election” (the “Waiver and Consent”) by which the time limits and related requirements respecting preparation and distribution of election materials are waived, a copy of which is attached hereto as Exhibit B. The Commission hereby finds that the rights, procedures and time periods therein waived are solely for the protection of the qualified electors and may be waived by the qualified electors under Sections 53326(a) and 53327(b) of the Act and under other provisions of law dealing with waiver generally, and that the Waiver and Consent constitutes a full and knowing waiver, by any qualified elector who has executed the form, of those rights, procedures and time periods.

Section 5. The Commission further finds and determines, based on a Certificate Re Waivers, provided this date by the Assistant to the Secretary, that each Landowner, or an authorized representative of each Landowner, has filed with the Secretary a properly executed

Waiver and Consent. The Commission therefore is establishing the procedures and time periods for this special mailed-ballot election without regard to statutory schedules.

Section 6. Pursuant to Sections 53326 and 53351 of the Act, the Commission hereby calls an election, to be held and conducted forthwith upon adoption of this Resolution, and sets August 17, 2017, as the election date. Pursuant to Section 53326 of the Act, the election shall be conducted by mailed ballot; provided that personal service of the respective ballots to authorized representatives of each Landowner is permitted under the terms of the Waiver and Consent forms on file with the Secretary and shall therefore be permitted. Bond Counsel is directed to either mail or make personal service of the ballots, in the form of the attached Exhibit A, to each Landowner or, if one has been appointed pursuant to a Waiver and Consent, to the Landowner's authorized representative.

Section 7. The proposition to be submitted to the qualified electors of the Community Facilities District shall be as set forth in the form of special election ballot attached hereto as Exhibit A.

Section 8. The Secretary is hereby designated as the official to conduct the special mailed-ballot election pursuant to the Act and California Elections Code Sections 307 and 320 and the following provisions:

(a) The special election shall be held and conducted, and the votes canvassed and the returns made, and the results determined, as provided herein; and in all particulars not prescribed by this Resolution the special election shall be held and conducted and the votes received and canvassed in the manner provided by law for the holding of special elections consistent with the Act.

(b) All Landowners within the Community Facilities District as of the close of the Public Hearing shall be qualified to vote upon the proposition to be submitted at the special election.

(c) The special election shall be conducted as a mailed-ballot election, in accordance with the provisions of the Act and the proceedings of the Commission, and there shall be no polling places for the special election. All ballots shall be delivered or mailed by Bond Counsel to the Landowners, and all voted ballots are required to be received by the Secretary not later than 2:00 o'clock P.M. on the day of the election in order to be counted. However, if at any time the Secretary determines that all votes have been cast, the Secretary shall immediately declare the election closed.

(d) Each voter desiring to vote in favor of the proposition to be submitted at the special election shall mark a cross (x) or similar mark in the blank space opposite the word "YES" on the ballot to the right of the proposition; and each voter desiring to vote against the proposition shall mark a cross (x) or similar mark in the blank space opposite the word "NO" on the ballot to the right of the proposition. The cross (x) or similar mark may be marked with either pen or pencil.

(e) The Secretary shall commence the canvass of the returns of the special election, and report the returns to the Commission no later than the Commission meeting of August 17, 2017.

(f) The Commission may thereupon declare the results of the special election, and shall cause to be spread upon its minutes a statement of the results of the special election as ascertained by the canvass.

Section 9. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission 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 17, 2017.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

FORM OF SPECIAL ELECTION BALLOT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)

SPECIAL ELECTION BALLOT

(Mailed-Ballot Election)

This ballot is for the use of the authorized representative of the following owner of land within the California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) (the "Community Facilities District"):

<u>Name of Landowner</u>	<u>Number of Acres Owned</u>	<u>Total Votes</u>
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According to the provisions of the Mello-Roos Community Facilities Act of 1982, and resolutions of the Commission (the "Commission") of the California Statewide Communities Development Authority (the "CSCDA"), the above-named Landowner is entitled to cast the number of votes shown above under the heading "Total Votes," representing the total votes for the property owned by the Landowner.

In order to be counted, this ballot must be executed and certified below and be returned, by mail or in person, to the CSCDA Secretary, c/o Meagan Singer, Orrick, Herrington & Sutcliffe LLP, 405 Howard Street, San Francisco, CA 94105, prior to 9:00 a.m. on Thursday, August 17, 2017.

Mailing by that time will not be sufficient. This ballot must be received by the time stated in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT.

BALLOT MEASURE

Shall the Commission (the "Commission") of the California Statewide Communities Development Authority, by and through its Community Facilities District No. 2017-01 (Horse Creek Ridge) (the "District"), be authorized to annually levy a special tax within the District to finance the acquisition and construction of certain public facilities, and to finance certain development impact fees (collectively, the "Improvements"), and be authorized to incur debt in one or more series in the aggregate principal amount of not to exceed twenty-eight million dollars (\$28,000,000) to pay for the Improvements, including the payment, using the proceeds of the special tax collections, of principal of and interest on the debt and including the repayment of funds advanced for the authorized purposes of the Community Facilities District all as described in the Commission's Resolution of Formation and in the Commission's Resolution Deeming it Necessary to Incur Bonded Indebtedness, both adopted August 17, 2017; and shall the fiscal year 2017-18 appropriations limit for the District be established in the amount of twenty-eight million dollars (\$28,000,000)?

MARK "YES" OR "NO"
WITH AN "X":

YES

NO

Certification for Special Election Ballot

The undersigned declares under penalty of perjury under the laws of the State of California that such person is the authorized representatives of the above-named Landowner and is legally authorized and entitled to cast this ballot on behalf of the above-named Landowner and to bind the Landowner thereby, and that this ballot is signed by the undersigned as of the date set forth below.

Date: _____

[PROPERTY OWNER],
a [DESCRIPTION]

By: _____

Name: _____

Title: _____

EXHIBIT B
FORM OF WAIVER AND CONSENT

WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS
REQUIREMENTS FOR CONDUCTING A MAILED-BALLOT ELECTION

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)

[PROPERTY OWNER] (the "Owner") is the owner of the real property listed below by Assessor's Parcel Number ("APN"), which is within proposed California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) ("Community Facilities District"). The APN's are:

The Owner understands that a special mailed-ballot, landowner election will be held to determine whether the authority to levy an annual special tax on property within the proposed Community Facilities District, including the above-numbered parcels, to finance the acquisition and construction of certain public capital improvements and certain development impact fees, and to incur indebtedness to be secured and repaid by the special tax, and to establish an appropriations limit for the proposed Community Facilities District, all as set forth in two resolutions related to the proposed Community Facilities District to be considered by the Commission of the California Statewide Communities Development Authority on August 17, 2017 (the Resolution of Formation and the Resolution Deeming it Necessary to Incur Bonded Indebtedness), will be conferred upon that Commission.

The Owner requests that the election be conducted at the earliest possible date.

The Owner is the entity legally entitled and authorized to cast the ballot attributable to the above-referenced parcels in the landowner, mailed-ballot election.

The Owner hereby waives any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a).

The Owner hereby waives the preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b).

The Owner hereby waives the requirement to publish notice of the election under Government Code Section 53352.

The Owner hereby waives the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101, and agrees that either mailed service or personal service of the ballot will be sufficient.

The Owner hereby waives the requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5.

The Owner hereby waives any and all defects in notice or procedure in the conduct of the election, whether known or unknown (except the right to vote and to have the ballots fairly counted), and states that the election is being expedited, pursuant to this Waiver and Consent, at the particular instance and request of the Owner.

The Owner hereby consents to the levy and collection of the special tax on the above-referenced parcels in accordance with the rate and method of apportionment attached as an exhibit to the Resolution of Intention adopted on July 6, 2017, and incorporated by reference to the Resolution of Formation, and hereby waives any and all rights to challenge the inclusion of the above-referenced parcels in the Community Facilities District and any and all other proceedings related thereto.

Finally, the Owner will execute the ballot and cast the votes assigned to the above-listed property.

The undersigned declares under penalty of perjury under the laws of the State of California that such person is properly authorized to execute this Waiver and Consent and to bind the Owner thereby, and that the statements contained herein are true and correct and that this Waiver and Consent is signed by the undersigned as of the date set forth below.

Date: _____

[PROPERTY OWNER],
a [DESCRIPTION]

By: _____

Name: _____

Title: _____

ATTACHMENT D

RESOLUTION NO. 17SCIP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**RESOLUTION DECLARING RESULTS OF SPECIAL MAILED-BALLOT ELECTION WITHIN
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) has conducted proceedings under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State of California (the “Act”), to form its California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) (the “Community Facilities District”), to authorize a special tax to finance certain development impact fees (the “Fees”) and the acquisition construction of certain facilities (collectively, the “Improvements”), to authorize the issuance of debt to finance the Fees and Improvements, and to establish the appropriations limit for the Community Facilities District, all as set forth in the Commission’s Resolution No. 17SCIP-__ (Resolution of Formation) and Resolution No. 17SCIP-__ (Resolution Deeming it Necessary to Incur Bonded Indebtedness), both adopted on August 17, 2017 (collectively, the “Formation Resolutions”); and

WHEREAS, in order to confer upon the Commission the authority contained in the Formation Resolutions, a two-thirds approving vote by the qualified electors within the Community Facilities District is required; and

WHEREAS, a special, mailed-ballot election has been conducted pursuant to the Commission’s Resolution No. 17SCIP-__ (Resolution Calling Special Election), adopted August 17, 2017, to which reference is made for further particulars; and

WHEREAS, a Certificate of Bond Counsel re: Preparation and Distribution of Ballots has been filed with the Secretary of the Authority (the “Secretary”); and

WHEREAS, the Assistant to the Secretary (the “Assistant to the Secretary”) has filed with the Commission a Certificate re: Receipt of Executed Ballots and Declaring Election Results (the “Certificate of Election Results”), dated August 17, 2017, and indicating that all ballots cast in the special, mailed-ballot election were cast in favor of the ballot proposition; and

WHEREAS, the Commission has received, reviewed and hereby accepts the Certificate of Election Results; and

WHEREAS, the Commission is fully advised in this matter;

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

Section 1. The above recitals are true and correct, and the Commission so finds and determines.

Section 2. The Commission hereby finds and determines and declares that the ballot measure submitted to the qualified electors of the Community Facilities District has been passed and approved by those qualified electors in accordance with Sections 53328(a) and 53355 of the Act.

Section 3. The Commission hereby authorizes and directs Bond Counsel to cause a Notice of Special Tax Lien to be prepared and to be recorded with the County Recorder of the County of San Diego in accordance with the provisions of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Act. The Notice of Special Tax Lien shall be recorded in the County Recorder's office within fifteen days of today's date.

Section 4. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 17th day of August, 2017.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission 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 17, 2017.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority

ATTACHMENT E

ORDINANCE NO. 17ORD-1

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**ORDINANCE LEVYING A SPECIAL TAX FOR FISCAL YEAR 2017-2018
AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

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 E of Resolution No. 17SCIP-55 (the "Resolution of Intention") adopted July 6, 2017, as incorporated into Resolution No. 17SCIP-__ (the "Resolution of Formation") adopted August 17, 2017, with respect to the California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) (the "Community Facilities District"), a special tax is hereby levied on all taxable parcels within the Community Facilities District for the 2017-2018 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 Community Facilities District, 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 San Diego 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 San Diego 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 San Diego 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 San Diego 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 August 17, 2017, 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 _____, 2017.

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____

Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 8

Agenda Report

DATE: August 17, 2017
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consideration of Appointment of an Open PACE Advisory Board

SUMMARY:

On June 15, 2017 the Commission approved the formation of an Open PACE Advisory Board in order to receive direct feedback and recommendations from cities and counties regarding improvements/changes that can be made to Open PACE.

Staff consulted with the League and CSAC on potential city/county representatives and are recommending the following cities and counties as initial appointees.

1. City of Santa Barbara
2. City of Sacramento
3. City of Chula Vista
4. San Bernardino County
5. Alameda County
6. Tulare County

The representatives would be staff at the city or county who are involved with PACE and are likely to be personnel from sustainability departments. CSCDA staff will reach out to the appropriate staff at each city and county upon approval by the Commission. Once the appropriate staff agree to participate a final approval will be brought back to the Commission.

The Advisory Board would be subject to the Brown Act and its findings and recommendations will be reported to the CSCDA Commission.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends that the above-referenced cities and counties be appointed to the Open PACE Advisory Board. Upon CSCDA staff will reach out to staff at each respective city and county to inquire about their participation, and final approval of appointees will be brought back to the Commission for approval.



Agenda Item No. 9

Agenda Report

DATE: August 17, 2017
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Review Preliminary 2016-2017 Budget Results

This is an information item and includes two financial reports for CSCDA that provide preliminary information for 2016-17 bank account activity and preliminary budget to actual figures through June 30, 2017.

BANK ACCOUNT ACTIVITY:

- 1. Professional Services Account** - The June 30, 2016 balance in the Professional Services Account was \$73,343. Deposits equal to \$519,984 were made with \$476,448 in disbursements. The balance as of June 30, 2017 was \$116,879.
- 2. Operations¹** – The June 30, 2016 balance in the Operations Account was \$284,446. Deposits equal to \$15,941 were made with zero in disbursements. The balance as of June 30, 2017 was \$300,387.
- 3. Charitable Contributions** - CSCDA's June 30, 2016 balance in the Charitable Contributions Account was \$25,815. The account has earned \$13 in interest. Disbursements equal to \$25,826 were made and the balance as of June 30, 2017 was \$1. Pursuant to the Commission's action on June 15, 2017, the Charitable Contributions account will be replaced by the Marketing and Sponsorships line item in the Professional Services account. The Charitable Contributions Account will be closed and the \$1 balance will be moved to the Professional Services Account.

2017 CSCDA BUDGET REPORT:

This report provides actual FY 2015-16 figures for CSCDA, 2016-17 budget information, preliminary year end results for 2016-17 and a 2016-17 budget to actual variance calculation. The variance reflects the preliminary percent of budget received through June 30, 2017. If a variance is over 100%, CSCDA is over budget for the year. Similarly, if a variance is under 100%, CSCDA is under budget for the year.

¹ The Operations Account was established in July 2015 when it was determined that the Professional Services Account balance would be insufficient to meet CSCDA's operating costs. The League of California Cities and CSAC each contributed \$150,000 to the Operations Account to provide an initial balance of \$300,000. The Operations Account pays CSCDA's expenses when funds in the Professional Services Account are insufficient. When the Operations Account falls below \$300,000, the League and CSAC contribute 5% of new issuance fees until the \$300,000 initial balance is restored.

1. **Issuance Fee Collections** – CSCDA’s issuance fee collections were over or close to budget in all categories. CSCDA’s preliminary overall issuance fee collections are over budget by approximately \$1.25 million or 31% over the amount budgeted for the fiscal year.
2. **Bond Administrative Fee Collections** – CSCDA’s preliminary bond administrative fee collections are slightly over budget in every category except qualified 501(c)(3) financings. Overall bond administrative fee collections are slightly over budget by 3% and \$345 thousand over budgeted for the year. The large investment variance reflects marked-to-market valuations.
3. **Issuance Fee Disbursements** – Overall issuance fee disbursements are ahead of budget by 31% or \$1.23 million which are consistent with the collections figures.
4. **Bond Administration Fee Disbursements** – Bond administration fee disbursements are ahead of the budgeted amounts in all categories except housing compliance which reflects the reduced cost of housing compliance, and charitable contributions to reflect the new policy.
5. **General Administrative** – CSCDA had an estimated \$422,343 in General Administrative expenses through June 30, 2017 and is approximately 29% under budget. While a few 2016-17 expenses have not yet been billed, the variance is reasonably accurate because CSCDA renegotiated the Issuer Counsel fee and other expenses are lower than originally anticipated.

QUESTIONS

We appreciate the accounting services the League of California Cities has provided to CSCDA and express our sincere thanks to Quinlan Hunter, Perry Stottlemeyer and Norman Coppinger. CSCDA staff and League accounting personnel are available to respond to any questions the Commissioners may have about the preliminary FY 2016-17 financial report.

CSCDA
Budget-to-Actual Comparison for the Twelve Months Ended June 30, 2017

	Actual	Budget	YTD	Variance
	2015-16	2016-17	2016-17	2016-17
Amounts collected				
Issuance fees				
Qualified 501 (c)(3)	714,075	500,000	733,688	146.74%
Qualified residential rental program	1,201,505	1,100,000	1,425,322	129.57%
PACE	1,225,924	1,400,000	2,088,148	149.15%
SCIP / Mello Roos	683,825	950,000	930,827	97.98%
Other municipal bond programs	50,000	50,000	70,085	140.17%
Investment income	450	400	1,504	376.05%
Total issuance fees	<u>3,875,779</u>	<u>4,000,400</u>	<u>5,249,574</u>	<u>131.23%</u>
Bond administrative fees				
Qualified 501 (c)(3)	2,845,117	2,710,290	2,498,265	92.18%
Qualified residential rental program	6,927,762	6,703,911	7,202,949	107.44%
SCIP / Mello Roos	142,882	206,098	314,918	152.80%
Other municipal bond programs	465,562	379,950	439,768	115.74%
Investment income	301,903	600	(109,976)	-18329.29%
Total bond administrative fees	<u>10,683,225</u>	<u>10,000,849</u>	<u>10,345,924</u>	<u>103.45%</u>
Total amounts collected	14,559,004	14,001,249	15,595,498	111.39%
Amounts disbursed				
Issuance				
Program management fees - BSP	1,894,126	1,866,667	2,481,225	132.92%
Program governance fees - CSAC	845,936	1,066,667	1,375,902	128.99%
Program governance fees - League	845,936	1,066,667	1,375,902	128.99%
Total issuance	<u>3,585,998</u>	<u>4,000,001</u>	<u>5,233,029</u>	<u>130.83%</u>
Bond administration				
Program management fees - BSP	110,738	313,333	380,828	121.54%
Compliance monitoring fees - BSP	89,553	150,000	209,913	139.94%
Administration fees - HB Capital	5,699,360	5,041,055	5,610,941	111.30%
Program governance fees - CSAC	1,273,635	1,366,683	1,526,770	111.71%
Program governance fees - League	1,273,635	1,366,683	1,526,770	111.71%
Compliance fees - Compliance Services LLC	626,103	0	0	
Compliance fees - Urban Futures	580,131	1,020,000	717,108	70.30%
Charitable Contribution	0	40,000	28,826	72.07%
Total bond administration	<u>9,653,155</u>	<u>9,297,754</u>	<u>10,001,156</u>	<u>107.57%</u>
Subtotal Issuance & Bond Administration	<u>13,239,153</u>	<u>13,297,755</u>	<u>15,234,186</u>	<u>114.56%</u>

CSCDA

Budget-to-Actual Comparison for the Twelve Months Ended June 30, 2017

	Actual 2015-16	Budget 2016-17	YTD 2016-17	Variance 2016-17
General administrative				
Executive Director	110,198	72,000	65,841	91.45%
General Counsel - Richards Watson Gershon	223,777	150,000	95,907	63.94%
Insurance	26,518	30,000	26,939	89.80%
Board travel reimbursements	2,761	5,000	3,067	61.35%
Issuer counsel - Orrick	140,450	181,250	114,079	62.94%
Auditor - MGO	20,600	30,000	21,200	70.67%
Other professional services: Nielsen	46,386	45,000	45,995	102.21%
BSP municipal advisor fee	24,000	24,000	24,000	100.00%
Bank service fees	5,962	7,000	0	0.00%
Marketing and Sponsorships	11,885	30,000	20,765	69.22%
Other	27,679	20,000	4,551	22.76%
Total general administrative	640,215	594,250	422,343	71.07%
Total amounts disbursed	13,879,368	13,892,005	15,656,529	112.70%
Net surplus (deficit)	679,636	109,244	(61,031)	-55.87%

CSCDA
Bank Account Activity
For the Twelve Months Ended June 30, 2017

	Beg Bal	Add:	Less:	End Bal
	06/30/16	Deposits	Disbursements	06/30/17
Bank account:				
Professional Services	73,343	519,984	(476,448)	116,879
Operations	284,446	15,941	0	300,387
Charitable Contributions	25,815	13	(25,826)	1
	-----	-----	-----	-----
	383,604	535,938	(502,274)	417,268
	=====	=====	=====	=====



CSCDC
 CALIFORNIA STATEWIDE COMMUNITIES
 DEVELOPMENT CORPORATION



MEETING AGENDA

August 17, 2017

2:15 p.m. or upon adjournment of the regularly scheduled CSCDA Commission Meeting

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

Telephonic Locations:

709 Portwalk Place
 Redwood City, CA 94061

247 Electric Street
 Auburn, CA 95603

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

3252 Southern Hills Drive
 Fairfield, CA 94534

County of Kern
 1115 Truxtun Avenue, Bakersfield, CA 93301

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<input type="checkbox"/> Dan Harrison, President	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Larry Combs, Vice President	<input type="checkbox"/> Dan Mierzwa, Member
<input type="checkbox"/> Kevin O'Rourke, Treasurer	<input type="checkbox"/> Irwin Bornstein, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Brian Moura, Alt. Member
2. Consideration of the minutes of the August 3, 2017 Meeting.
3. Public Comment.

B. ITEMS FOR CONSIDERATION

4. Approve all necessary actions; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2017 at ___: __ __m, Signed _____. Please email signed page to info@cscda.org

- a. Approve the making of up to \$12,000,000 in qualified low income community investments by CSCDC 10 LLC to Livingston Community Health, City of Livingston, California.

C. ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

5. Executive Director Update.
6. Staff Updates.
7. Adjourn.



CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

August 3, 2017

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

Commission Chair Dan Harrison called the meeting to order at 2:19 pm.

1. Roll Call.

Commission members present: Dan Harrison

Commission members participating via teleconference: Larry Combs, Jordan Kaufman and Brian Moura

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

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; Tricia Ortiz, Richards, Watson & Gershon; Laura Labanieh, CSAC Finance Corporation

2. Consideration of the Minutes of the July 24, 2017 Regular Meeting.

The commission approved the minutes.

Motion to approve by L. Combs. Second by B. Moura. Unanimously approved by roll-call vote.

3. Public Comment.

There was no public comment.

4. Approve all necessary actions; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:

- a. Approve (i) a sub-allocation of \$14,000,000 to CSCDC 11 LLC for the financing of L.A. Prep South, City of Los Angeles, California; and (ii) an equality investment of \$14,000,000 into CSCDC 11 LLC by an affiliate of JP Morgan Chase Bank, N.A. in advance of the closing of the L.A. Prep South financing.

The Executive Director recommended approval of the sub-allocation of \$14,000,000. The project is anticipated to close in September, 2017.

Motion to approve by L. Combs. Second by J. Kaufman. Unanimously approved by roll-call vote.

- b. Approve (i) a sub-allocation of \$12,000,000 to CSCDA 10 LLC for the financing of Livingston Community Health; City of Livingston, California; and (ii) an equity investment of \$12,000,000 into CSCDC 10 LLC by an affiliate of JP Morgan Chase Bank, N.A. in advance of the closing of the Livingston Community Health financing.

Executive Director Bando recommended approval of the sub-allocation. It is anticipated that the project will be brought back to the Board for final approval of the QLICI financing within the next 30 days. The project is very important; it will expand a medical center that serves a large population of farm and other low income workers.

Motion to approve by J. Kaufman. Second by L. Combs. Unanimously approved by roll-call vote.

5. Executive Director Update

There was no Executive Director update.

6. Staff Updates.

There was no staff update.

7. Adjourn.

The meeting was adjourned at 2:26 pm.

Submitted by: Sendy Young, CSAC Finance Corporation



Agenda Report

DATE: August 17, 2017

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Bando, Executive Director

PURPOSE: Approve the Making of up to \$12,000,000 in Qualified Low Income Community Investments by CSCDC 10 LLC to Livingston Community Health, City of Livingston, California

BACKGROUND:

At CSCDC's August 3, 2017 meeting, the Board Approved (i) a sub-allocation of \$12,000,000 to CSCDC 10 LLC for the financing of Livingston Community Health; and (ii) an equity investment of \$12,000,000 into CSCDC 10 LLC by an affiliate of JPMorgan Chase Bank, N.A. The Project is now seeking final approval of the Qualified Low Income Community Investments.

PROJECT OVERVIEW:

Livingston Community Health (LCH), a non-profit primary health care provider, serves patients from Livingston, Delhi, Stevinson, Hilmar, Cressey, Ballico, Winton, and other surrounding agricultural areas. LCH is the primary source of health care for residents of northern Merced County and portions of southern Stanislaus County, particularly for the uninsured, rural and migrant families and the working poor. LCH has grown to be the largest Federally Qualified Health Center (FQHC) in Merced County. In particular, LCH serves a large population of farm workers. Approximately 77% of patients live at or below 100% of the Federal Poverty Level (FPL) and 95% live at or below 200% of the FPL. Around 80% of patients are Latino, and 40% are agricultural workers.

LCH's main clinic is currently located in a cramped 15,000 sq. ft. two-story building, which it has occupied for over 30 years. The current site is severely overcrowded, and is located in a residential neighborhood with little dedicated parking. A proposed new 35,500 sq. ft. main campus will include: (i) a 14,500 SF medical center, (ii) a 6,500 SF dental and optometry building, and a (iii) 14,500 SF administrative facility (the "Project"). The Project will create a consolidated "one-stop" health and wellness center for multi-generational families; including services ranging from primary and wellness care, to resources that support life-long health and wellness. The new campus will house administrative offices, 30 examination rooms, 6 dental rooms, radiology, optometry exam areas, labs, pharmacy, patient education rooms, behavioral health consultation rooms, triage areas, medical assistant workstations, as well as a reception, sufficient parking, and outdoor areas. Importantly, the new facility will create a patient-centered medical home and facilitate the integration of behavioral health and substance abuse services into the primary care setting.

COMMUNITY OUTCOMES:

- Job Creation: The Project is expected to result in 37 new permanent FTE jobs, 150 retained FTE jobs, up to 26 externships for medical assistants and nurses, and 6-10 training opportunities for high school students.
- Quality Jobs: Of the 187 new/retained permanent FTE jobs, 100% are expected to be quality jobs. All of the new jobs created are expected to have wages that exceed the local living wage for Merced County. LCH also provides comprehensive benefits to its employees, including medical, vision, and dental insurance, retirement benefits, sick time, and opportunities for job training.
- Accessible Jobs: LCH works with local school systems, county programs, and local job fairs to recruit residents of the surrounding low-income community for available positions. Of the 37 new permanent FTE jobs, 26 are expected to be accessible to and filled by local low-income community residents or low-income persons.
- Community Goods or Services to Low-Income Communities: The Project will allow LCH to provide important primary care services to 19,500 individuals annually, an increase of approximately 4,000 patients beyond their current levels, through 68,000 patient visits per year. The majority of LCH's patients are low-income individuals on Medi-Cal.
- Environmental Sustainability: The design of the Project incorporates a number of active and passive green building features that will help to ensure a healthy and sustainable environment for both employees and patients such as:
 - Use of natural light throughout the buildings, including skylights.
 - Cool roofs, which prevent solar heat gain by reflecting much of the sun's heat away from building.
 - Water preserving fixtures.
 - On-site recycling of waste.
 - Building materials selected for low volatile organic chemical content.
 - Minimization of storm water runoff through construction of on-site storm water retention basin.
 - Bicycle parking and electric vehicle charging stations located on site.
 - Low-water landscape materials will be used throughout.

ADVISORY BOARD APPROVAL:

On January 30, 2017, CSCDC's Advisory Board unanimously recommended approval of the Project.

FINANCE TEAM:

- Tax Credit Investor: JPMorgan Chase Bank, N.A.
- Investor Counsel: Holland & Knight, Chicago, IL
- CSCDC Counsel: Applegate & Thorne-Thomsen, Chicago, IL

ESTIMATED SOURCES AND USES:

Livingston Community Health			
Multi-Level S&U			
As of 8/8/2017			
Sponsor			
Sources		Uses	
NCCLF Source Loan	4,550,000	Leverage Loan	7,313,949
Central CA Alliance for Health Grant	2,500,000	Acquisition Costs (Non-QALICB)	1,201,546
Cash	2,053,563	Source Loan Fees	101,219
		QALICB Contribution	486,849
Total	\$ 9,103,563	Total	\$ 9,103,563
Investment Fund			
Sources		Uses	
Leverage Loan	7,313,949	CSCDC QEI	11,070,000
NMTC Equity	3,756,051		
Total	\$ 11,070,000	Total	\$ 11,070,000
CSCDC Sub-CDE			
Sources		Uses	
CSCDC QEI	11,070,000	Upfront Fee	332,100
		QLICI Loan A1	4,550,000
		QLICI Loan A2	2,763,949
		QLICI Loan B	3,423,951
Total	\$ 11,070,000	Total	\$ 11,070,000
QALICB			
Sources		Uses	
CSCDC QLICI Loans	10,737,900	Acquisition	2,070,956
RCAC Direct Loan	6,600,000	Hard Costs	11,661,091
		Soft Costs	1,264,632
Sponsor Contribution	486,849	FF&E	1,315,000
		Transaction Costs	1,513,070
Total	\$ 17,824,749	Total	\$ 17,824,749

DOCUMENTS:

1. Resolutions (Attachment A)

ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approve the financing of the Project;
2. Approve all necessary actions and documents in connection with the financing; and
3. Authorize any member of the Board of Directors or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION (Livingston FQHC)

At a meeting duly Called on August 17, 2017, the Board of Directors of California Statewide Communities Development Corporation, a California nonprofit public benefit corporation (the "Allocatee"), for itself and in its capacity as managing member the Sub-CDE (defined below), does hereby adopt the following resolutions:

WHEREAS, the Allocatee and CSCDC 10 LLC, a California limited liability company ("Sub-CDE"), were organized for the purpose of participating in the federal New Markets Tax Credit ("NMTC") program, designed by Congress to encourage investment in (i) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (ii) businesses and nonprofits active in low-income communities; and (iii) the provision of technical assistance and other services to businesses active in low-income communities; and

WHEREAS, by law, NMTC investments must be made through a qualified community development entity (a "CDE"), which is a legal entity that (i) has as its primary mission serving or providing investment capital for low-income communities or low-income persons, and (ii) maintains accountability to residents of low-income communities through their representation on an advisory board to the CDE; and

WHEREAS, the Allocatee was certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a CDE, and the Allocatee submitted a Thirteenth Round (2015-2016) New Markets Tax Credit Allocation Application (the "Application"); and

WHEREAS, Sub-CDE was certified by the CDFI Fund as a subsidiary CDE of the Allocatee; and

WHEREAS, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended, in the amount of \$70,000,000 of NMTC authority (the "Allocation") in connection with its Application; and

WHEREAS, the Allocatee, as managing member, and CSCDC Manager, LLC, a California limited liability company, as the non-managing member (the "Withdrawing Member"), entered into that certain operating agreement of Sub-CDE dated January 30, 2014 (the "Initial Sub-CDE Operating Agreement") to govern the Sub-CDE; and

WHEREAS, pursuant to that certain Sub-Allocation Agreement dated August 15, 2017, the Allocatee sub-allocated a portion of the Allocation in an amount equal to \$10,000,000 to the Sub-CDE; and

WHEREAS, on August 15, 2017 the Withdrawing Member withdrew as a member of the Sub-CDE, Allocatee admitted Chase NMTC Livingston Investment Fund, LLC, a Delaware limited liability company (the "Investor Member") as the 99.99% member of the Sub-CDE, and the Investor Member and Allocatee amended and restated the Initial Sub-CDE Operating Agreement in its entirety (as amended and restated, the "A&R Sub-CDE Operating Agreement") pursuant to which the Investor Member made an equity investment in the Sub-CDE in the amount of \$10,000,000 (the "Initial CDE Investment"); and

WHEREAS, the Initial CDE Investment has been designated as a "qualified equity investment" as such term is defined in Section 45D of the Code ("QEI"); and

WHEREAS, the Allocatee will sub-allocate an additional portion of the Allocation in an amount up to \$2,000,000 to the Sub-CDE (the "Additional Sub-Allocation") and will memorialize the Additional Sub-Allocation with a certain Sub-Allocation Agreement (the "Additional Sub-Allocation Agreement"); and

WHEREAS, Allocatee and Investor Member desire to amend and restate the A&R Sub-CDE Operating Agreement in its entirety (as amended and restated, the "Second A&R Sub-CDE Operating Agreement") pursuant to which the Investor Member will make an equity investment in the Sub-CDE in the amount of up to \$2,000,000 (the "Additional CDE Investment"); and

WHEREAS, the Additional CDE Investment will be or has been designated a QEI; and

WHEREAS, in accordance with the Second A&R Sub-CDE Operating Agreement, the Sub-CDE will use substantially all of the QEI proceeds to make one or more loans to LCHS Foundation, Inc., a California nonprofit public benefit corporation (the "QALICB") in the aggregate original principal amount of up to \$11,640,000 (the "CDE Loan"); and

WHEREAS, the CDE Loan is expected to constitute a "qualified low-income community investment" (as defined in Section 45D of the Code and the Treasury Regulations and Guidance) for purposes of the NMTC program which have flexible, non-conventional, or non-conforming terms and conditions; and

WHEREAS, it is the intention of the Board that the Allocatee enter into certain transaction documents, for itself or in its capacity as the managing member of the Sub-CDE, in connection with the above described transactions and QEIs that are necessary to evidence and govern such transactions, including, but not limited to the agreements set forth on Exhibit A attached hereto and made a part hereof (collectively, the "Transaction Documents").

NOW, THEREFORE, BE IT

RESOLVED, that each of the Transaction Documents and the transactions contemplated thereby are hereby approved, ratified and confirmed in all respects;

RESOLVED, that each of the following individuals (each an "Authorized Signatory") be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of the Allocatee and on behalf of the Allocatee as managing member of the Sub-CDE, and with such changes, variations, omissions and insertions as they shall approve, the execution and delivery thereof by them to constitute conclusive evidence of such approval: Norman Coppinger, Catherine Bando, Laura Labanieh, Jon Penkower and James Hamill; and be it further

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other affidavits, certificates, agreements, instruments and documents, to pay all fees, charges and expenses, and to do or cause to be done all other acts and things which are required or provided for under the terms of the Transaction Documents or which may be necessary or, in his or her or their opinion, desirable and proper in order to effect the purposes of the foregoing resolution and to cause compliance by the Allocatee or Sub-CDE, as the case may be, with all of the terms, covenants and conditions of the

Transaction Documents on the part of the Allocatee or Sub-CDE, as the case may be, to be performed or observed; and be it further;

RESOLVED, that any and all documents, instruments and other writings previously executed and delivered or acts performed by the Authorized Signatories, in the name and on behalf of the Allocatee or the Sub-CDE, as the case may be, in connection with the transactions, be, and the same hereby are, consented to in all respects and are hereby ratified, confirmed and approved;

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other documents approved by the Board and to do or cause to be done all other acts and things which may be necessary in the ordinary course of the business of CSCDC and/or the Sub-CDE; and be it further; and be it further

RESOLVED, that these resolutions may be executed in counterparts, including by signature pages provided by facsimile or in PDF format, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Board of Directors of the Allocatee have executed and adopted these Resolutions at its meeting duly called and held on August 17, 2017, at which a quorum of the Board of Directors was present or represented.

Dan Harrison
President