



**REGULAR MEETING AGENDA
November 5, 2020 at 2:00 p.m.**

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

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.
____ Kevin O’Rourke, Chair
____ Tim Snellings, Vice Chair
____ Brian Moura, Secretary
____ Jordan Kaufman, Treasurer
____ Dan Mierzwa, Member
____ Brian Stiger, Member
____ Marcia Raines, Member
____ Michael Cooper, Alt. Member
____ Niroop Srivatsa, Alt. Member
2. Consideration of the Minutes of the October 1, 2020 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION AND ACTION

5. Statewide Community Infrastructure Program (SCIP) 2020C:
Public Hearing Item for Statewide Community Infrastructure Program (SCIP) 2020C.
 - a. Consideration of Resolutions abandoning proceedings for Statewide Community Infrastructure Program Assessment District No. 20-01 (The Arbors-South Orchard Estates-Orchards 124) County of Yuba.
 - b. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for certain Assessment Districts (collectively, the “Districts”) for the following projects: Acacia, Rosecrans Place, Cedar Flats Phase I, Cardoso, Vintage Park Estates and Belfort Gardens:

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- a. Open consolidated District public hearing.
 - b. Close consolidated District public hearing.
- c. Conduct following actions with respect to the SCIP Assessment Districts:
 - a. Open assessment ballots of landowners within the Assessment Districts and announce results.
 - b. Consideration of resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.
- d. Conduct following actions with respect to issuance of SCIP Local Obligations and Revenue Bonds:
 - a. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
 - b. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$22,694,094.51 of SCIP Revenue Bonds, Series 2020C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.
6. Consideration of a Joint Exercise of Powers Agreement between CSCDA and the City of Martinez.
7. Consideration of Poppy Bank as CSCDA Open PACE Program Administrator.
8. Consideration of update to CSCDA Open PACE Consumer Protection Policies.
9. Consideration of the formation of the CSCDA Economic Innovation and Sustainability Standing Committee.
10. Consideration of 2021 CSCDA Regular Meeting Calendar.
11. Discussion regarding 2021 CSCDA Annual Meeting.
12. CSCDA Quarterly Financial Update. (Information Only)

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

13. Executive Director Update.
14. Staff Updates.
15. Adjourn.

NEXT MEETING: Thursday, November 19, 2020 at 2:00 p.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consideration of Atwell Community Facilities District (City of Banning, Riverside County) Reimbursement Resolution.
2. Consideration of agreement with DTA Finance for commercial PACE assessment administrator services relating to Stonehill PACE.
3. Consideration of resolutions to initiate foreclosure related to the Statewide Community Infrastructure Program (SCIP) Assessment Districts 06-01 (Placer) and 08-01 (Alameda).



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

October 1, 2020 at 2:00 p.m.

Commission Chair Kevin O'Rourke called the meeting to order at 2:04 pm.

1. Roll Call.

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

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Hamill, Bridge Strategic Partners; Sedy Young, CSAC Finance Corporation; and Trisha Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of September 17, 2020 Regular Meeting.

The Commission approved the September 17, 2020 Regular Meeting minutes.

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

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Pasadena Studios, LLC (Pasadena Studios), City of Pasadena, County of Los Angeles; issue up to \$33 million in multi-family housing revenue bonds.

2. Approve and ratify the addition of the City of Yucaipa as a CSCDA program participant.

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

4. Public Comment.

There was no public comment.

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
 - a. Head-Royce School, City of Oakland, County of Alameda; issue up to \$35,000,000 in nonprofit tax-exempt revenue obligations.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general, issuance and K-12 private school policies. Head-Royce School has requested that CSCDA issue tax-exempt nonprofit revenue obligations to finance and refinance certain educational facilities located on its campus. This is Head-Royce's third financing with CSCDA. CSCDA's Executive Director recommended that the Commission adopt the resolution.

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

6. Quarterly Update

Executive Director Bando gave an update of recent activities in CSCDA's programs. She highlighted that residential PACE administrators are seeing an increase in applications, with the construction market open again.

Staff informed the Commission that Renovate America will no longer be offering PACE anywhere in the country. They will be focusing all their effort on unsecured leading products. CSCDA staff will be working with counsel to ensure a smooth transition.

7. Executive Director Update.

Executive Director Bando had no update.

8. Staff Update.

Staff informed the Commission that the general market is holding back due to the uncertainty of the election. Staff will continue to inform the Commission of any changes in the market and CSCDA programs.

9. Adjourn.

The meeting was adjourned at 2:18 p.m.

Submitted by: Sindy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, October 15, 2020 at 2:00 p.m.



Agenda Item No. 3

Agenda Report

DATE: September 3, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

1. Consideration of Atwell Community Facilities District (City of Banning, Riverside County) Reimbursement Resolution.

The Commission approved the formation of the Atwell CFD in the City of Banning on July 23, 2020. The project is with Pardee Homes for a master planned community in the City of Banning that will create up to 4,862 single and multifamily residential developments. It is anticipated that bonds will be issued for the Atwell CFD in 2021, however in the interim Pardee Homes is expending funds, and the resolution for approval is to ensure such expenditures can be reimbursed.

2. Consideration of agreement with DTA Finance for commercial PACE assessment administrator services relating to Stonehill PACE.

Stonehill PACE, one of CSCDA's Open PACE administrator's, has engaged DTA Finance as its assessment administrator. Since the PACE assessment is levied by CSCDA the contract is required to be approved and executed by the Commission. The agreement is identical to all other agreements CSCDA has with DTA Finance. CSCDA General Counsel has reviewed the agreement.

3. Consideration of resolutions to initiate foreclosure related to the Statewide Community Infrastructure Program (SCIP) Assessment Districts 06-01 (Placer) and 08-01 (Alameda).

Two commercial properties, in SCIP AD 06-01 and SCIP 08-01 are delinquent on two installments of their property tax payments. The bond documents require the initiation of foreclosure proceedings after two missed payments. The resolution for consideration is to initiate such proceedings.

Documents:

<https://www.dropbox.com/sh/equ9q4plf8a1bec/AACBX79EhWTppgDtjtjHvkkJa?dl=0>



Agenda Item No. 5

Agenda Report

DATE: November 5, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE:

1. Conduct proceedings with respect to SCIP 2020C (hearing to be held at 2:00 p.m. or shortly thereafter)
2. Consideration of resolutions with respect to SCIP 2020C

BACKGROUND AND SUMMARY:

On September 23, 2020 the Commission approved the resolutions of intention for certain SCIP assessments and set the public hearing for today for the formation of the assessment districts as outlined below.

The Commission is being asked today to:

1. Consideration of Resolutions abandoning proceedings for Statewide Community Infrastructure Program Assessment District No. 20-01 (The Arbors-South Orchard Estates-Orchards 124) County of Yuba.
2. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for certain Assessment Districts (collectively, the “Districts”) for the following projects: Acacia, Rosecrans Place, Cedar Flats Phase I, Cardoso, Vintage Park Estates and Belfort Gardens:
 - a. Open consolidated District public hearing.
 - b. Close consolidated District public hearing.
3. Conduct following actions with respect to the SCIP Assessment Districts:
 - a. Open assessment ballots of landowners within the Assessment Districts and announce results.
 - b. Consideration of resolution approving final engineer’s reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.

4. Conduct following actions with respect to issuance of SCIP Local Obligations and Revenue Bonds:
 - a. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
 - b. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$22,694,094.51 of SCIP Revenue Bonds, Series 2020C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

FORMATION OF DISTRICTS:

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

Abandonment of Proceedings:

A resolution of intention was adopted on September 17, 2020 for SCIP Assessment District No. 20-01 (The Arbors-South Orchard Estates-Orchards 124) County of Yuba with a public hearing originally scheduled for today. The project financing is not moving forward at this time.

THE FINANCING:

The Series 2020C pooled SCIP revenue bonds will be issued to acquire certain limited obligation bonds issued for certain assessment districts, as described in the table below. The total anticipated financing for SCIP 2020B is expected to not exceed \$22,694,094.51 for the following projects:

Local Agency	Project	Developer	Land Use	Units	Estimated Par Amounts
Oakley, City of	Acacia	Signature Homes, Inc.	Single-Family	108	2,216,000
Gardena, City of	Rosecrans Place	Rosecrans Place LLC	Single- & Multi-Family	113	1,438,000
Galt, City of	Cedar Flats (Phase I)	Tim Lewis Communities	Single-Family	63	2,201,000
Galt, City of	Cardoso	KB Home Sacramento, Inc.	Single-Family	69	1,982,000
Sacramento, City of	Wayne Court	Buzz Oates Corporation	Warehouse	n/a	2,066,000
Sacramento, County of	Vintage Park Estates	KB Home Sacramento Inc.	Single-Family	81	3,293,000
Yucaipa, City of	Belfort Gardens	BCM Development, LLC	Single-Family	70	2,156,000
San Diego, City of	Pacific Highlands Ranch (Unit 9B & 9C)	Pardee Homes	Single-Family	94	5,165,000
Davis, City of	Hyatt House Davis	Presidio Companies	Hotel	n/a	1,661,000
Yuba, County of	Orchard 6 (Phase III)	John Mourier Construction, Inc.	Single-Family	21	511,000
Total	10 Projects			619	\$22,689,000

Inclusion of the foregoing assessment districts in the SCIP 2020C pool is dependent upon market and development conditions for each assessment district, and certain of such assessment districts may be removed from the pool with the advice of the underwriter and bond counsel.

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds	\$ 21,895,000.00
Premium	\$ 415,174.85
	<u>\$ 22,310,174.85</u>

Uses:

Project Fund	\$ 18,699,500.03
Capitalized Interest	\$ 622,791.12
Debt Service Reserve Fund	\$ 1,292,600.00
Cost of Issuance	\$ 1,145,702.41
Underwriter Discount	\$ 547,375.00
Contingency	<u>\$ 2,202.39</u>
	\$ 22,310,174.85

Pursuant to Section 5852.1 of the California Government Code, the Authority has received certain representations and good faith estimates from RBC Capital Markets, as the underwriter of the California Statewide Communities Development Authority Statewide Community Infrastructure Program Revenue Bonds, Series 2020B and has disclosed such good faith estimates as follows:

1. TIC: 4.04%
2. Sum of all fees and charges paid to third parties: \$1,145,706.41
3. Net Proceeds: \$22,310,174.85
4. Total Net Debt Service +Annual Fees: \$38,003,191.12

RECOMMENDED ACTION:

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

1. Consideration of Resolutions abandoning proceedings for Statewide Community Infrastructure Program Assessment District No. 20-01 (The Arbors-South Orchard Estates-Orchards 124) County of Yuba.
2. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for certain Assessment Districts (collectively, the “Districts”) for the following projects: Acacia, Rosecrans Place, Cedar Flats Phase I, Cardoso, Vintage Park Estates and Belfort Gardens.
3. Consideration of resolution approving final engineer’s reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.
4. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
5. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$22,694,094.51 of SCIP Revenue Bonds, Series 2020C and approving the forms of a trust

agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

Documents:

<https://www.dropbox.com/sh/s9ibnqwxjdqoh1w/AABTsrcCwqWW1qO1KfJX7FYa?dl=0>



Agenda Item No. 6

Agenda Report

DATE: November 5, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of a Joint Exercise of Powers Agreement between CSCDA and the City of Martinez

EXECUTIVE SUMMARY:

The City of Martinez (“the City”) has requested that CSCDA enter into a new joint exercise of powers agreement, creating the Martinez Financing Authority, to assist with the financing and refinancing of capital improvement projects, and to finance working capital for the City.

BACKGROUND & SUMMARY:

The City is proposing the financing of certain water and wastewater facilities as well as the refinancing of its existing 2012 certificates of participation. The improvement project will include (a) water main replacements, (b) reconstruction of the Webster Pump Station, (c) renovations to the Water Treatment Plant ozone generation system, and (d) other projects benefiting the Water System identified by the City. In light of the currently low interest rate environment, a bond financing is being contemplated and the bonds will be issued by a joint powers authority. In order to form a joint powers authority, the City needed to find an eligible public entity to be the counterparty to a joint exercise of powers agreement.

- After approval by City Council and the CSCDA Commission, the City and CSCDA will enter into the Joint Powers Agreement to form the Martinez Financing Authority (the “Authority”). CSCDA will have no other role in the proposed bond financing.
- The governing board of the Authority will consist of the members of the City Council. The administration and operation of the Authority will be provided by City staff.
- CSCDA will be the only other member to the Authority. Standard limitations on liability and indemnification are contained in the Joint Exercise of Powers Agreement between the City and CSCDA.

- CSCDA has previously entered into similar joint powers agreements to assist the San Bruno Park School District, Cameron Park Community Services District, San Dieguito Union High School District, Alameda County Flood Control and Water Conservation District, Zone 7, City of Orange, and Mountain House Community Services District, in connection with similar financings.
- CSCDA will charge the City its standard fee of \$10,000 for the arrangement, payable from bond proceeds upon the issuance of the proposed bonds.
- Jones Hall is serving as bond counsel. CSCDA's General Counsel has reviewed the Joint Exercise of Powers Agreement and approves of its form and content.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends that the Commission approve the resolution (Attachment A) to authorize CSCDA to enter into the joint exercise of powers agreement by and between CSCDA and the City of Martinez.

Joint Exercise of Powers Agreement:

<https://www.dropbox.com/sh/iw1gxjg4vwgahjv/AAArhGsaWzqkQwEsRW1YdSa5a?dl=0>

ATTACHMENT A

RESOLUTION NO. _____

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING
THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF
POWERS AGREEMENT BY AND BETWEEN THE CALIFORNIA
STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
AND THE CITY OF MARTINEZ**

WHEREAS, under the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with section 6500) of the California Government Code (the “**JPA Act**”), a number of California cities, counties and special districts entered into a joint exercise of powers agreement pursuant to which the Authority was organized;

WHEREAS, the Authority, acting pursuant to the JPA Act, may enter into a joint exercise of powers agreement with one or more public agencies pursuant to which such contracting parties may jointly exercise any power common to them and to exercise additional powers granted under the JPA Act;

WHEREAS, the Authority and the City of Martinez (the “**Local Agency**”) desire to create and establish the Martinez Financing Authority (the “**Local Authority**”) pursuant to the JPA Act;

WHEREAS, there has been presented to this meeting a proposed form of Joint Exercise of Powers Agreement (the “**Local Authority Agreement**”), by and between the Authority and the Local Agency, which agreement creates and establishes the Local Authority; and

WHEREAS, under California law and the Local Authority Agreement, the Local Authority will be a public entity separate and apart from the parties to the Local Authority Agreement and the debts, liabilities and obligations of the Local Authority will not be the debts, liabilities or obligations of the Authority or the Local Agency or any representative of the Local Agency serving on the governing body of the Local Authority;

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

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

Section 2. The Local Authority Agreement, in substantially the form on file with the Commission, is hereby approved. The officers of the Authority are hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Local Authority Agreement, in substantially said form, with such changes and insertions therein as the officer executing the same, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. This resolution shall take effect from and after its adoption.

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

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on _____, 2020.

By: _____
Authorized Signatory



Agenda Item No. 7

Agenda Report

DATE: November 5, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Agreement for Services with Poppy Bank for commercial PACE under Open PACE

EXECUTIVE SUMMARY:

CSCDA's Open PACE program currently has twelve program administrators: Renew Financial, AllianceNRG/Counterpointe, PACE Funding, CleanFund Commercial Capital, Petros PACE Finance, Greenworks Lending, PACE Equity, White Oak Advisors, StoneHill Capital, Green PACE Capital and Fortifi. The concept of Open PACE is to provide CSCDA member cities and counties with a number of qualified program administrators that have been vetted and approved by the CSCDA Commission.

CSCDA received a proposal from Poppy Bank ("Poppy") for commercial PACE only under the CSCDA Open PACE program. After a review of the proposal by the Executive Director and Commissioners Snellings, Moura, and Stiger the recommendation before you today is to approve Poppy as a program administrator under the CSCDA Open PACE platform.

OVERVIEW:

Poppy Bank:

- Opened in January, 2005 in Santa Rosa and has grown to over \$3B in assets.
- Poppy is 5-star rated by BauerFinancial, the nation's leading independent bank and credit union rating firm.
- Created a PACE division with personnel who have worked in the PACE industry since 2014.
- Leverage strong capital compliance with PACE.
- Build out a commercial PACE platform that exceeds \$100MM in originations.
- First bank to engage in Open PACE as a program administrator.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends the approval of Poppy Bank as a new commercial Open PACE program administrator. The administration agreement for services was reviewed by CSCDA's General Counsel.

Administration Agreement:

<https://www.dropbox.com/s/ogrp1j1kjc8au5q/PACE%20Administrator%20Agreement%20%28Poppy%20Bank%29%20clean.DOCX?dl=0>



Agenda Item No. 8

Agenda Report

DATE: November 5, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consideration of Updated CSCDA PACE Consumer Protection Policies

BACKGROUND AND SUMMARY:

In 2015 and 2017 the CSCDA Commission adopted and updated CSCDA's Residential PACE Consumer Protection Policies. Since that time the State has implemented a number of statutory consumer protections, including oversight and regulation by the Department of Business Oversight (DBO).

After review of some of the challenges faced with residential PACE, and in consultation with Commissioners Stiger, Moura and Snellings, it is recommended that the following policies be added to the existing CSCDA Consumer Protection Policies:

- 1. Residential PACE Administrator must participate in a Lien registry** - A software platform, Spring Labs (www.springlabs.com), has been constructed that confirms whether a residential property has a PACE lien it or not. Depending on the timing of a PACE financing, a PACE lien may not be immediately recorded on the tax roll which could result in the placement of multiple PACE liens on the property. Only two residential PACE administrators currently participate in the lien registry. The recommendation is to make lien registration with Spring Labs a requirement under the Open PACE program, which would now include all residential PACE administrators effective on January 1, 2021. CSCDA's lien registration requirement will serve as an effective tool to prevent PACE lien stacking.
- 2. Residential PACE Administrator must do 100% Asset Verification** - Some residential PACE administrators require inspections on 100% of all projects regardless of size. They use a self-inspection software (TruPic) that is easy to use and gets contractors paid faster. Regardless of whether PACE administrators use this software or rely on an outside inspection firm, the recommendation is that CSCDA require third party inspections before funding PACE projects effective January 1, 2021. The purpose of this requirement is to avoid disputes between a property owner who claims projects are not completed, yet the contractor has been paid.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the addition of the lien registry participation and third-party asset verification to its PACE Consumer Protection Policies effective on January 1, 2021.



Agenda Item No. 9

Agenda Report

DATE: November 5, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of the formation of the CSCDA Economic Innovation and Sustainability Standing Committee.

BACKGROUND AND SUMMARY:

The CSCDA Commission has historically appointed ad hoc committees to address short-term issues that need to be addressed in areas such as PACE, Professional Services, COVID solutions and others.

The Executive Director is recommending forming the Economic Innovation and Sustainability Committee (the “Committee”) on a standing basis. The Committee will review matters and provide its recommendations to the Commission in the areas of PACE, new economic development programs for CSCDA members, and current/future solutions related to the pandemic.

The Committee will meet after the second CSCDA meeting each month in accordance with the Brown Act. It is also recommended that CSCDA Commissioners Snellings, Moura and Stiger, who currently serve on the PACE ad hoc committee, be appointed to the Committee.

RECOMMENDED ACTION:

CSCDA’s Executive Director recommends the formation of the CSCDA Economic Innovation and Sustainability Standing Committee, and the appointment of Commissioners Snellings, Moura and Stiger to the Committee.



2021 Regular Meeting Calendar

All Regular Meetings of the Authority will begin at 2:00 PM. The primary location for the first meeting of each month is the League of California Cities, located at 1400 K Street, 3rd Floor, Sacramento, CA 95814. The primary location for the second meeting of each month is the California State Association of Counties, located at 1100 K Street, Sacramento, CA 95814.

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Regular CSCDA Board Meetings highlighted Yellow

Federal Holidays highlighted Red

- January 7th
- January 21st
- February 4th
- February 18th
- March 4th
- March 18th
- April 1st
- April 15th
- May 6th
- May 20th
- June 3rd
- June 17th

- July 1st
- July 15th
- August 5th
- August 19th
- September 2nd
- September 16th
- October 7th
- October 21st
- November 4th
- November 18th
- December 2nd
- December 16th

- January 1st – New Year’s Day
- January 18th – M.L. King, Jr. Day
- February 15th – Presidents Day
- May 31st – Memorial Day
- July 5th – Independence Day (Observed)
- September 6th – Labor Day
- October 11th – Columbus Day
- November 11th – Veterans Day
- November 25th – Thanksgiving
- December 25th – Christmas Day



Agenda Item No. 12

Agenda Report

DATE: November 5, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: 2020-21 Q1 Financials and Bank Account Activity

CSCDA's bank account activity and budget to actual figures for the first quarter of FY 2020-21 are provided on the attached financial reports.

FY 2020-2021 Q1 BUDGET REPORT:

The FY 2020-21 Q1 budget report provides FY 2019-20 actual figures for CSCDA, 2020-21 budget information, and actual figures through September 30, 2020. The variances represent 2020-21 budget figures compared to actual amounts received or disbursed through September 30, 2020. A variance of 25% reflects that the amount is on target for the fiscal year while variances below 25% are below budget and variances above 25% are above budget.

1. **Issuance Fee Receipts** - Issuance fees received were \$1.6 million which represented 35.3% of the annual budget, or \$469 thousand over the annual budget amount.
 - **Qualified 501(c)(3)** issuance fees were at 48% of the amount budgeted for the year and above the quarterly budget amount by about \$58 thousand reflecting the closing of two private schools and one large healthcare transaction for Emanate Health
 - **Affordable Housing** was below budget at only 8% of the amount budgeted for the fiscal year, representing \$169 thousand below the quarterly budget amount. This trend is expected to continue throughout FY 2020-21 due to changes in the CDLAC regulations not allowing acquisition/rehabilitation projects, and competition from large new construction projections in major metropolitan areas where bonds are issued locally.
 - **PACE** generated \$760 thousand in fees representing 38% of the amount budgeted for the first quarter, or \$260 thousand above the Q1 budget amount. This trend is expected to continue throughout FY 2020-21. Demand for residential PACE continues to be strong and commercial PACE projects are steadily increasing with the addition of new C-PACE partners.
 - **SCIP/CFD** issuance fees were at 50% of the amount budgeted for the year and are twice the amount budgeted for the first quarter of FY 2020-21. This trend is expected to continue for the 2020-21 budget year. We have a strong pipeline of new CFD's and residential development continues to be strong in California.
 - **Other Municipal Bond Programs** are below budget at 20% of the annual amount reflecting the cyclical and infrequent nature of other municipal bond programs.

2. **Bond Administrative Fee Receipts** - Bond administrative fee collections were \$2.25 million and were slightly under budget due to the timing of billing and collections.
3. **Issuance Fee Disbursements** - Issuance fee disbursements were \$1.6 million representing 35% of the amount budgeted for the year.
4. **Bond Administration Fee Disbursements** - Bond Administration Fee Disbursements were at 23% of the amount budgeted for the year at \$2.14 million, consistent with lower Bond Administration Fee Receipts through September 30th.
5. **General Administrative** - General Administrative disbursements equal to \$65 thousand were under the amount budgeted for the quarter at only 15% of the quarterly amount, or \$41 thousand lower than budget for the quarter. This reflects the cyclical nature of billings submitted and the cyclical nature of services provided to CSCDA.

BANK ACCOUNT ACTIVITY:

CSCDA's fee collections are disbursed monthly after funding the professional services and operations accounts. Receipts, disbursements and balances as of September 30, 2020 in the two accounts are provided below.

1. Professional Services Account

- Deposits of \$110 thousand and disbursements of \$77 thousand were made in the first quarter.
- The beginning balance on July 1, 2020 was \$148 thousand, plus \$33 thousand in receipts over disbursements equates to an ending balance as of September 30, 2020 of \$181 thousand.

2. Operations Account

- The June 30, 2020 balance of \$312 thousand, plus interest earnings through August 31, 2020, was returned to the League of California Cities and CSAC on August 31, 2020.
- The Operations Account was replenished with \$213 thousand in excess balances held in CSCDA's CDLAC performance deposit account on August 31, 2020.

SUMMARY AND QUESTIONS

CSCDA staff and League accounting personnel are available to respond to any questions the Commissioners may have about the attached FY Q1 2020-21 financial reports.

CSCDA

Budget-to-Actual Comparison for the Three Months Ended September 30, 2020

	Actual 2019-20	Budget 2020-21	YTD 2020-21	Variance 2020-21
Amounts collected				
Issuance fees				
Qualified 501 (c)(3)	211,734	250,000	120,713	48.29%
Qualified residential rental program	1,880,209	1,000,000	80,550	8.05%
PACE	2,202,063	2,000,000	760,383	38.02%
SCIP / Mello Roos	984,800	1,250,000	634,875	50.79%
Other municipal bond programs	43,750	50,000	10,000	20.00%
Investment income	36,138	0	25	
Total issuance fees	5,358,694	4,550,000	1,606,545	35.31%
Bond administrative fees				
Qualified 501 (c)(3)	1,894,047	1,800,000	275,219	15.29%
Qualified residential rental program	6,997,108	7,000,000	1,637,691	23.40%
SCIP / Mello Roos	495,432	550,000	259,440	47.17%
Other municipal bond programs	320,083	350,000	77,010	22.00%
Investment income	300,817	0	6,468	
Total bond administrative fees	10,007,486	9,700,000	2,255,829	23.26%
Total amounts collected	15,366,180	14,250,000	3,862,373	27.10%
Amounts disbursed				
Issuance				
Program management fees - BSP	2,741,454	2,350,000	809,169	34.43%
Program governance fees - CSAC	1,290,551	1,100,000	398,676	36.24%
Program governance fees - League	1,290,551	1,100,000	398,676	36.24%
Total issuance	5,322,556	4,550,000	1,606,521	35.31%
Bond administration				
Program administration fees - BSP	948,413	895,000	247,278	27.63%
Compliance/portfolio monitoring fees - BSP	461,005	450,000	86,231	19.16%
Prior administration fees - HB Capital	4,316,673	4,285,000	958,958	22.38%
Program governance fees - CSAC	1,667,804	1,735,000	402,424	23.19%
Program governance fees - League	1,667,804	1,735,000	402,424	23.19%
Compliance fees - Urban Futures	184,800	175,000	46,200	26.40%
Total bond administration	9,246,499	9,275,000	2,143,515	23.11%
Subtotal Issuance & Bond Administration	14,569,055	13,825,000	3,750,036	27.13%

CSCDA

Budget-to-Actual Comparison for the Three Months Ended September 30, 2020

	Actual 2019-20	Budget 2020-21	YTD 2020-21	Variance 2020-21
General administrative				
Executive Director	62,543	72,000	15,000	20.83%
General Counsel - Richards Watson Gershon	52,646	50,000	25,114	50.23%
Insurance	26,922	30,000	400	1.33%
Board travel reimbursements	1,759	2,000	0	0.00%
Issuer counsel - Orrick	100,000	100,000	0	0.00%
Auditor - MUN CPAs	15,900	20,000	9,000	45.00%
Other professional services	0	5,000	739	14.78%
BSP municipal advisor fee	24,000	24,000	6,000	25.00%
Bank service fees	6,300	7,000	0	0.00%
Marketing and Sponsorships	63,169	65,000	9,000	13.85%
Annual meeting	41,884	45,000	0	0.00%
Other	2,842	5,000	0	0.00%
Total general administrative	397,964	425,000	65,253	15.35%
Total amounts disbursed	14,967,019	14,250,000	3,815,289	26.77%
Net surplus (deficit)	399,161	(0)	47,084	

CSCDA
Bank Account Activity
For the Three Months Ended September 30, 2020

	Beg Bal	Add:	Less:	End Bal
	06/30/20	Deposits	Disbursements	09/30/20
Bank account:				
Professional Services	147,798	110,425	(77,404)	180,819
Operations	312,083	213,261	(312,086)	213,258
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	459,881	323,686	(389,490)	394,077
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