



CSCDA
 CALIFORNIA STATEWIDE COMMUNITIES
 DEVELOPMENT AUTHORITY



REGULAR MEETING AGENDA

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

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

Telephonic Locations:

County of Solano
 675 Texas Street, Fairfield, CA 94533

County of Butte
 7 County Drive, Oroville, CA 95965

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

3252 Southern Hills Drive
 Fairfield, CA 94534

247 Electric Street
 Auburn, CA 95603

709 Portwalk Place
 Redwood City, CA 94061

77 De Silva Island Drive
 Mill Valley, CA 94941

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<p>___ Larry Combs, Chair</p> <p>___ Kevin O'Rourke, Vice Chair</p> <p>___ Tim Snellings, Secretary</p> <p>___ Brian Moura, Treasurer</p> <p>___ Dan Mierzwa, Member</p>	<p>___ Jordan Kaufman, Member</p> <p>___ Marcia Raines, Member</p> <p>___ Michael Cooper, Alt. Member</p> <p>___ Niroop Srivatsa, Alt. Member</p>
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2. Consideration of the Minutes of the February 21, 2019 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

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

B. ITEMS FOR CONSIDERATION

5. Community Facilities District No. 2019-01 (333 North Prairie) (“CFD No. 2019-01”):
 - a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):
 - i. Open CFD No. 2019-01 Public Hearing.
 - ii. Close CFD No. 2019-01 Public Hearing.
 - b. Consideration of the following resolutions with respect to formation of CFD No. 2019-01:
 - i. Resolution of formation establishing CFD No. 2019-01 and providing for the levy of a special tax to finance construction of certain public capital improvements eligible for payment from certain development impact fees.
 - ii. Resolution deeming it necessary to incur bonded indebtedness to finance construction of certain public capital improvements to mitigate the impacts of development within CFD No. 2019-01.
 - iii. Resolution calling special mailed-ballot election within CFD No. 2019-01.
 - c. Conduct special election within CFD No. 2019-01.
 - d. Consider resolution declaring result of special mailed-ballot election for CFD No. 2019-01.
 - e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2019-2020 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2019-01 (333 North Prairie), City of Inglewood, County of Los Angeles, State of California”.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

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

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of Vision 17, LP (Hunter Street Apartments), City of Stockton, County of San Joaquin; issue up to \$20 million in multi-family housing revenue bonds.
2. Inducement of Salinas Pointe 2019, LP (Salinas Pointe Apartments), City of Salinas, County of Monterey; issue up to \$35 million in multi-family housing revenue bonds.
3. Inducement of Breezewood 2019, LP (Breezewood Apartments), City of Riverside, County of Riverside; issue up to \$20 million in multi-family housing revenue bonds.
4. Inducement of ABS Sepulveda, LP (Apple Tree Village), City of Los Angeles, County of Los Angeles; issue up to \$35 million in multi-family housing revenue bonds.
5. Consideration of reduction in backup tax for CSCDA CFD No. 2015-01-Improvement Area No. 2 (University District), City of Rohnert Park, County of Sonoma.

March 7, 2019



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

February 21, 2019 at 2:00 p.m.

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

Commission Chair Larry Combs called the meeting to order at 2:02 pm.

1. Roll Call.

Commission members present:

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

Others present: Cathy Bando, CSCDA Executive Director; Jon Penkower, Bridge Strategic Partners; James Hamill, Bridge Strategic Partners; and Sendy Young, CSAC Finance Corporation.

Others participating via teleconference: Tricia Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of February 7, 2019 Regular Meeting.

The Commission approved the February 7, 2019 Regular Meeting minutes.

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

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Penn Valley 2, LP (Courtyards at Penn Valley Apartments), unincorporated County of Nevada; issue up to \$10 million in multi-family housing revenue bonds.

Motion to approve with by D. Mierzwa. Second by M. Raines. Unanimously approved with the 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. Lancer Educational Housing, LLC, City of Riverside, County of Riverside, up to \$90,000,000 in nonprofit revenue bonds.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The request is to finance and refinance existing CSCDA bonds originally issued for the acquisition, construction, improvement and equipping of student housing facilities. Commissioner Kaufman asked why the financing was going to be a limited public offering versus a private placement. Executive Director and James Hamill explained that due to the size of the transaction and the type of project, student housing, the Project would potential receive better interest rates. Executive Director Bando recommended approval of the financing.

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

- b. Day Creek Senior Housing Partners 2, L.P. (Day Creek Villas Apartments), City of Rancho Cucamonga, County of San Bernardino, up to \$13,000,000 in multi-family housing revenue bonds.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. This Project is the new construction of a 49-unit rental housing project. 100% of the units will be rent restricted for low-income tenants. National CORE has financed more than 12 prior projects with CSCDA. Executive Director Bando recommended approval of the financing.

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

6. Review of Second Quarter FY 2018-19 Financials and Bank Account Activity

Informational item. Executive Director Bando gave an overview of the Second Quarter FY 2018-19 Financials and Bank Account Activity.

7. Executive Director Update.

Executive Director Bando gave a quick update regarding her attendance to the League of California City Manager Conference. She said it was a great opportunity to talk about CSCDA.

Commissioner Raines praised the League of Cities for the 1-pager informational flyer they put together. The small compact size and quick reference to what CSCDA offers is a perfect marketing tactic.

8. Staff Update.

Staff had no updates.

9. Adjourn.

The meeting was adjourned at 2:20 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

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



Agenda Item No. 3

Agenda Report

DATE: March 7, 2019
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

5. Consideration of reduction in backup tax for CSCDA CFD No. 2015-01-Improvement Area No. 2 (University District), City of Rohnert Park, County of Sonoma.

CSCDA issued the above referenced CFD in 2015. Pursuant to the documents buyers may reduce the back-up tax associated with the financing. The reduction here is from \$93,990 per acre to \$52,590 per acre. David Taussig & Associates, as special tax consultant, has drafted updated rate and method of apportionments, and a notice of event to be posted to EMMA. Orrick has reviewed the documents.

RESOLUTION NO. 19H-__

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Salinas Pointe Apartments	City of Salinas, County of Monterey	220	Acquisition and Rehabilitation	Salinas Pointe 2019 LP	\$35,000,000
Breezewood Apartments	City of Riverside, County of Riverside	157	Acquisition and Rehabilitation	Breezewood 2019 LP	\$20,000,000
Apple Tree Village Apartments	City of Los Angeles, County of Los Angeles	125	Acquisition and Rehabilitation	ABS Sepulveda, LP	\$35,000,000

RESOLUTION NO. _____

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (THE "AUTHORITY") SETTING FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS OR NOTES TO UNDERTAKE THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT 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 or notes pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing a multifamily rental housing project; and

WHEREAS, the borrower identified in Exhibit A hereto and/or related entities (collectively, the "Borrower") has requested that the Authority issue and sell multifamily housing revenue bonds or notes (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and construction as set forth in Exhibit A, of that certain multifamily rental housing development identified in Exhibit A hereto (the "Project"); and

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

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

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

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

Section 3. This resolution is being adopted by the Authority 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 the Project in an amount not to exceed the amount 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 [_____], 2019.

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

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition or Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Hunter Street Apartments	804 N. Hunter Street, Stockton, CA 95202	74	Acquisition and Rehabilitation	Vision 17, L.P.	\$20,000,000



Agenda Item No. 5

Agenda Report

DATE: March 7, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: 333 North Prairie (City of Inglewood) – Community Facilities District

- PURPOSE:**
- a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):
 - i. Open CFD No. 2019-01 Public Hearing.
 - ii. Close CFD No. 2019-01 Public Hearing.
 - b. Consideration of the following resolutions with respect to formation of CFD No. 2019-01:
 - i. Resolution of formation establishing CFD No. 2019-01 and providing for the levy of a special tax to finance construction of certain public capital improvements eligible for payment from certain development impact fees.
 - ii. Resolution deeming it necessary to incur bonded indebtedness to finance construction of certain public capital improvements to mitigate the impacts of development within CFD No. 2019-01.
 - iii. Resolution calling special mailed-ballot election within CFD No. 2019-01.
 - c. Conduct special election within CFD No. 2019-01.
 - d. Consider resolution declaring result of special mailed-ballot election for CFD No. 2019-01.
 - e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2019-2020 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2019-01 (333 North Prairie), City of Inglewood, County of Los Angeles, State of California”.
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EXECUTIVE SUMMARY:

On January 24, 2019 the Commission approved the following to initiate the formation of the 333 North Prairie CFD for the City of Inglewood: (1) a joint community facilities agreement; (2) a declaration of intention to levy a special tax; (3) a resolution to incur bond indebtedness; and (4) set the public hearing to March 7, 2019.

The actions requested today are the second step in the formation of the 333 North Prairie CFD.

BACKGROUND:

The development project known as “333 North Prairie” in the City of Inglewood is owned by Harridge Development Group, LLC (the “Developer”) who bought the property in May of 2017.

The redevelopment of this 18-acre site included demolition of the shuttered Daniel Freeman Hospital. The Developer has requested the City to consider the formation of a community facilities district by CSCDA. 333 North Prairie is final mapped for 226 single-family detached condo units which are in contract to be built by two (2) national homebuilders, Pulte & Woodside Homes. The project is located on North Prairie Ave and Grace Ave in downtown Inglewood, and is one mile north of the new Los Angeles Stadium at Hollywood Park (new home of the NFL’s Los Angeles Rams & Chargers) which is scheduled for completion in 2019. The new stadium is expected to bring significant redevelopment opportunities to Inglewood and the surrounding region in Los Angeles County with Super Bowl LVI being held there in 2022, hosting soccer matches as well as the opening & closing ceremonies of the 2028 Summer Olympics. The 333 North Prairie development project will promote economic development, the stimulation of economic activity, and increase the tax base within the City.

THE CFD:

The CFD will be authorized to finance public capital facilities and improvements including: City of Inglewood Sewer Connection Fees, Water Connection & Meter Fees & Park Fees as well as the Inglewood Unified School District’s Development Impact Fee, with a not to exceed authorization of \$7,000,000 expected to be issued in the Fall of 2019 after the homebuilders have taken down all of the lots.

The financing will be brought back to the Commission for completion of the formation of the CFD and for final approval of bond issuance.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA’s Executive Director recommends the following actions and approving the resolutions:

- a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):
 - i. Open CFD No. 2019-01 Public Hearing.
 - ii. Close CFD No. 2019-01 Public Hearing.
- b. Consideration of the following resolutions with respect to formation of CFD No. 2019-01:

- iii. Resolution of formation establishing CFD No. 2019-01 and providing for the levy of a special tax to finance construction of certain public capital improvements eligible for payment from certain development impact fees.
 - iv. Resolution deeming it necessary to incur bonded indebtedness to finance construction of certain public capital improvements to mitigate the impacts of development within CFD No. 2019-01.
 - v. Resolution calling special mailed-ballot election within CFD No. 2019-01.
- c. Conduct special election within CFD No. 2019-01.
 - d. Consider resolution declaring result of special mailed-ballot election for CFD No. 2019-01.
 - e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2019-2020 and Following Fiscal Years Solely Within and Relating to the California Statewide Communities Development Authority Community Facilities District No. 2019-01 (333 North Prairie), City of Inglewood, County of Los Angeles, State of California”.

Resolutions:

<https://www.dropbox.com/sh/o78x2l5byhshlg3/AACb1wbhSBtLsrvN5AYofBWPa?dl=0>