



**REGULAR MEETING AGENDA**

**October 3, 2019 at 2:00 p.m.**

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

Telephonic Locations:

77 De Silva Island Drive  
Mill Valley, CA 94941

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

Doubletree Hotel  
835 Airport Boulevard  
Burlingame, CA 94010

City of Sausalito  
420 Litho Street, Sausalito, CA 94965

709 Portwalk Place  
Redwood City, CA 94061

3252 Southern Hills Drive  
Fairfield, CA 94534

**A. OPENING AND PROCEDURAL ITEMS**

1. Roll Call.
 

<input type="checkbox"/> Larry Combs, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Kevin O'Rourke, Vice Chair	<input type="checkbox"/> Marcia Raines, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Michael Cooper, Alt. Member
<input type="checkbox"/> Brian Moura, Treasurer	<input type="checkbox"/> Niroop Srivatsa, Alt. Member
<input type="checkbox"/> Dan Mierzwa, Member	
2. Consideration of the Minutes of the September 19, 2019 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

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

**B. ITEMS FOR CONSIDERATION**

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
  - a. Charter Oaks Apartments II, LP (Charter Oaks Apartments), City of Napa, County of Napa; up to \$45,000,000 in multi-family housing revenue bonds.
  - b. Ethel Arnold Preservation, L.P. (Ethel Arnold Bradley Apartments), City of Los Angeles, County of Los Angeles; up to \$45,000,000 in multi-family housing revenue bonds.
  - c. Robert Western Preservation, L.P. (Robert Farrell Manor & Western Gardens Apartments), City of Los Angeles, County of Los Angeles; up to \$35,000,000 in multi-family housing revenue bonds.

**C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS**

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

**NEXT MEETING:** Thursday, October 17, 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 Fairfield Hilltop Commons, LP (Hilltop Commons), Unincorporated County of Contra Costa; issue up to \$85 million in multi-family housing revenue bonds.
2. Inducement of Agave by Vintage, LP (Agave at Elk Grove Apartments), City of Elk Grove, County of Sacramento; issue up to \$50 million in multi-family housing revenue bonds.
3. Inducement of ROEM Development Corporation (Grand and Linden Family Apartments), City of South San Francisco, County of San Mateo; issue up to \$45 million in multi-family housing revenue bonds.

October 3, 2019



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**REGULAR MEETING OF THE  
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
(CSCDA)**

California State Association of Counties  
1100 K Street, Sacramento, California

September 19, 2019

**MINUTES**

Secretary Tim Snellings chaired the meeting due to absence of the Chair and Vice Chair, and called the meeting to order at 2:02 pm.

**1. Roll Call.**

Commission members present by teleconference: alternate commissioner Michael Cooper, Marcia Raines, Brian Moura, Dan Mierzwa, Jordan Kaufman, Tim Snellings, and Niroop Srivatsa.

CSCDA Executive Director, Catherine Bando was present by teleconference.

James Hamill, Bridge Strategic Partners was present at CSAC.

Others also present by teleconference included: Perry Stottlemeyer, League of California Cities; Trisha Ortiz, Richards Watson & Gershon; Patricia Eichar, Orrick Herrington & Sutcliffe; and Jon Penkower, Bridge Strategic Partners.

**2. Approval of minutes—September 5, 2015.**

The Commission approved the minutes for the regular meeting held September 5, 2019.

Motion to approve by Mierzwa; second by Srivasta; unanimously approved by roll call vote.

**3. Approval of Consent calendar.**

1. Inducement of Concord RHF Partners, LP (The Concord), City of Pasadena, County of Los Angeles; issue up to \$55 million in multi-family housing revenue bonds.
2. Inducement of Holiday Manor Apartments, LP (Holiday Manor Apartments), City of Oxnard, County of Ventura; issue up to \$68 million in multi-family housing revenue bonds.
3. Inducement of Pacific Palms Apartments, LP (Pacific Palms Apartments), City of Palm Springs, County of Riverside; issue up to \$23 million in multi-family housing revenue bonds.

Motion to approve by Mierzwa; second by Kaufman; unanimously approved by roll call vote.

**4. Public comment.**

None.

**5. Approval 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. Campus Oaks Apartments 2, LP (Campus Oaks Apartments Phase 2), City of Roseville, County of Placer; up to \$47 million in multi-family housing revenue bonds.

Executive Director Bando explained that this project is a request from Scott Canel & Associates not to exceed \$47 million in housing revenue bonds for the Campus Oaks Apartments Phase 2 in Roseville. This project is for the new construction of 210 units of mixed income rental housing of which 22% will be restricted for low-income tenants. CSCDA also approved Phase 1 in 2017. \$4 million of the total \$47 million is for SCIP. The project will be privately placed with Sterling Bank and it complies with CSCDA's general and issuance policies for unrated debt.

Bando recommends approval of the issuance of up to \$47 million in bonds to finance the project, including approval of all necessary actions and documents in connection with the financing, and authorizes any member of the Commission or authorized signatory to sign all necessary documents.

Motion to approve by Moura; second by Cooper; unanimously approved by roll call vote.

- b. 353 Main Street Apartments, LP (353 Main Street Family Apartments), City of Redwood City, County of San Mateo; up to \$75 million in multi-family housing revenue bonds.

Executive Director Bando explained that this project is a request from ROEM Development Corporation to not exceed \$75 million in housing revenue bonds for the 353 Main Street Family Apartments on 1.83 acres in Redwood City. This project is for the new construction of 125 units of mixed income rental housing of which 50% will be restricted for low-income tenants. This is the 14th financing for ROEM from CSCDA. The project will be privately placed with Citibank and it complies with CSCDA's general and issuance policies for unrated debt.

Bando recommends approval of the issuance of up to \$75 million in bonds to finance the project, including approval of all necessary actions and documents in connection with the financing, and authorizes any member of the Commission or authorized signatory to sign all necessary documents.

Dan Mierzwa asked whether CSCDA is contingent on the taxable loan portion? Jon Penkower answered that the taxable portion of the project is part of the \$75 million that Citibank is purchasing and does not require additional allocation from the State.

Motion to approve by Moura; second by Mierzwa; unanimously approved by roll call vote.

- c. WP Kimberly Park Apartments, LP (Kimberly Park Apartments), City of Victorville, County of San Bernardino; up to \$10 million in multi-family housing revenue bonds.

Executive Director Bando explained that this project is a request from Willow Partners LLC to not exceed \$10 million in low-income housing bonds for the Kimberly Park Apartments in Victorville. This project is for the acquisition and rehabilitation of 132 units of low-income rental housing. This is the 5th financing for Willow Partners LLC from CSCDA. The project will be privately placed with CBRE and it complies with CSCDA's general and issuance policies for unrated debt.

Bando recommends approval of the issuance of up to \$10 million in bonds to finance the project, including approval of all necessary actions and documents in connection with the financing, and authorizes any member of the Commission or authorized signatory to sign all necessary documents.

Motion to approve by Moura; second by Srivatsa; unanimously approved by roll call vote.

**6. Approve the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) Assessment Districts.**

- a. Resolutions of intention to finance capital improvements and/or the payment of development impact fees for public capital improvements, including approval of proposed boundary maps.

Executive Director Bando explained that today's action is the first step in connection with 12 projects expected to be included in the SCIP 2019C pool bonds. The estimated amount of the SCIP 2019C financing is about \$30 million.

The Riverview project in the City of Santee was originally part of SCIP 2018B, but the public hearing was not held timely, but Riverview is now part of SCIP 2019C and the original public hearing is to be continued as part of the SCIP 2019C hearing on November 7, 2019.

Bando recommends that the resolutions be approved and to set the public hearing for November 7, 2019 at 2:00 pm at the League of California Cities' office.

James Hamill pointed out that the Ferrari Pavillion project in Lincoln has dropped out of this round and is not part of the resolution packet or part of this pool. No action by the Commission is required to remove this project.

Motion to approve Executive Bando's recommendation, as modified by the dropping out by the Ferrari Pavillion project, by Mierzwa; second by Kaufman; unanimously approved by roll call vote.

- b. Resolutions preliminarily approving the engineer's reports, setting date for the public hearing of protests and providing for property owner ballots.

No further discussion relating to this item, as Executive Director Bando explained in item 6a.

Motion to approve by Cooper; second by Mierzwa; unanimously approved by roll call vote.

**Continue assessment district public hearing with respect to Assessment District No. 19-02 (City of Santee, County of San Diego) (Riverview) to November 7, 2019:**

- a. Notice of continuance of public hearing.
- b. Certificate of posting notice of continuance of public hearing.

Secretary Tim Snellings announced continuation of assessment district public hearing with respect to Assessment District No. 19-02 (City of Santee, County of San Diego) (Riverview) to November 7, 2019 at the League of California Cities' office (commission vote not required).

**7. Community Facilities District No. 2019-02 (Sand Creek).**

- a. Conduct second reading and consider adoption of “Ordinance Levying a Special Tax for Fiscal Year 2019-20 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2019-02 (Sand Creek), City of Antioch, County of Contra Costa, State of California.”

Executive Director Bando explained that the commission approved initiation steps relating to the formation of Sand Creek CFD in the City of Antioch on July 25, 2019. On September 5, 2019, the public hearing was held and the first reading of the ordinance was conducted. Today’s requested action is to conduct the second reading and adoption of the ordinance to form the Sand Creek CFD.

Bando recommends conducting the second reading and consider the adoption of “Ordinance Levying a Special Tax for Fiscal Year 2019-20 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2019-02 (Sand Creek), City of Antioch, County of Contra Costa, State of California.”

Motion to approve Executive Director Bando’s recommendation by Mierzwa; second by Kaufman; unanimously approved by roll call vote.

### **8. Executive Director update.**

Executive Director Bando shared that she and Jon are at the CSAC Finance Corporation’s Fall meeting. CSAC Finance Corporation expressed their great appreciation to the Commission for all of the support that is provided to CSAC and the League. Also, Bando will be sending out a notice about the January annual meeting on Jan 8-10, 2020. The meeting will be held at the Carmel Valley Ranch, near the Quail Lodge. Finally, on Monday, State Treasurer Fiona Ma convened another meeting with the Green Bond Market Development Committee, which is in the process of determining their mission and vision. Bando expects to bring back to the Commission the Green Bond pledge to determine how CSCDA might support the statewide effort to get some control on global warming.

### **9. Staff update.**

None by staff. Secretary Tim Snellings shared information about SB 50 (re: multi-family housing) and how this relates to local control.

### **10. Adjournment.**

Secretary Tim Snellings adjourned the meeting at 2:27 pm.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The next regular meeting of the commission is scheduled for  
**Thursday, October 3, at 2:00 p.m.**  
in the League of California Cities’ office at 1400 K Street, 3rd Floor, Sacramento, California.*

**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 October 3, 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 October 3, 2019.

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A**

<b>Project Name</b>	<b>Project Location</b>	<b>Project Description (units)</b>	<b>New Construction/ Acquisition and Rehabilitation</b>	<b>Legal Name of initial owner/operator</b>	<b>Bond Amount</b>
Hilltop Commons Apartments	City of San Pablo, County of Contra Costa	322	Acquisition and Rehabilitation	Fairfield Hilltop Commons LP	\$85,000,000
Agave at Elk Grove Apartments	City of Elk Grove, County of Sacramento	188	Acquisition and Rehabilitation	Agave by Vintage, LP	\$50,000,000
Grand and Linden Family Apartments	City of South San Francisco, County of San Mateo	84	New Construction	Grand and Linden Family Apartments, LP	\$45,000,000



## Agenda Item No. 5b

### Agenda Report

**DATE:** October 3, 2019

**TO:** CSCDA COMMISSIONERS

**FROM:** James Hamill, Managing Director

**PROJECT:** Ethel Arnold Bradley Apartments

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

**AMOUNT:** Not to Exceed \$45,000,000

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#### **EXECUTIVE SUMMARY:**

Ethel Arnold Bradley Apartments (the “Project”) is the acquisition and rehabilitation of an 81-unit rental affordable housing project located in the City of Los Angeles. 100% of the units will remain rent restricted for low-income tenants.

#### **PROJECT DESCRIPTION:**

- Acquisition and rehabilitation of 81-unit affordable rental housing facility located at 7850 South Normandie Street in the City of Los Angeles.
- 4.1 acre site.
- 11 two-story garden-style buildings.
- Two and three-bedroom apartments plus one manager’s unit.

#### **PROJECT ANALYSIS:**

##### **Background on Applicant:**

21 Alpha Group companies strategically use Low-Income-Housing Tax Credits (LIHTC) to develop and add to their growing affordable housing portfolios. They are experts in tax credit feasibility analysis, 4% and 9% tax credit applications, tax credit syndication, bond inducements, long-term market financing, and Freddie Mac and Fannie Mae financing. When coupled with other governmental affordable housing programs, the LIHTC program proves to be an invaluable way to support the public. This is 21 Alpha’s 1<sup>st</sup> financing with CSCDA.

**Public Agency Approval:**

**TEFRA Hearing:** February 20, 2019 – City of Los Angeles – unanimous approval

**CDLAC Approval:** Expected October 16, 2019. CSCDA Commission approval shall be subject to a successful award of CDLAC allocation.

**Public Benefits:**

- 100% of the units will be rent restricted for 55 years.
  - 34% (27units) restricted to 60% or less of area median income households.
  - 66% (53 units) restricted to 50% or less of area median income households.
  - One manager unit.
- 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:	\$ 38,850,000
Taxable Bonds:	\$ 1,327,000
Tax Credits:	\$ 16,611,533
Seller Note:	\$ 4,935,000
Solar:	\$ 77,054
Deferred Developer Fee:	<u>\$ 4,395,802</u>
Total Sources:	\$ 66,196,389

Uses of Funds:

Acquisition:	\$ 35,100,000
Construction Costs:	\$ 9,707,985
Relocation:	\$ 350,000
Operating Reserve:	\$ 497,000
Construction Interest:	\$ 984,516
Developer Fee:	\$ 6,895,802
Bridge Loan Repayment:	\$ 10,590,000
Soft Costs:	\$ 1,471,086
Cost of Issuance:	<u>\$ 600,000</u>
Total Uses:	\$ 66,196,389

**Finance Partners:**

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco  
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento  
Underwriter: Stifel  
Subordinate Bond Purchaser: California Bank & Trust

**Finance Terms:**

**Rating:** Aaa (Moody's) – Senior Bonds  
**Credit Enhancement:** FHA  
**Term:** 35 years  
**Structure:** Fixed Rate  
**Method of Sale:** Public Offering  
**Estimated Closing:** October 28, 2019

**CSCDA Policy Compliance:**

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

**DOCUMENTS:** (as attachments)

1. CSCDA Resolution (Attachment A)

**COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:**

It is recommended that the Commission adopt the resolution, which:

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

**ATTACHMENT A**

**RESOLUTION NO. 19H-\_\_**

**A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF ONE OR MORE SERIES OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$45,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT GENERALLY KNOWN AS ETHEL ARNOLD BRADLEY APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS**

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

**WHEREAS**, Ethel Arnold Preservation, L.P., a California limited partnership (the “Borrower”), has requested that the Authority issue, sell and deliver revenue bonds to assist in the financing of the acquisition and rehabilitation of a 81-unit multifamily rental housing development (including one manager’s unit) located in the City of Los Angeles, California, and known as Ethel Arnold Bradley Apartments (the “Project”);

**WHEREAS**, the Authority expects to receive on October 16, 2019 an allocation in the amount of \$38,850,000 (the “Allocation Amount”) of private activity volume cap from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

**WHEREAS**, the City of Los Angeles is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds in connection with the Project;

**WHEREAS**, the Authority is willing to issue not to exceed \$45,000,000 aggregate principal amount of its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Ethel Arnold Bradley Apartments) 2019 Series S-1 (the “Series S-1 Bonds”) and/or California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Ethel Arnold Bradley Apartments) 2019 Series S-2 (the “Series S-2 Bonds,” and together with the Series S-1 Bonds, the “Bonds”), provided that the Allocation Amount has been received from CDLAC and has not expired or been rescinded and that the aggregate portion of such Bonds issued as federally tax-exempt

obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

**WHEREAS**, the Series S-1 Bonds are expected to be initially offered for sale to the public by Stifel, Nicolaus & Company, Inc., as underwriter (the "Underwriter"), and the Series S-2 Bonds are expected to be privately placed with Zions Bancorporation, N.A., dba California Bank & Trust, as the purchaser of the Series S-2 Bonds (the "Series S-2 Purchaser") in accordance with the Authority's private placement policy;

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

- (1) Trust Indenture with respect to the Series S-1 Bonds (the "Indenture"), to be entered into between the Authority and U.S. Bank National Association, as trustee (the "Trustee");
- (2) Loan Agreement with respect to the Series S-1 Bonds (the "Loan Agreement"), to be entered into between the Authority and the Borrower;
- (3) Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), to be entered into between the Authority and the Borrower;
- (4) Bond Purchase Agreement (the "Bond Purchase Agreement") relating to the Series S-1 Bonds, to be entered into by the Authority, the Underwriter and the Borrower;
- (5) Official Statement with respect to the Series S-1 Bonds (the "Official Statement"), to be used in connection with the offer and sale of the Series S-1 Bonds;
- (6) Master Pledge and Assignment (the "Pledge and Assignment") to be entered into among the Authority, the Series S-2 Purchaser, in its capacity as initial agent (the "Series S-2 Bonds Agent"), and the Series S-2 Purchaser, as initial holder, relating to the Series S-2 Bonds; and
- (7) Master Agency Agreement (the "Agency Agreement") to be entered into between the Authority and the Series S-2 Bonds Agent, relating to the Series S-2 Bonds.

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

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

Section 2. Pursuant to the JPA Law, the Indenture and the Pledge and Assignment, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Ethel Arnold Bradley Apartments) 2019 Series S-1” with respect to the Series S-1 Bonds and “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Ethel Arnold Bradley Apartments) 2019 Series S-2” with respect to the Series S-2 Bonds, or such other series designations as may be appropriate, 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 \$45,000,000, provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the respective form set forth in and otherwise in accordance with the Indenture and the Pledge and Assignment, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and, if appropriate, attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture and the Pledge and Assignment, respectively, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture and the Pledge and Assignment, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

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

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

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

Section 6. The Authority is hereby authorized to sell the Series S-1 Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Official Statement in the form presented at this meeting is hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Series S-1 Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement, as to the sections therein related directly to the Authority, is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Series S-1 Bonds, said Official Statement in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Pledge and Assignment in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Series S-2 Bonds shall be as provided in the Pledge and Assignment as finally executed.

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

Section 10. The Series S-1 Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Series S-1 Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Series S-1 Bonds, when duly executed and authenticated, to or at the direction of the Underwriter, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee. Such instructions shall provide for the delivery of the Series S-1 Bonds to or at the direction of the Underwriter in accordance with the Bond Purchase Agreement upon payment of the purchase price thereof.

Section 11. The Series S-2 Bonds, when executed, shall be delivered to the Paying Agent for authentication. The Paying Agent is hereby requested and directed to authenticate the Series S-2 Bonds by

executing the certificate of authentication appearing thereon, and to deliver the Series S-2 Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Paying Agent. Such instructions shall provide for the delivery of the Series S-2 Bonds to the purchasers thereof upon payment of the purchase price thereof.

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

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

Section 14. This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this October 3, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 3, 2019.

By \_\_\_\_\_  
Authorized Signatory

## PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

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

1. Name of Borrower: Ethel Arnold Preservation, L.P.
2. Authority Meeting Date: October 3, 2019
3. Name of Obligations: Multifamily Housing Revenue Bonds (Ethel Arnold Bradley Apartments) 2019 Series S
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
  - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.25%.
  - [(B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$596,330.
  - [(C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$38,253,670.
  - [(D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$39,680,000.]
5. The good faith estimates [provided above / attached as Schedule A] were  presented to the governing board of the Borrower, or  presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower

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

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

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

Dated: October 3, 2019



## Agenda Item No. 5c

### Agenda Report

**DATE:** October 3, 2019

**TO:** CSCDA COMMISSIONERS

**FROM:** James Hamill, Managing Director

**PROJECT:** Robert Farrell Manor & Western Gardens Apartments

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

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

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#### **EXECUTIVE SUMMARY:**

Robert Farrell Manor & Western Gardens Apartments (the “Project”) is the acquisition and rehabilitation of a 70-unit scattered site rental affordable housing project located in the City of Los Angeles. 100% of the units will remain rent restricted for low-income tenants.

#### **PROJECT DESCRIPTION:**

- Acquisition and rehabilitation of 70-unit affordable rental housing facility located at 1818 W. 71<sup>st</sup> Street and 1742 W. 84<sup>th</sup> Street in the City of Los Angeles.
- 2.35 acre site.
- Two three-story buildings.
- Two and three-bedroom apartments plus two manager units.

#### **PROJECT ANALYSIS:**

##### **Background on Applicant:**

21 Alpha Group companies strategically use Low-Income-Housing Tax Credits (LIHTC) to develop and add to their growing affordable housing portfolios. They are experts in tax credit feasibility analysis, 4% and 9% tax credit applications, tax credit syndication, bond inducements, long-term market financing, and Freddie Mac and Fannie Mae financing. When coupled with other governmental affordable housing programs, the LIHTC program proves to be an invaluable way to support the public. This is 21 Alpha’s 2<sup>nd</sup> financing with CSCDA.

**Public Agency Approval:**

**TEFRA Hearing:** February 20, 2019 – City of Los Angeles – unanimous approval

**CDLAC Approval:** Expected October 16, 2019. CSCDA Commission approval shall be subject to a successful award of CDLAC allocation.

**Public Benefits:**

- 100% of the units will be rent restricted for 55 years.
  - 22% (15 units) restricted to 60% or less of area median income households.
  - 78% (53 units) restricted to 50% or less of area median income households.
  - Two manager 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:	\$ 29,720,000
Taxable Bonds:	\$ 3,550,000
Tax Credits:	\$ 15,674,373
Seller Note:	\$ 9,402,000
Solar:	\$ 386,857
Deferred Developer Fee:	<u>\$ 3,618,575</u>
Total Sources:	\$ 62,351,805

Uses of Funds:

Acquisition:	\$ 33,100,000
Construction Costs:	\$ 9,655,904
Relocation:	\$ 220,000
Operating Reserve:	\$ 440,827
Construction Interest:	\$ 873,577
Developer Fee:	\$ 6,118,574
Bridge Loan Repayment:	\$ 10,000,000
Soft Costs:	\$ 3,942,923
Cost of Issuance:	<u>\$ 600,000</u>
Total Uses:	\$ 62,351,805

**Finance Partners:**

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco  
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento  
Underwriter: Stifel  
Subordinate Bond Purchaser: California Bank & Trust

**Finance Terms:**

**Rating:** Aaa (Moody's) – Senior Bonds  
**Credit Enhancement:** FHA  
**Term:** 35 years  
**Structure:** Fixed Rate  
**Method of Sale:** Public Offering  
**Estimated Closing:** October 28, 2019

**CSCDA Policy Compliance:**

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

**DOCUMENTS:** (as attachments)

1. CSCDA Resolution (Attachment A)

**COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:**

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

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

**ATTACHMENT A**

**RESOLUTION NO. 19H-\_\_**

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

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

**WHEREAS**, Robert Western Preservation, L.P., a California limited partnership (the “Borrower”), has requested that the Authority issue, sell and deliver revenue bonds to assist in the financing of the acquisition and rehabilitation of a 70-unit multifamily rental housing development (including one manager’s unit) located in the City of Los Angeles, California, and known as Robert Farrell Manor and Western Gardens Apartments (the “Project”);

**WHEREAS**, the Authority expects to receive on October 16, 2019 an allocation in the amount of \$38,850,000 (the “Allocation Amount”) of private activity volume cap from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

**WHEREAS**, the City of Los Angeles is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds in connection with the Project;

**WHEREAS**, the Authority is willing to issue not to exceed \$35,000,000 aggregate principal amount of its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Robert Farrell Manor and Western Gardens Apartments) 2019 Series T-1 (the “Series T-1 Bonds”) and/or California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Robert Farrell Manor and Western Gardens Apartments) 2019 Series T-2 (the “Series T-2 Bonds,” and together with the Series T-1 Bonds, the “Bonds”), provided that the Allocation Amount has been received from CDLAC and has not expired or been rescinded and that the aggregate portion of such

Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

**WHEREAS**, the Series T-1 Bonds are expected to be initially offered for sale to the public by Stifel, Nicolaus & Company, Inc., as underwriter (the “Underwriter”), and the Series T-2 Bonds are expected to be privately placed with Zions Bancorporation, N.A., dba California Bank & Trust, as the purchaser of the Series T-2 Bonds (the “Series T-2 Purchaser”) in accordance with the Authority’s private placement policy;

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

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

(2) Loan Agreement with respect to the Series T-1 Bonds (the “Loan Agreement”), to be entered into between the Authority and the Borrower;

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

(4) Bond Purchase Agreement (the “Bond Purchase Agreement”) relating to the Series T-1 Bonds, to be entered into by the Authority, the Underwriter and the Borrower;

(5) Official Statement with respect to the Series T-1 Bonds (the “Official Statement”), to be used in connection with the offer and sale of the Series T-1 Bonds;

(6) Master Pledge and Assignment (the “Pledge and Assignment”) to be entered into among the Authority, the Series T-2 Purchaser, in its capacity as initial agent (the “Series T-2 Bonds Agent”), and the Series T-2 Purchaser, as initial holder, relating to the Series T-2 Bonds; and

(7) Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Series T-2 Bonds Agent, relating to the Series T-2 Bonds.

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

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

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

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

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

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

Section 6. The Authority is hereby authorized to sell the Series T-1 Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form, terms and provisions of the Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Official Statement in the form presented at this meeting is hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Series T-1 Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement, as to the sections therein related directly to the Authority, is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Series T-1 Bonds, said Official Statement in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Pledge and Assignment in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Series T-2 Bonds shall be as provided in the Pledge and Assignment as finally executed.

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

Section 10. The Series T-1 Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Series T-1 Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Series T-1 Bonds, when duly executed and authenticated, to or at the direction of the Underwriter, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee. Such instructions shall provide for the delivery of the Series T-1 Bonds to or at the direction of the Underwriter in accordance with the Bond Purchase Agreement upon payment of the purchase price thereof.

Section 11. The Series T-2 Bonds, when executed, shall be delivered to the Paying Agent for authentication. The Paying Agent is hereby requested and directed to authenticate the Series T-2 Bonds by

executing the certificate of authentication appearing thereon, and to deliver the Series T-2 Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Paying Agent. Such instructions shall provide for the delivery of the Series T-2 Bonds to the purchasers thereof upon payment of the purchase price thereof.

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

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

Section 14. This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this October 3, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 3, 2019.

By \_\_\_\_\_  
Authorized Signatory

## PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

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

1. Name of Borrower: Robert Western Preservation, L.P.
2. Authority Meeting Date: October 3, 2019
3. Name of Obligations: Multifamily Housing Revenue Bonds (Robert Ferrell and Western Gardens Apartments) 2019 Series T
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
  - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.25%.
  - [(B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$451,955.
  - [(C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$29,268,045.
  - [(D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$32,715,000.]
5. The good faith estimates [provided above / attached as Schedule A] were  presented to the governing board of the Borrower, or  presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower

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

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

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

Dated: October 3, 2019



**SPECIAL MEETING AGENDA**

**October 3, 2019**

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

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

Telephonic Locations:

77 De Silva Island Drive  
Mill Valley, CA 94941

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

Doubletree Hotel  
835 Airport Boulevard  
Burlingame, CA 94010

City of Sausalito  
420 Litho Street, Sausalito, CA 94965

709 Portwalk Place  
Redwood City, CA 94061

3252 Southern Hills Drive  
Fairfield, CA 94534

**A. OPENING AND PROCEDURAL ITEMS**

1. Roll Call.
 

<input type="checkbox"/> Larry Combs, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Kevin O'Rourke, Vice Chair	<input type="checkbox"/> Marcia Raines, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Michael Cooper, Alt. Member
<input type="checkbox"/> Brian Moura, Treasurer	<input type="checkbox"/> Niroop Srivatsa, Alt. Member
<input type="checkbox"/> Dan Mierzwa, Member	
2. Consent Calendar.
3. Public Comment.
4. Adjourn.

**NEXT MEETING:** Thursday, October 17, 2019 at 2:00 p.m.  
California State Association of Counties  
1100 K Street, 1st Floor, Sacramento, CA 95814

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

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

**CONSENT CALENDAR**

1. Inducement of 2757 Railroad Ave., L.P. (The Atchison), City of Pittsburg, County of Contra Costa; issue up to \$75 million in multi-family housing revenue bonds.

October 3, 2019

**RESOLUTION NO. 19H-\_\_**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this October 3, 2019.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called special meeting of the Commission of said Authority held in accordance with law on October 3, 2019.

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A**

<b>Project Name</b>	<b>Project Location</b>	<b>Project Description (units)</b>	<b>New Construction/ Acquisition and Rehabilitation</b>	<b>Legal Name of initial owner/operator</b>	<b>Bond Amount</b>
The Atchison Apartments	City of Pittsburg, County of Contra Costa	202	New Construction	2757 Railroad Ave., L.P.	\$75,000,000