



CSCDA
 CALIFORNIA STATEWIDE COMMUNITIES
 DEVELOPMENT AUTHORITY



REGULAR MEETING AGENDA

June 6, 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

247 Electric Street
 Auburn, CA 95603

3252 Southern Hills Drive
 Fairfield, CA 94534

County of Butte
 7 County Drive, Oroville, CA 95965

77 De Silva Island Drive
 Mill Valley, CA 94941

709 Portwalk Place
 Redwood City, CA 94061

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

County of Kern
 1115 Truxton Avenue, Bakersfield, CA 93301

City of Sausalito
 420 Litho Street, Sausalito, CA 94965

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 May 16, 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. Magnet Senior Housing Partners, LP (Magnet Senior Apartments), City of Irvine, County of Orange; issue up to \$33,000,000 in multi-family housing revenue bonds.
 - b. Penn Valley 2, LP (Courtyards at Penn Valley), unincorporated County of Nevada; issue up to \$4,500,000 in multi-family housing revenue bonds.
6. Consideration of a Joint Exercise of Powers Agreement between CSCDA and the Mountain House Community Services District.
7. Consideration of scholarship awards for the Stanford Local Government Summer Institute (LGSI).
8. Consideration of Clean Fund request for exclusivity exception to its PACE Administration Agreement with CSCDA for the City of Santa Rosa.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, June 20, 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 Hobart Affordable LP (Hobart Gardens Apartments), City of Los Angeles, County of Los Angeles; issue up to \$60 million in multi-family housing revenue bonds.
2. Inducement of Harbor Pointe Senior Living LLC (Harbor Pointe Senior Living), City of Newport Beach, County of Orange; issue up to \$75 million in senior housing revenue bonds.
3. Inducement of C&C Development Co., LLC (The Groves Apartments), City of San Juan Capistrano, County of Orange; issue up to \$30 million in multi-family housing revenue bonds.
4. Consideration of Sponsorship of the California City Management Foundation (CCMF).
5. Consideration of San Diego Housing Federation Conference Sponsorship.

June 6, 2019



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

May 16, 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, Tim Snellings, Dan Mierzwa, Marcia Raines, and Michael Cooper.

Others present: Jon Penkower, Bridge Strategic Partners; Laura Labanieh, CSAC Finance Corporation; and Sendy Young, CSAC Finance Corporation.

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Tricia Ortiz, Richards Watson & Gershon; and Stacey Hanson, Jones Hall.

2. Consideration of the Minutes of May 2, 2019 Regular and Special Meetings.

The Commission approved the May 2, 2019 Regular and Special Meeting minutes.

Motion to approve by D. Mierzwa. Second by T. Snellings. Unanimously approved by roll-call vote.

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. 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.

2. Inducement of Orchard Park Apartments, LP (Orchard Park Apartments), City of Beaumont, County of Riverside; issue up to \$18 million in multi-family housing revenue bonds.
3. Inducement of Harbor Pointe Senior Living LLC (Harbor Pointe Senior Living), City of Newport Beach, County of Orange; issue up to \$75 million in senior housing revenue bonds.
4. Consideration of Legal Services Agreement with Jones Hall, PLC for services related to commercial PACE financings for PACE Equity, LLC.
5. Consideration of Greenworks Lending Open PACE legal documents. -Item PULLED

Item 5 was pulled from consideration on the Consent Calendar. Motion to approve by M. Raines. Second by D. Mierzwa. Unanimously approved with the exception of Item 5 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. PCSD 701 105th Ave LLC (Lodestar Charter School), City of Oakland, County of Alameda; issue up to \$7,800,000 in tax-exempt obligations.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The request is an additional financing for the construction of new educational and recreational facilities. Commission Member Raines asked if the city/county have any conflict with the school. Staff assured her that the city, county, and school district have no issues with the charter school. CSCDA has never had any issues with the prior five-charter schools it has financed. Executive Director Bando recommended approval of the financing.

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

- b. Salk Institute for Biological Studies, County of San Diego; issue up to \$20,000,000 in taxable obligations.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The taxable bonds being requested would be used in the following improvements: re-configure current space to provide for additional wet laboratories, and create an additional scientific space on campus. The use of taxable bonds for the financing is equivalent to the tax-exempt interest rate, but Salk will incur lower costs. CSCDA's Executive Director recommends that the Commission adopt the resolution.

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

6. Consideration of a Resolution approving forms of Assessment Contract and Indenture for CSCDA Open PACE bonds related to financings where PACE Equity, Inc. (or its affiliate) is the administrator and directing staff to report to the Commission.

Executive Director Bando informed the Commission that Open PACE's new administrators, PACE Equity, who was approved on May 2, 2019 has requested approval of the documents for its commercial PACE program it will be operating. CSCDA PACE counsel, Jones Hall and CSCDA staff have reviewed proposed updated documents. Executive Director Bando recommended approval of the resolution ratifying and approving the forms of certain documents to be used in connection with the issuance of CSCDA Open Pace limited obligation improvement bonds not to exceed \$250 million for PACE Equity.

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

7. Consideration of Open PACE handbook for Stifel.

Executive Director Bando excused herself from the call due to a conflict of interest. James Hamill informed the Commission that that Stifel has completed numerous financings through CSCDA for affordable housing. Stifel has requested that CSCDA approve a program handbook that outlines the parameters of the commercial PACE financing. CSCDA's Staff and counsel, Jones Hall, have reviewed the program handbook. The parameters meet all of CSCDA's general, issuance and PACE guidelines. All commercial PACE transactions originated by Stifel will be brought back to the Commission for approval. Staff recommends the approval of program handbook for Stifel relating to commercial PACE projects.

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

8. Executive Director Update.

Executive Director Bando informed the Commission that she would be attending the initial California Green Bond Committee Meeting on June 4th.

9. Staff Update.

Staff had no updates.

10. Adjourn.

The meeting was adjourned at 2:23 p.m.

Submitted by: Sindy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, June 6, 2019 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814

CSCDA Minutes
May 16, 2019



Agenda Item No. 3

Agenda Report

DATE: June 6, 2019
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

4. Consideration of Sponsorship of the California City Management Foundation (CCMF).

CSCDA sponsored CCMF at the Foundation Circle level in the amount of \$10,000 for 2018-19. This is a request for the same level for 2019-20. The sponsorship provides benefits such as CSCDA logo on the CCMF website, social media announcements, and city manager dinners. The same sponsorship level is recommended for 2019-20.

5. Consideration of San Diego Housing Federation Conference Sponsorship.

CSCDA has sponsored the San Diego Housing Federation's annual conference the last four years. The sponsorship of \$2,500 provides CSCDA's logo on conference materials, a booth at the conference and registration for two attendees. The conference has been valuable over the past four years and the same sponsorship level is recommended.

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 June 6, 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 June 6, 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
The Groves Apartments	City of San Juan Capistrano, County of Orange	75	New Construction	C&C Development Co., LLC	\$30,000,000
Hobart Gardens Apartments	City Los Angeles, County of Los Angeles	142	Acquisition and Rehabilitation	Hobart Affordable, LP	\$60,000,000



Agenda Item No. 5a

Agenda Report

DATE: June 6, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Magnet Senior Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Irvine, County of Orange

AMOUNT: Not to Exceed \$33,000,000

EXECUTIVE SUMMARY:

Magnet Senior Apartments (the “Project”) is the new construction of a 165-unit rental affordable housing project located in the City of Irvine. 100% of the units will be rent restricted for low-income senior tenants.

PROJECT DESCRIPTION:

- Construction of a 165-unit affordable rental housing facility located at the intersection of Magnet and Hamal in the City of Irvine.
- 5.12 acre site.
- Two 4-story residential buildings.
- Consists of studio, one-bedroom units, two-bedroom units, and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Related California (“Related”) is a fully-integrated real estate firm with a 25-year track record delivering top-quality, affordable and mixed-income housing across California. Related places a high priority on developing, acquiring and preserving housing for the affordable housing sector. Related’s broad portfolio of award-winning affordable and mixed-income developments demonstrates its continuing ability to create affordable housing opportunities in a variety of geographically, economically and socially diverse neighborhoods. This is Related’s ninth financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: February 12, 2019 – City of Irvine – unanimous approval
CDLAC Approval: March 20, 2019

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 72% (117 units) restricted to 50% or less of area median income households.
 - 28% (46 units) restricted to 60% or less of area median income households.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 30,530,440
Residual Receipts Loan:	\$ 10,915,977
Tax Credits:	\$ 1,826,249
Deferred Developer Fee:	\$ 3,050,000
Deferred TCAC Fees:	\$ 67,000
Deferred Operating Deficit Reserve:	\$ 448,803
GP Equity:	\$ <u>100</u>
Total Sources:	\$ 46,838,567

Uses of Funds:

Acquisition Costs:	\$ 10,000
Construction Costs:	\$ 31,673,977
Architecture & Engineering:	\$ 2,099,000
Fees & Permits:	\$ 2,913,082
Loan Fees/Costs of Issuance:	\$ 2,529,706
Developer Fee:	\$ 4,300,000
Other Costs (Taxes, Marketing, FF&E, Contingency):	\$ <u>3,312,802</u>
Total Uses:	\$ 46,838,567

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Private Placement Purchaser: MUFG Union Bank, N.A.

Finance Terms:

Rating: Unrated
Term: 35 years
Method of Sale: Private Placement
Estimated Closing: June 13, 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;
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 EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS MAGNET SENIOR HOUSING; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTE.

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

WHEREAS, Magnet Senior Housing Partners, L.P., a California limited partnership, and entities related thereto (collectively, the "Borrower"), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Magnet Senior Apartments) 2019 Series I (the "Note") to assist in the financing of the acquisition, construction and development of a 165-unit multifamily housing rental development located in the City of Irvine, California, and known as Magnet Senior Housing (the "Project");

WHEREAS, on March 20, 2019, the Authority received an allocation in the amount of \$30,746,187 (the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$33,000,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Note will be executed and delivered to MUFG Union Bank, N.A. (the “Bank”), as the initial holder of the Note;

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

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into between the Bank and the Authority;

(2) Construction and Permanent Loan Agreement (Multifamily Housing Back to Back Loan Program) (the “Borrower Loan Agreement”) to be entered into among the Authority, the Bank and Borrower; and

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Magnet Senior Apartments) 2019 Series I” 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 \$33,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 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 prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Authority is hereby authorized to execute and deliver the Note to the Bank pursuant to the terms and conditions of the Funding Loan Agreement.

Section 7. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Note are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 8. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Note, 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 Note or any prepayment of the Note, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any

such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

Section 9. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 6, 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 June 6, 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: Magnet Senior Housing Partners, L.P.
2. Authority Meeting Date: June 6, 2019
3. Name of Obligations: Magnet Senior Housing Multifamily Revenue Bonds
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): **4.2500%**.
 - [(B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$154,000. [UB: Estimated commitment fee (50bps)]**
 - [(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: **\$31,034,199 [UB: \$30,741,133 construction loan less \$154,000 less capitalized reserves \$447,066]**
 - [(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): **13,547,395 [(892,893 x 15) + 154,000]**

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: June 6, 2019



Agenda Item No. 5b

Agenda Report

DATE: June 6, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Courtyards at Penn Valley

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in unincorporated County of Nevada

AMOUNT: Not to Exceed \$4,500,000

EXECUTIVE SUMMARY:

Courtyards at Penn Valley (the “Project”) is an acquisition and rehabilitation of 42 units of rental affordable housing located in unincorporated Nevada County. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 42-unit affordable rental housing facility located at 10491 and 10533 Broken Oak Court in unincorporated Nevada County.
- Wood framed residential building, community room, computer room, tot lot and laundry rooms.

PROJECT ANALYSIS:

Background on Applicant:

Alliance Property Group Inc. (APG) is a Los Angeles area based affordable housing development firm committed to quality in all of its real estate activities and investments. APG has successfully worked with governmental entities, community and financial organizations and private entrepreneurs to develop both housing and turnkey delivery civic buildings under public-private partnerships. Over the years, this commitment has resulted in the production of quality affordable multifamily housing for seniors and families, financed with low income housing tax credits (LIHTC), tax exempt bonds, gap financing (HOME, CDBG) and conventional debt and equity. APG owns and operates successful affordable housing communities in California, Arizona and Nevada. This is the company’s first financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: March 26, 2019 – County of Nevada – unanimous approval

CDLAC Approval: May 15, 2019

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 87% (38 units) restricted to 60% or less of area median income households.
 - 13% (5 units) restricted to 50% or less of area median income households.
- The Project includes 16 two-bedroom units and 26 three-bedroom units.
- The Project is in serving a much needed affordable housing shortage in the unincorporated County.

Sources and Uses:

Sources of Funds

Tax-Exempt Bonds	\$4,000,000
Residual Receipts Loans	1,999,929
LIHTCs	2,696,077
Existing Reserves	\$50,000
NOI	250,000
Deferred Developer Fee	241,760
Total	\$9,237,766

Uses of Funds

Acquisition Costs	\$4,100,000
Renovation Costs	2,363,511
Relocation	25,200
Indirect Costs:*	
Third Party Reports	60,000
Architect and Engineer	126,358
Taxes and Insurance	45,000
Financing Placement	410,364
Construction Period Interest	275,117
Accounting, Legal and	
Organizational Fees	221,000
Initial Deposit to Reserves	290,000
Tax Credit Fees	22,618
Hard & Soft Cost Contingency	263,986
Developer Fee	1,034,612
Total	\$9,237,766

*All costs of issuing the Bonds, including the Underwriter's fee, will be paid by the Borrower.

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter: Hilltop Securities, Los Angeles

Finance Terms:

Rating: AA+ (S&P) – USDA Loan Guarantee Program
Term: 35 years
Method of Sale: Public Offering
Estimated Closing: June 25, 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;
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. 019H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$6,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS COURTYARDS AT PENN VALLEY APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

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

WHEREAS, Penn Valley 2 LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue, sell and deliver revenue bonds to assist in the financing of the acquisition, rehabilitation and development of a 42-unit multifamily rental housing development located in the census-designated place of Penn Valley, County of Nevada, California and known as Courtyards at Penn Valley Apartments (the “Project”);

WHEREAS, on May 15, 2019, the Authority received an allocation in the amount of \$4,500,000 (the “Allocation Amount”) of private activity volume cap from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the County of Nevada 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 \$6,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Courtyards at Penn Valley Apartments) 2019 Series J (the “Senior Bonds”) and its Multifamily Housing Revenue Bonds (Courtyards at Penn Valley Apartments) 2019 Series J-S (Subordinate Series) (the “Subordinate Bonds”) and together with the Senior Bonds, the “Bonds”), provided that the aggregate portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and

loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Senior Bonds will initially be offered for sale to the public by Hilltop Securities Inc., as underwriter (the “Underwriter”), and the Subordinate Bonds will be privately placed with HCP Bond Investors, LLC, or a related entity, as the initial purchasers of the Subordinate Bonds, in accordance with the Authority’s private placement policy;

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, 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 Senior 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 Senior 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 among the Borrower, the Authority and the Trustee;
- (4) Bond Purchase Agreement (the “Bond Purchase Agreement”) relating to the Senior Bonds, to be entered into by the Authority, the Underwriter and the Borrower;
- (5) Official Statement with respect to the Senior Bonds (the “Official Statement”), to be used in connection with the offer and sale of the Senior Bonds;
- (6) Master Pledge and Assignment (the “Pledge and Assignment”) to be entered into among the Authority, HCP Bond Investors, LLC, as agent (the “Agent”), and HCP Bond Investors, LLC, as holder, relating to the Subordinate Bonds; and
- (7) Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Agent, relating to the Subordinate 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 (Courtyards at Penn Valley Apartments) 2019 Series J” including, if and to the extent necessary, Senior Bonds and Subordinate Bonds in one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$6,000,000; provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Senior Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture, and the Subordinate Bonds shall be issued in the form set forth in and otherwise in accordance with the Pledge and Assignment, and the Bonds 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 attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Senior Bonds and Subordinate Bonds shall be issued and secured in accordance with the terms of the Indenture and the Pledge and Assignment, as applicable, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Senior Bonds and Subordinate Bonds shall be made solely from amounts pledged thereto under the Indenture and Pledge and Assignment, as applicable, 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 Senior 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 Senior 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 form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Senior 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 Senior 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 Senior Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Senior Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Senior 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 Senior Bonds to or at the direction of the Underwriter in accordance with the Bond Purchase Agreement upon payment of the purchase price thereof.

Section 9. 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 Subordinate Bonds shall be as provided in the Pledge and Assignment as finally executed.

Section 10. 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 11. The Subordinate Bonds, when executed, shall be delivered to U.S. Bank National Association, as paying agent under the Pledge and Assignment (the "Paying Agent"), for

authentication. The Paying Agent is hereby requested and directed to authenticate the Subordinate Bonds by executing the certificate of authentication appearing thereon, and to deliver the Subordinate 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 Subordinate 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 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.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 6, 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 June 6, 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: Penn Valley 2 LP.
2. Authority Meeting Date: June 6, 2019.
3. Name of Obligations: Multifamily Housing Revenue Bonds, 2019 J-1.
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): 1.75%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$175,000.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$2,600,000.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations):
\$2,668,250.]
5. The good faith estimates [provided above / attached as Schedule A] were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a

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

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

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

Dated: 5/31/2019



Agenda Item No. 6

Agenda Report

DATE: June 6, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of a Joint Exercise of Powers Agreement between CSCDA and the Mountain House Community Services District

EXECUTIVE SUMMARY:

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

BACKGROUND:

The District is a community services district formed in 1996 and serving an approximately 7.5 square mile area in western San Joaquin County (the “County”). The District is governed by a five-member Board of Directors. The Mountain House community includes a total of approximately 4,791 acres of unincorporated area within the County.

When fully developed, Mountain House is planned to consist of 12 distinct neighborhoods or development areas of roughly equal size intended to provide collectively approximately 15,700 units of housing and services for approximately 44,000 people at build-out. Each neighborhood is intended to be approximately the same size and 10 neighborhoods are centered around a K-8 school and neighborhood park while the remaining two neighborhoods are active adult oriented. The neighborhoods are sized to correspond to the attendance boundaries for each school. Development within Mountain House has been ongoing for the past 20 years, and the community is expected to continue developing over approximately the next 20 - 30 years.

On April 1, 2007, the Mountain House Community Services District Board of Directors and the County of San Joaquin Board of Supervisors created the Mountain House Public Financing Authority by means of a joint exercise of powers agreement. The purpose of this existing JPA was to assist in the financing and refinancing of certain public programs and projects of the District, and its governing body consists of three

members from the Board of Supervisors and two members from the District Board. The existing JPA issued revenue bonds in 2007 and 2011 and used the proceeds to refinance the acquisition of water, wastewater and storm drain improvements from the master developer working within the District, being Trimark Communities.

PROPOSED FINANCINGS:

The District would like to issue revenue bonds through the new Mountain House Financing Authority to accomplish the following: (1) refund the 2007 Bonds, (2) refund the 2011 Bonds, and (3) provide “new money” proceeds to pay obligations owed by the District to Trimark. From time-to-time in the future, the District would anticipate utilizing the Mountain House Financing Authority to finance additional obligations owed by the District to Trimark or other developers working within the District.

CSCDA will be the only other member to the joint powers authority. Standard limitations on liability and indemnification are contained in the Joint Powers Agreement between Mountain House and CSCDA. The joint powers agreement is attached as Attachment B.

CSCDA has previously entered into similar joint powers agreements to assist the San Bruno Park School District, Cameron Park Community Services District, San Dieguito Union High School District, and the Alameda County Flood Control and Water Conservation District, Zone 7, in connection with similar financings.

Jones Hall will be serving as bond counsel. CSCDA’s General Counsel and Issuer Counsel have reviewed the joint powers agreement and approve of its form and content.

RECOMMENDED ACTION:

CSCDA’s Executive Director recommends that the Commission approve the resolution (Attachment A) to authorize CSCDA to enter into the joint exercise of powers agreement by and between CSCDA and the Mountain House Community Services District.

ATTACHMENT A

RESOLUTION NO. _____

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A JOINT EXERCISE OF POWERS AGREEMENT BY AND BETWEEN THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AND THE MOUNTAIN HOUSE COMMUNITY SERVICES DISTRICT

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

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

WHEREAS, the Authority and the Mountain House Community Services District (the “**Local Agency**”) desire to create and establish the Mountain House Financing Authority (the “**Local Authority**”) pursuant to the JPA Act;

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

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

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

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

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this _____, 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 _____, 20__.

By: _____
Authorized Signatory

ATTACHMENT B

JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of June 1, 2019 by and between the Mountain House Community Services District, a community services district, organized and existing under and by virtue of the laws of the State of California (the “District”), and CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a joint exercise of powers authority organized and existing under and by virtue of the laws of the State of California (“CSCDA”).

DECLARATION OF PURPOSE

A. Chapter 5 of Division 7 of Title 1 of the California Government Code (the “Act”) authorizes the District and CSCDA to create a joint exercise of powers entity which has the power to exercise any powers common to the District and CSCDA and to exercise additional powers granted to it under the Act. This Agreement creates such an agency, which shall be known as the “Mountain House Financing Authority” (the “Authority”) for the purposes and to exercise the powers described herein.

The District is authorized to buy, sell, lease and use property and to incur indebtedness for public purposes pursuant to the California Government Code and other laws of the State of California.

C. CSCDA is authorized to buy, sell and lease property and to issue bonds, expend bond proceeds, and borrow and loan money for any of its corporate purposes pursuant to the Act and an Amended and Restated Joint Exercise of Powers Agreement forming the California Statewide Communities Development Authority, dated as of June 1, 1998, as amended, by and among the cities, counties, districts and other political subdivisions that are parties to that agreement.

D. Article 4 of the Act (known as the “Marks-Roos Local Bond Pooling Act of 1985”) authorizes and empowers the Authority to issue bonds and to purchase bonds issued by, or to make loans to, the District or CSCDA for financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits, as determined by the District or CSCDA. The Marks-Roos Local Bond Pooling Act of 1985 further authorizes and empowers the Authority to sell bonds so issued or purchased to public or private purchasers at public or negotiated sale.

TERMS OF AGREEMENT

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section 1 shall for all purposes of this Agreement have the meanings herein specified.

“Act” shall mean Articles 1, 2 and 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, as amended.

“Agreement” shall mean this Joint Exercise of Powers Agreement, as it may be amended from time to time, creating the Authority.

“Authority” shall mean the Mountain House Financing Authority created by this Agreement.

“Board” or “Board of Directors” shall mean the governing board of the Authority.

“*Brown Act*” means the Ralph M. Brown Act (Chapter 9 of Part 1 of Division 2 of Title 5 of the California Government Code), or any successor legislation hereafter enacted.

“*CSCDA*” shall mean California Statewide Communities Development Authority, a joint exercise of powers authority, duly organized and existing under and by virtue of the laws of the State.

“*District*” shall mean the Mountain House Community Services District, a community services district duly organized and existing under and by virtue of the laws of the State.

“*Indenture*” shall mean each indenture, trust agreement, fiscal agent agreement, lease, sublease, loan agreement, or other instrument pursuant to which Obligations are issued or incurred.

“*Member*” or “*Members*” means the members of the Authority from time to time as may be modified in accordance with this Agreement. As of the date of this Agreement, the Members are the District and CSCDA.

“*Obligations*” shall mean bonds and any other evidence of indebtedness of the Authority authorized and issued pursuant to the Act.

“*State*” shall mean the State of California.

Section 2. Purpose. This Agreement is made pursuant to the Act for the purpose of assisting the financing and refinancing of capital improvement projects of the District and to finance working capital for the District by exercising the powers referred to in this Agreement.

Section 3. Term. This Agreement shall become effective as of the date hereof and shall continue in full force and effect until terminated by a supplemental agreement of CSCDA and the District; *provided, however*, that in no event shall this Agreement terminate while any Obligations of the Authority remain outstanding under the terms of any indenture, trust agreement, contract, agreement, lease, sublease or other instrument pursuant to which such Obligations are issued or incurred.

Section 4. The Authority.

(a) *Creation of the Authority*. There is hereby created pursuant to the Act an authority and public entity to be known as the “Mountain House Financing Authority.” As provided in the Act, the Authority shall be a public entity separate from the Members. The debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the Members.

Within 30 days after the effective date of this Agreement or any amendment hereto, the Authority will cause a notice of this Agreement or amendment to be prepared and filed with the office of the Secretary of State of the State in the manner set forth in sections 6503.5 of the Act. Such notice shall also be filed with the office of the Finance Director of the State.

In addition, as required by Section 53051 of the California Government Code, within 70 days after the effective date of this Agreement, the Authority shall file with the Secretary of State on a form prescribed by the Secretary of State and also with the County Clerk of San Joaquin County, a statement of the following facts: (1) the full, legal name of the Authority, (2) the official mailing address of the Board, (3) the name and residence or business address of each member of the Board, and (4) the name, title, and residence or business address of the chairman, president, or other presiding officer, and clerk or secretary of the Board, and within 10 days after any change in the facts required to be stated pursuant to the

foregoing, an amended statement containing such information shall be filed with the Secretary of State on a form prescribed by the Secretary of State and also with the County Clerk of San Joaquin County.

(b) *Governing Board.* The Authority shall be administered by the Board which shall consist of the members of the Board of Directors of the District. The term of office as a member of the Board shall terminate when such member of the Board shall cease to hold its respective office at the District and the successor to such officer or director of the District shall automatically become a member of the Board, upon assuming such office.

Members of the Board shall not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a member if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

(c) *Meetings of Board.*

(1) Time and Place. The time and place for holding Board meetings shall be established, and may be changed at any time, by resolution of the Board. Initially, the Board shall conduct regular meetings on the same date, at the same time and at the same location as the regular meetings of the Board of Directors of the District. Such regular meetings may occur either during or after the regular meetings of the Board of Directors of the District, but may not commence earlier than the starting time for the regular meetings of the Board of Directors of the District. If the Secretary does not post an agenda for a regular meeting pursuant to the Brown Act, then such failure to post shall be deemed to be a determination by the Chair that no items required discussion and, therefore, that the regular meeting has been cancelled, except as otherwise provided in the Brown Act. The Board may hold special meetings at any time and from time to time in accordance with law.

(2) Legal Notice. All regular and special meetings of the Board shall be called, noticed, held and conducted subject to the provisions of the Brown Act.

(3) Minutes. The Secretary of the Authority shall cause minutes of all meetings of the Board to be kept and shall, as soon as practicable after each meeting, cause a copy of the minutes to be forwarded to each member of the Board and to the Members.

(4) Quorum. A majority of the members of the Board shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn meetings from time to time.

(d) *Officers; Duties; Bonds.*

(1) The officers of the Authority shall be the Chairman, Vice Chairman, Executive Director, Secretary and Treasurer. The Chair shall be the person serving as the President of the Board of Directors of the District; the Vice-Chair shall be the person serving as the Vice President of the Board of Directors of the District; the Executive Director shall be the person serving as the General Manager of the District; and the Secretary shall be the person serving as the Board Secretary of the District. The officers shall perform the duties normal to their respective offices. Unless otherwise set forth in a resolution of the Board, the Chair or the Executive Director shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Board. The Vice Chair shall act, sign contracts, and perform all of the Chair's duties in the absence of the Chair. The Secretary shall perform such duties as may be imposed by the Board and cause a copy of this Agreement to be filed with the California Secretary of State pursuant to the

Act. These officers shall have such additional powers and duties as may be determined by the Board from time to time by resolution.

(2) Pursuant to Section 6505.6 of the Act, the Chief Administrative Officer of the District is hereby designated as the Treasurer of the Authority. The Treasurer of the Authority is designated as the public officer or person who has charge of, handles, or has access to any property of the Authority, and such officer shall file an official bond in the amount of \$25,000 as required by section 6505.1 of the Act; provided, that such bond shall not be required if the Authority does not possess or own property or funds with an aggregate value of greater than \$500 (excluding amounts held by a trustee or other fiduciary in connection with any Bonds). The cost of the bond, if necessary, shall be paid by the District.

(3) So long as required by section 6505 and section 6505.5 of the Act, the Treasurer of the Authority shall prepare or cause to be prepared: (a) a special audit as required pursuant to section 6505 of the Act every year during the term of this Agreement; and (b) a report in writing on the first day of July, October, January and April of each year to the Board, the District and CSCDA which report shall describe the amount of money held by the Treasurer of the Authority for the Board, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude amounts held by a trustee or other fiduciary in connection with any Obligations to the extent that such trustee or other fiduciary provides regular reports covering such amounts).

(4) The services of the officers shall be without compensation by the Authority. The District will provide such other administrative services as required by the Authority, and shall not receive economic remuneration from the Authority for the provision of such services.

(5) The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

(6) All of the privileges and immunities from liability, exemptions from laws, ordinances and rules, all pension, relief, disability, worker's compensation and other benefits which apply to the activities of officers, agents or employees of the Members when performing their respective functions within the territorial limits of their respective Member, shall apply to them to the same degree and extent while engaged in the performance of any of their functions and duties extraterritorially under the provisions of this Agreement.

(7) None of the officers, agents or employees, if any, directly employed by the Authority shall be deemed, by reason of their employment by the Authority, to be employed by any Member or, by reason of their employment by the Authority, to be subject to any of the requirements of any Member.

(8) The Members hereby confirm their intent and agree that, as provided in Section 4(A) hereof and in the Act, the debts, liabilities and obligations of the Authority shall not constitute debts, liabilities or obligations of the District or CSCDA, and they do not intend by the following sentence to impair this provision. Notwithstanding Section 4(A) hereof and the Act, the District and the Authority shall indemnify, defend and hold harmless CSCDA and each of CSCDA's officers, directors, employees, attorneys, Commission members and agents from and against any and all costs, expenses, losses, claims, damages and liabilities directly or indirectly arising out of or in connection with the activities of the Authority, including but not limited to any transaction or series of transactions undertaken by or for the benefit of the District. CSCDA may elect to defend itself in any such action with counsel of its choice, the reasonable fees of such counsel to be paid

by the District. The Authority and the District shall be jointly and severally liable for any indemnity obligation owed to CSCDA or any other indemnified party under this paragraph. Notwithstanding the provisions of section 895.6 of the California Government Code, the District shall not have any right to contribution from CSCDA. This paragraph (8) shall survive the termination of this Agreement.

(9) In any event, the Authority or the District shall cause all records regarding the Authority's formation, existence, operations, any Obligations issued or incurred by the Authority, obligations incurred by it and proceedings pertaining to its termination to be retained for at least six (6) years following termination of the Authority or final payment of any Obligations issued or incurred by the Authority, whichever is later.

Section 5. Powers. The Authority shall have any and all powers which are common powers of the Members, and the powers separately conferred by law upon the Authority. All such powers, whether common to the Parties or separately conferred by law upon the Authority, are specified as powers of the Authority except any such powers which are specifically prohibited to the Authority by applicable law. The Authority's exercise of its powers is subject to the restrictions upon the manner of exercising the powers of the District.

The Authority is hereby authorized, in its own name, to do all acts necessary or convenient for the exercise of its powers, including, but not limited to, any or all of the following: to sue and be sued; to make and enter into contracts; to employ agents, consultants, attorneys, accountants, and employees; to acquire, hold or dispose of property, whether real or personal, tangible or intangible, wherever located; to issue bonds or otherwise incur debts, liabilities or Obligations to the extent authorized by the Act or any other applicable provision of law and to pledge any property or revenues or the rights thereto as security for such Obligations.

Notwithstanding the foregoing, the Authority shall have any additional powers conferred under the Act or under applicable law, insofar as such additional powers may be necessary to accomplish the purposes set forth in Section 2 hereof.

Notwithstanding anything to the contrary in this Agreement, the Authority shall not have the power or the authority to enter into any retirement contract with any public retirement system (as defined in Section 6508.2 of the California Government Code) for any reason. The provision in this paragraph is intended to benefit the Members and to be a confirming irrevocable obligation of the Authority which may be enforced by the Members, individually or collectively.

Section 6. Termination of Powers. The Authority shall continue to exercise the powers herein conferred upon it until the termination of this Agreement in accordance with Section 3 hereof.

Section 7. Fiscal Year. Unless and until changed by resolution of the Board, the fiscal year of the Authority shall be the period from July 1 of each year to and including the following June 30, except for the first fiscal year which shall be the period from the date of this Agreement to June 30, 2019.

Section 8. Disposition of Assets. Upon termination of this Agreement pursuant to Section 3 hereof, any surplus money in possession of the Authority or on deposit in any fund or account of the Authority shall be returned in proportion to any contributions made as required by section 6512 of the Act. The Board is vested with all powers of the Authority for the purpose of concluding and dissolving the business affairs of the Authority. After rescission or termination of this Agreement pursuant to Section 3 hereof, all property of the Authority, both real and personal, shall be distributed to the District, subject to Section 9 hereof.

Section 9. Contributions and Advances. Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by the Members for any of the purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution. Any such advance made in respect of a revenue-producing facility shall be made subject to repayment, and shall be repaid, in the manner agreed upon by the District or CSCDA, as the case may be, and the Authority at the time of making such advance as provided by section 6512.1 of the Act. It is mutually understood and agreed that neither the District nor CSCDA has any obligation to make advances or contributions to the Authority to provide for the costs and expenses of administration of the Authority, even though either may do so. The Members may allow the use of personnel, equipment or property in lieu of other contributions or advances to the Authority.

Section 10. Obligations.

(a) *Authority to Issue or Incur Obligations.* When authorized by the Act or other applicable provisions of law and by resolution of the Board, the Authority may issue or incur Obligations for the purpose of raising funds for the exercise of any of its powers or to otherwise carry out its purposes under this Agreement. Said Obligations shall have such terms and conditions as are authorized by the Board.

(b) *Limited Obligations.* The Obligations, including the principal and any purchase price thereof, and the interest and premium, if any, thereon, shall be special obligations of the Authority payable solely from, and secured solely by, the revenues, funds and other assets pledged therefor under the applicable Indenture(s) and shall not constitute a charge against the general credit of the Authority or any Member. The Obligations shall not be secured by a legal or equitable pledge of, or lien or charge upon or security interest in, any property of the Authority or any of its income or receipts except the property, income and receipts pledged therefor under the applicable Indenture(s). The Obligations shall not constitute a debt, liability or obligation of the State or any public agency thereof, including any Member, other than the special obligation of the Authority as described above. Neither the faith and credit nor the taxing power of the State or any public agency thereof, including the Members, shall be pledged to the payment of the principal or purchase price of, or the premium, if any, or interest on the Obligations nor shall the State or any public agency or instrumentality thereof, including the Members, in any manner be obligated to make any appropriation for such payment. The Authority shall have no taxing power.

No covenant or agreement contained in any Obligation or Indenture shall be deemed to be a covenant or agreement of any director, officer, agent or employee of the Authority or any Member, in his or her individual capacity and no director or officer of the Authority executing a Obligation shall be liable personally on such Obligation or be subject to any personal liability or accountability by reason of the issuance of such Obligation.

Section 11. Agreement not Exclusive. This Agreement shall not be exclusive and shall not be deemed to amend or alter the terms of other agreements between the District and CSCDA, except as the terms of this Agreement shall conflict therewith, in which case the terms of this Agreement shall prevail.

Section 12. Accounts and Reports.

(a) *Books and Records.* All funds of the Authority shall be strictly accounted for in books of account and financial records maintained by the Authority, including a report of all receipts and disbursements. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles and by each Indenture for outstanding Obligations (to the extent such duties are not assigned to a trustee for owners of Obligations). The books and records of the Authority shall be open to inspection at all reasonable times by the Members and their representatives.

(b) *Indentures*. The Authority shall require that each Indenture provide that the trustee appointed thereunder shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of such Indenture. Said trustee may be given such duties in said Indenture as may be desirable to carry out the requirements of this Section 12.

(c) *Audits*. The Treasurer of the Authority shall cause an independent audit to be made of the books of accounts and financial records of the Authority in compliance with the requirements of the Act. Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section 12, shall be borne by the Authority and shall be a charge against any unencumbered funds of the Authority available for that purpose.

(d) *Audit Reports*. The Treasurer of the Authority, as soon as practicable after the close of each Fiscal Year but in any event within the time necessary to comply with the requirements of the Act shall file a report of the audit performed pursuant to this Section 12 as required by the Act and shall send a copy of such report to public entities and persons in accordance with the requirements of the Act.

Section 13. Funds. Subject to the provisions of each Indenture for outstanding Obligations providing for a trustee to receive, have custody of and disburse funds which constitute Authority funds, the Treasurer of the Authority shall receive, have the custody of and disburse Authority funds pursuant to accounting procedures approved by the Board and shall make the disbursements required by this Agreement or otherwise necessary to carry out the provisions and purposes of this Agreement.

Section 14. Conflict of Interest Code. The Authority shall, by resolution, adopt a Conflict of Interest Code to the extent required by law. Such Conflict of Interest Code may be the conflict of interest code of the District.

Section 15. Breach. If default shall be made by the District or CSCDA in any covenant contained in this Agreement, such default shall not excuse either the District or CSCDA from fulfilling its obligations under this Agreement and the District and CSCDA shall continue to be liable for the performance of all conditions herein contained. The District and CSCDA hereby declare that this Agreement is entered into for the benefit of the Authority created hereby and the District and CSCDA hereby grant to the Authority the right to enforce by whatever lawful means the Authority deems appropriate all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

Section 16. Notices. Notices and other communications hereunder to the parties shall be sufficient if delivered to the clerk or secretary of the governing body of each party.

Section 17. Withdrawals and Additions of Members.

(a) *Withdrawals*. Any Member may withdraw from the Authority by filing with the Board a certified copy of a resolution of the governing body of the Member expressing its desire to so withdraw, whereupon the withdrawing Member shall no longer be considered a Member for any reason or purpose under this Agreement and its rights and obligations under this Agreement shall terminate. The withdrawal of a Member shall not affect the existence of the Authority nor the effectiveness of any Obligations of the Authority.

(b) *Additional Members*. Any public agency may be added as a party to this Agreement, and become a Member, by filing with the Board a certified copy of a resolution of the governing body of such public

agency whereby it agrees to the provisions of this Agreement and requests to become a Member. The Board may accept or reject any such proposal in its sole discretion, and if accepted, such public agency shall become a Member when (i) its admission is approved by a vote of a majority of the Board voting on the matter and (ii) such public agency agrees to share public agency's future share of the costs and expenses incurred by the Authority in the course of its activities. Upon satisfaction of the provisions of this clause (b), such public agency shall be a Member for all purposes of this Agreement. The effectiveness of such membership shall not constitute an amendment or modification of this Agreement.

Section 18. Effectiveness. This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of CSCDA and the District, as the initial Members, when each party has executed a counterpart of this Agreement.

Section 19. Severability. Should any part, term, or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions hereof shall not be affected thereby.

Section 20. Successors; Assignment. This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties. Except to the extent expressly provided herein, neither party may assign any right or obligation hereunder without the consent of the other.

Section 21. Amendment of Agreement. This Agreement may be amended by supplemental agreement executed by the Members at any time; provided, however, that this Agreement may be terminated only in accordance with Section 3 hereof and, provided further, that such supplemental agreement shall be subject to any restrictions contained in any Obligations or documents related to any Obligations to which the Authority is a party.

Section 22. Form of Approvals. Whenever an approval is required in this Agreement, unless the context specifies otherwise, it shall be given, in the case of CSCDA, by resolution duly adopted by the board of directors of CSCDA, and, in the case of the District, by resolution duly adopted by the Board of Directors of the District, and, in the case of the Authority, by resolution duly adopted by the Board. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 23. Waiver of Personal Liability. No member, officer, employee, attorney, agent, and, with respect to CSCDA, Commission member of the Authority, the District or CSCDA shall be individually or personally liable for any claims, losses, damages, costs, injury and liability of any kind, nature or description arising from the actions of the Authority or the actions undertaken pursuant to this Agreement, and the District shall defend such members, officers, employees, attorneys, agents, or, with respect to CSCDA, Commission member, against any such claims, losses, damages, costs, injury and liability. Without limiting the generality of the foregoing, no member, officer, employee, attorney, agent, or, with respect to CSCDA, Commission member, of the Authority or of any Member shall be personally liable on any Obligations or be subject to any personal liability or accountability by reason of the issuance of Obligations pursuant to the Act and this Agreement. To the full extent permitted by law, the Board shall provide for indemnification by the Authority of any person who is or was a member of the Board, or an officer, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a member of the Board, or an officer, employee or other agent of the Authority, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in the course and scope of his or her office, employment or agency. In the case of a criminal proceeding, the Board may provide for indemnification and defense of a member of the Board, or an officer, employee or other agent of the Authority to the extent permitted by law.

Section 24. Notices. Notices to the District hereunder shall be sufficient if delivered to the General Manager of the District, and notices to CSCDA hereunder shall be sufficient if delivered to CSCDA staff.

Section 25. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Agreement.

Section 26. Miscellaneous. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Where reference is made to duties to be performed for the Authority by a public official or employee, such duties may be performed by that person's duly authorized deputy or assistant. Where reference is made to actions to be taken by a Member, such action may be exercised through the officers, staff or employees of such Member, in the manner provided by law.

This Agreement is made in the State, under the Constitution and laws of the state and is to be construed as a contract made and to be performed in the State.

This Agreement is the complete and exclusive statement of the agreement among the parties with respect to the subject matter hereof, which supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between the parties relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers or officials thereunto duly authorized.

MOUNTAIN HOUSE COMMUNITY
SERVICES DISTRICT

By _____
General Manager

Attest:

Board Secretary

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

By: _____
Authorized Signatory



Agenda Item No. 7

Agenda Report

DATE: June 6, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

SUBJECT: Consideration of scholarship awards for the Stanford Local Government Summer Institute (LGSI)

BACKGROUND:

On September 20, 2018 the CSCDA Commission approved providing \$24,000 in support for the 2019 LGSI Senior Executives Scholarship fund, which will enable four local government executives to attend the 2019 program who would otherwise not be able to participate.

The LGSI was previously the City Managers Institute, sponsored by the League of California Cities. Participation in the 2018 LGSI included Stanford University, California Forward, the Bay Area Council Economic Institute, Microsoft, and Cisco, to name a few.

As a sponsor, CSCDA will participate on a panel discussion for the 2019 LGSI. The LGSI is supported by the League's City Managers Department, the California Association of County Executives (CACE), Cal-ICMA, and the California City Management Foundation.

The scholarship opportunities were publicized through various social media outlets, the League of California Cities and California State Association of Counties and CSCDA websites.

APPLICANTS:

CSCDA received applications from the following individuals. Complete application packages are attached.

1. Connie Ho - Senior public affairs specialist at the Irvine Ranch Water District (IRWD), a special district that serves the cities of Irvine, Tustin, Lake Forest, Newport Beach, Orange and Costa Mesa. In her role, she is responsible for developing and implementing public outreach programs, key messages, website content, community outreach events, customer newsletters and communications, presentations and social media engagement programs.

2. Alex Terrazas - City Manager for the City of Los Banos. Alex previously worked for the Town of Truckee, Mountain View and the League of California Cities.

3. Alex Ameri – Director of Public Works for the City of Hayward. Alex has been the Director of Public Works for the past two years with over 30 years of public and private sector experience.

4. Jessica Paran - Social Services Director, Marin County Department of Health. Jessica's 12 years of local government experience have been in human services agencies in Sonoma County, San Bernardino County other special districts. She earned my graduate degree in Public Administration in 2016, which has been instrumental in bolstering her transition to a Division Director position at Marin County.

RECOMMENDATION:

CSCDA's Executive Director recommends approval of scholarships for Connie Ho, Alex Terrazas, Alex Ameri and Jessica Paran.



Agenda Item No. 8

Agenda Report

DATE: June 6, 2019

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Clean Fund request for exclusivity exception to its PACE Administration Agreement with CSCDA for the City of Santa Rosa

BACKGROUND AND SUMMARY:

CSCDA's PACE administration agreements contain an exclusivity provision requiring each provider to only offer its PACE platform through CSCDA. Clean Fund, a commercial PACE provider under CSCDA Open PACE currently has a PACE project in the City of Santa Rosa for a new senior living facility known as Carlton Senior Living (the "Project"). The Project is attempting to close its financing by late June/ early July.

The City of Santa Rosa (the "City") is not a participant in CSCDA's Open PACE program. After discussions with various staff at the City, CSCDA would have to go through the County of Sonoma and other approvals in order for PACE to be offered. The steps necessary for approval would take beyond the projected closing date of the Project.

The City is currently a participant in the Western Riverside Council of Governments (WRCOG) PACE program. In order to accommodate the timing of the Project it is recommended that the Commission provide a one-time exception for this Project in the City of Santa Rosa to complete the financing through WRCOG. Staff will continue to work with the City to encourage them to opt-in to the Open PACE program.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends the Commission provide a one-time exception for the Carlton Senior Living project in the City of Santa Rosa to complete the financing through the WRCOG PACE program.