



ADJOURNED REGULAR MEETING AGENDA

December 14, 2017 at 2:00 p.m.

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

Telephonic Locations:

27788 Hidden Trail Road
Laguna Hills, CA 92653

Town of Colma
1198 El Camino Real, Colma, CA 94014

County of Butte
7 County Drive, Oroville, CA 95965

247 Electric Street
Auburn, CA 95603

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

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<input type="checkbox"/> Dan Harrison, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Larry Combs, Vice Chair	<input type="checkbox"/> Dan Mierzwa, Member
<input type="checkbox"/> Kevin O'Rourke, Treasurer	<input type="checkbox"/> Irwin Bornstein, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Brian Moura, Alt. Member
2. Consideration of the Minutes of the December 7, 2017 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
 - a. Cienega Gardens Preservation Limited Partnership (Cienega Gardens Apartments), City of Covina, County of Los Angeles; issue up to \$63,000,000 in multifamily housing revenue bonds.

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- b. Santee Affordable Communities LP (Carlton Club Villas), City of Santee, County of San Diego; issue up to \$60,000,000 in multifamily housing revenue bonds.
- c. Mission Trail LE, LP (Mission Trail Apartments), City of Lake Elsinore, County of Riverside; issue up to \$20,000,000 in multifamily housing revenue bonds.
- d. Vintage at Napa 2, LP (Vintage at Napa Senior Apartments), City of Napa, County of Napa; issue up to \$24,000,000 in multifamily housing revenue bonds.
- e. 360 Walnut Apartments LLC (003 Walnut Apartments), City of Greenfield, County of Monterey; issue up to \$50,000,000 in multifamily housing revenue bonds.
- f. UHC 0061 Morgan Hill, L.P. (The Crossings on Monterey), City of Morgan Hill, County of Santa Clara; issue up to \$15,000,000 in multifamily housing revenue bonds.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, December 21, 2017 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. Consent Calendar

- a. Approve and ratify the addition of the City of Milpitas and the Linda County Water District as CSCDA program participants.

December 14, 2017



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

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

December 7, 2017

MINUTES

Commission chair Dan Harrison called the meeting to order at 2:00 pm.

1 Roll Call.

Commission members present: Dan Harrison.

Commission members participating by conference telephone: Jordan Kaufman; Dan Mierzwa; Kevin O'Rourke; and Alternate commissioner Brian Moura.

Others present: Catherine Bando, CSCDA Executive Director; Norman Coppinger and Perry Stottlemeyer, League of California Cities; and Jon Penkower, Bridge Strategic Partners.

Others participating by conference telephone: Laura Labanieh, CSAC Finance Corporation; Tricia Ortiz, Richards Watson Gershon; Patricia Eichar, Orrick Herrington Sutcliffe; and James Hamill, Bridge Strategic Partners.

2 Approval of the minutes of the November 16, 2017 regular meeting and November 29, 2017 special meeting.

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

3 Approval of consent calendar:

a Consideration of Simplifile agreement for electronic assessment recording for the CaliforniaFirst program.

b Consideration of participation agreement with City of Santa Barbara for PACE.

c Consideration of membership to California Housing Consortium.

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

4 Public comment.

None.

5 Approval of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:

- a John Muir Health, City of Walnut Creek, County of Contra Costa, and City of Concord, County of Contra Costa; issue up to \$140 million in nonprofit revenue bonds.

Executive Director Bando explained that this project is for the refinancing of the acquisition, construction, improvement, renovation and equipping of healthcare facilities located in both Walnut Creek and Concord. The 20-year unrated fixed rate tax-exempt bonds will be placed privately.

Bando indicated that this project complies with CSCDA's general and issuance policies, and recommends approval of the project.

Motion to approve Executive Director Bando's recommendation by Mierzwa; second by O'Rourke; unanimously approved by roll-call vote.

- b Motion Picture & Television Fund, City of Los Angeles, County of Los Angeles; issue up to \$21 million in nonprofit revenue bonds.

Executive Director Bando explained that this project is for the refinancing of the acquisition, construction, improvement, renovation and equipping of healthcare facilities located in Los Angeles. The 14-year unrated tax-exempt bonds will be placed privately.

Bando indicated that this project complies with CSCDA's general and issuance policies, and recommends approval of the project.

Motion to approve Executive Director Bando's recommendation by Kaufman; second by Moura; unanimously approved by roll-call vote.

- c Fairfield Warm Springs Affordable, LP (Warm Springs Apartments), City of Fremont, County of Alameda; issue up to \$35 million in multifamily housing revenue bonds.

Executive Director Bando explained that this project is for the new construction of a 102-unit low-income rental housing project located in Fremont. Fairfield expects to issue \$30 million in tax-exempt bonds, they will also have a taxable loan, and tax credits. The 35-year unrated fixed rate bonds will be placed privately with Citibank.

Bando indicated that this project complies with CSCDA's general and issuance policies, and recommends approval of the project.

Motion to approve Executive Director Bando's recommendation by O'Rourke; second by Mierzwa; unanimously approved by roll-call vote.

- d Murrieta Seniors Associates, LP (Heritage Estates Senior Apartments), City of Livermore, County of Alameda; issue up to \$16.64 million in multifamily housing revenue bonds.

Executive Director Bando explained that this project is for the refinancing of a 130-unit mixed-income senior housing project located in Livermore. The 35-year unrated tax-exempt bonds will be placed directly with Deutsche Bank.

Bando indicated that this project complies with CSCDA's general and issuance policies, and recommends approval of the project.

Motion to approve Executive Director Bando's recommendation by Mierzwa; second by Moura; unanimously approved by roll-call vote.

- e Cienega Gardens Preservation Limited Partnership (Cienega Gardens Apartments), City of Covina, County of Los Angeles; issue up to \$41 million in multifamily housing revenue bonds.

This item is being postponed until next meeting.

- 6 Approve CSCDA to serve as conduit issuer, and approve fee structure for Gateway Connectors project at Los Angeles International Airport.

Executive Director Bando explained that should Gateway Connectors succeed in getting the award to design, build, finance, operate and maintain the "Automated People Mover" project at Los Angeles International Airport, that CSCDA would serve as conduit issuer. Due to the size of the project (over \$1 billion), the borrower has requested CSCDA to cap its fee at \$200 thousand (5 basis points capped at \$200k), plus an ongoing administration fee of 1.5 basis points capped at \$125 thousand. Additionally, the sponsor is requesting CSCDA's permission to use CSCDA's name in their proposal as the conduit issuer.

Commissioner O'Rourke asked whether this project would be adversely impacted by the currently proposed federal tax reform? Bando replied that under the House bill, these bonds would be eliminated, but the outlook in the reconciliation process appears optimistic in preserving transportation projects.

Chairman Harrison asked whether the capped fees would be sufficient to cover costs, both initially and ongoing? Bando reiterated that the request seems reasonable.

Bando indicated that this project seems to be a reasonable request, and recommends approval of the borrower's request.

Motion to approve Executive Director Bando's recommendation by O'Rourke; second by Kaufman; unanimously approved by roll-call vote

- 7 Executive Director update.

Executive Director Bando indicated that there is some uncertainty with respect to proposed tax reform's impact on CSCDA. She indicated that the feeling is that advanced refundings will likely be eliminated; whereas private activity bonds seem to have strong support; and transportation, water and airports appear likely to survive. It is unknown how healthcare, higher education, and housing will be affected. It is expected that the conference will be concluded by December 15.

8 Staff updates.

Jon Penkower explained that the Senate has more leverage in the reconciliation process, and that one option is that the House could opt to forego reconciliation and move to pass the Senate version of the tax reform bill. Jon explained that he and James have identified at least 13 transactions there are going to close in December, but could be up to 15. Accordingly, this meeting is being continued next Thursday to approve approximately six transactions. There should be three or four more set for approval for the December 21 meeting.

Cathy reminded everyone that the annual meeting will be in Carmel Valley. She indicated there is a full agenda and many of CSCDA's partners will be present.

9 Chair Dan Harrison adjourned the meeting at 2:25 pm.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The continuation of this regular meeting of the commission is scheduled for
Thursday, December 14, at 2:00 pm
in the League of California Cities' office at 1400 K Street, 3rd Floor, Sacramento, California.*

RESOLUTION NO. 17R-14

**RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY APPROVING AND RATIFYING THE ADDITION OF
PROGRAM PARTICIPANTS TO THE AUTHORITY**

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is a public entity of the State of California, duly organized and existing pursuant to the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the California Government Code, and the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the “JPA Agreement”); and

WHEREAS, pursuant to Section 13 of the JPA Agreement, the Authority may add a qualifying public agency to become a Program Participant (as defined in the JPA Agreement) upon (i) receipt from such public agency of an executed counterpart of the JPA Agreement, together with a certified copy of the resolution of the governing body of such public agency approving the JPA Agreement and the execution and delivery thereof and (ii) the approval of the Commission of the Authority to add such public agency as a Program Participant; and

WHEREAS, this Commission of the Authority desires to approve and ratify the admission of the public entities listed in Schedule A attached hereto and incorporate herein by reference (the “Applicants”) as Program Participants of the Authority; and

WHEREAS, this Commission hereby finds and determines that the Applicants are qualified to be added as parties to the JPA Agreement and to become Program Participants of the Authority; and

WHEREAS, the Applicants have, respectively, filed with the Authority executed counterparts to the JPA Agreement, together with certified copies of the resolutions approving the JPA Agreement and the execution and delivery thereof;

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

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

Section 2. The addition of the Applicants as Program Participants is hereby approved, confirmed and ratified, and any actions heretofore taken on behalf of any such Applicants is hereby approved, confirmed and ratified.

Section 3. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority on December 17, 2017.

* * * * *

I, the undersigned, a duly appointed, and qualified Authorized Signatory of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory

EXHIBIT A

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
PROGRAM PARTICIPANTS**

- 1. Linda County Water District**
- 2. City of Milpitas**



Agenda Item No. 5a

Agenda Report

DATE: December 14, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Cienega Gardens Apartments

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

AMOUNT: Not to Exceed \$63,000,000

EXECUTIVE SUMMARY:

Cienega Gardens Apartments (the “Project”) is an acquisition and rehabilitation of a 180-unit rental affordable housing project located in the City of Covina. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 180-unit affordable rental housing facility located at 1211 N. Lyman Avenue in the City of Covina.
- 7.76 acre site.
- 12 two-story residential buildings.
- Consists of 72 one-bedroom units, 48 two-bedroom units, 58 three-bedroom units and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Preservation Partners Development (PPD) acquires, rehabilitates and permanently preserves “at-risk” affordable housing resources which were originally developed under U.S. Department of Housing and Urban Development (HUD) financing and direct rental subsidy programs. PPD’s objective is to provide long term, secure housing communities, and in partnership with affiliated nonprofit corporations, provide supportive social services focused on the most basic needs of very low income families and seniors. PPD has previously constructed or rehabilitated more than 30 multifamily properties and this is PPD’s ninth financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: July 18, 2017 – City of Covina – unanimous approval

CDLAC Approval: Expected at CDLAC’s December 13, 2017 meeting. CSCDA approval will be conditioned upon receipt of CDLAC allocation.

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 37% (65 units) restricted to 50% or less of area median income households.
 - 63% (113 units) restricted to 60% or less of area median income households.
- The Project is in walking distance to recreational facilities and public K-12 schools.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 50,000,000
Seller Note:	\$ 14,000,000
Tax Credits:	\$ 7,080,534
Equity Contribution:	\$ 128,875
Deferred Developer Fee:	\$ 6,534,954
Total Sources:	\$ 77,744,363

Uses of Funds:

Acquisition:	\$ 44,300,000
Construction Costs:	\$ 16,094,569
Architecture & Engineering:	\$ 345,000
Capitalized Interest/Fees:	\$ 6,071,113
Developer Fee:	\$ 9,034,954
Bond Costs:	\$ 234,242
Cost of Issuance:	\$ 245,000
Soft Costs:	\$ 640,400
Reserves:	\$ 779,085
Total Uses:	\$ 77,744,363

Finance Partners:

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

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

Underwriter: Citibank

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Estimated Closing: December 29, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. Project Photos (Attachment A)
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the issuance of the Bonds and the financing of the Project, contingent upon a receipt of CDLAC allocation;
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



ATTACHMENT B

RESOLUTION NO. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$63,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS CIENEGA GARDENS APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

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

WHEREAS, Cienega Gardens Preservation Limited Partnership, 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 (Cienega Gardens Apartments) 2017 Series MM-1, its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cienega Gardens Apartments) 2017 Series MM-2 and its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cienega Gardens Apartments) 2017 Series MM-3 (collectively, the "Notes") to assist in the financing of the acquisition and rehabilitation of a 180-unit multifamily housing rental development located in the City of Covina, California, and known or to be known as Cienega Gardens Apartments (the "Project");

WHEREAS, on December 13, 2017, the Authority received an allocation in the amount of \$60,000,000 (the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$63,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation

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

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

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

(1) Funding Loan Agreement (the "Funding Loan Agreement") to be entered into among the Funding Lender, the Authority and Wilmington Trust, National Association, a national banking association, as fiscal agent (the "Fiscal Agent");

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

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cienega Gardens Apartments) 2017 Series MM-1," "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cienega Gardens Apartments) 2017 Series MM-2" and "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cienega Gardens Apartments) 2017 Series MM-3," 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 \$63,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the

Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond December 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

Section 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 Notes are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note, termination of regulatory agreement and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and

resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 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 Notes, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 14, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory



Agenda Item No. 5b

Agenda Report

DATE: December 14, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Carlton Club Villas

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Santee, County of San Diego

AMOUNT: Not to Exceed \$60,000,000

EXECUTIVE SUMMARY:

Carlton Club Villas (the “Project”) is an acquisition and rehabilitation of a 130-unit rental affordable housing project located in the City of Santee. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 130-unit affordable rental housing facility located at 9345 Carlton Oaks Drive in the City of Santee.
- 6.77 acre site.
- 22 two-story residential buildings and a community room.
- Consists of 24 one-bedroom units, 68 two-bedroom units, 37 three-bedroom units, and one manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Islas Development, LLC (“Islas”) was formed by Mr. Ruben Islas in December 2001 as a vehicle to develop and provide affordable housing in the communities that need it most. Through Islas Development, Mr. Islas and his business partner, Mr. Jules Arthur of Suffolk Development, LLC have been able to acquire ownership interests in over 2900 affordable units across the Western United States, with the most significant holdings being in California. Islas has previously constructed or rehabilitated more than 18 multifamily properties and this is Islas’ 12th financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: October 25, 2017 – City of Santee – unanimous approval

CDLAC Approval: Expected December 13, 2017. Staff will report to the Commission that the project received an award of CDLAC allocation during presentation of this agenda item.

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (115 units) restricted to 60% or less of area median income households.
 - 10% (14 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 53,000,000
Tax Credit Equity:	\$ 3,688,813
Deferred Developer Fee:	\$ <u>6,644,517</u>
Total Sources:	\$ 63,333,330

Uses of Funds:

Acquisition:	\$ 45,225,000
Rehabilitation:	\$ 7,175,763
Financing Costs:	\$ 1,159,042
Soft Costs:	\$ 1,406,700
Operating Reserves:	\$ 634,256
Developer Fee:	\$ <u>7,732,569</u>
Total Uses:	\$ 63,333,330

Finance Partners:

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

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

Bond Purchaser: Citibank

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Estimated Closing: December 27, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. Photo of Carlton Club Villas (Attachment A)
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A



ATTACHMENT B

RESOLUTION NO. 17H-__

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 \$60,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS CARLTON COUNTRY CLUB VILLAS; 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, Santee Affordable Communities, 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 (Carlton Country Club Villas) 2017 Series OO (the "Note") to assist in the financing of the acquisition, construction and development of a 130-unit multifamily housing rental development located in the City of Santee, County of San Diego, California, and known as Carlton Country Club Villas (the "Project");

WHEREAS, on December 13, 2017, the Authority expected to receive an allocation in the amount of \$48,000,000 (such amount as finally approved, the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Santee 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 \$60,000,000, 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 Citibank, N.A. (the "Funding Lender"), 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 among the Funding Lender, the Authority and Wilmington Trust, National Association, a national banking association, as fiscal agent (the "Fiscal Agent");

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

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

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 (Carlton Country Club Villas) 2017 Series OO" 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 \$60,000,000; 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. 17R-4 of the

Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the 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 Funding Lender 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, an 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.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 14, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory



Agenda Item No. 5c

Agenda Report

DATE: December 14, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Mission Trail Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Lake Elsinore, County of Riverside

AMOUNT: Not to Exceed \$20,000,000

EXECUTIVE SUMMARY:

Mission Trail Apartments (the “Project”) is the new construction of an 81-unit rental housing project located in the City of Lake Elsinore. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of 81-unit affordable rental housing facility located in the City of Lake Elsinore.
- Consists of nine two-bedroom units, 71 three-bedroom units, and a manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

C&C Development and Orange Housing Development Corporation (OHDC) have worked together since 1990 to provide high quality affordable communities throughout Southern California. C&C is one of Southern California’s most experienced and trusted affordable housing developers with a commitment to develop and preserve quality affordable and mixed-income communities. OHDC is a nonprofit 501(c)(3) organization with a commitment to develop secure, clean and attractive housing for people of low and moderate incomes. With over 30 years of experience together, the team has built one of the industry’s most successful track records, developing more than 4,300 residential units. This will be C&C’s third financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: June 13, 2017 – City of Lake Elsinore – unanimous approval

CDLAC Approval: November 15, 2017

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 26% (21 units) restricted to 50% or less of area median income households.
 - 74% (79 units) restricted to 60% or less of area median income households.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 16,000,000
City of Lake Elsinore:	\$ 6,005,649
Deferred Developer Fee:	\$ 2,798,270
Deferred Costs:	\$ 316,750
Tax Credits:	\$ 1,878,228
Limited Partner Equity:	\$ 968,593
General Partner Equity:	\$ 100
Total Sources:	\$ 27,967,590

Uses of Funds:

Acquisition:	\$ 2,000,000
Construction Costs:	\$ 15,808,458
Architecture/Engineering:	\$ 783,298
Deferred Costs:	\$ 316,750
Loan Fees/Costs of Issuance:	\$ 742,706
Impact Fees:	\$ 2,195,559
Permits:	\$ 736,941
Construction Loan Interest:	\$ 615,069
Developer Fee:	\$ 3,253,266
Other Soft Costs:	\$ 1,515,543
Total Uses:	\$ 27,967,590

Finance Partners:

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

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

Bond Purchaser: Bank of America, N.A.

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: December 27, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A

RESOLUTION NO. 017H-__

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 \$20,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS MISSION TRAIL APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, construction 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, Mission Trail LE LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, construction and development of a 81-unit multifamily rental housing development located in the City of Lake Elsinore, California and known as Mission Trail Apartments (the “Project”);

WHEREAS, on November 15, 2017, the Authority received an allocation in the amount of \$16,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the City of Lake Elsinore is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$20,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Mission Trail Apartments) 2017 Series PP (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, 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 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 Bonds (the “Loan Agreement”), to be entered into between the Authority and the Borrower;

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

(4) Bond Purchase Agreement (the “Bond Purchase Agreement”) relating to the Bonds, to be entered into by the Authority, Stifel, Nicolaus & Company, Incorporated, as Underwriter (the “Underwriter”), and the Borrower; and

(5) Official Statement with respect to the Bonds (the “Official Statement”), to be used in connection with the offer and sale of the 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 and the Indenture, 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 (Mission Trail Apartments) 2017 Series PP” including, if and to the extent necessary, 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 \$20,000,000; provided that the Bonds may not be issued unless and until CDLAC grants the Project the Allocation Amount, and provided further that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture, and the 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. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the 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 December 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the 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 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 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 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 Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing

the certificate of authentication of the Trustee appearing thereon, and to deliver the 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 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. 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, 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 10. 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, and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 14, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory



Agenda Item No. 5d

Agenda Report

DATE: December 14, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Vintage at Napa Senior Apartments

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

AMOUNT: Not to Exceed \$24,000,000

EXECUTIVE SUMMARY:

Vintage at Napa Senior Apartments (the “Project”) is the acquisition and rehabilitation of a 115-unit rental affordable housing project located in the City of Napa. 100% of the units will remain rent restricted for low-income senior tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 115-unit affordable rental housing facility located at 2360 Redwood Road in the City of Napa.
- One three-story residential building.
- Consists of 107 one-bedroom units, six two-bedroom units and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Vintage Housing Development, Inc. (“Vintage Housing”) has been developing and operating apartment homes for income qualified families and active seniors for over ten years. With communities throughout California, Washington, Nevada, Oregon, and Missouri, Vintage has a variety of properties with amenities to meet the needs of its residents. Vintage Housing’s apartments for seniors provide their respective city and surrounding areas with quality affordable retirement housing for independent seniors ages 55 and older. Additionally, a specified number of units in various locations are made available for seniors with disabilities. All of the Vintage Housing properties for seniors offer a wide variety of amenities which may include on-site property management services, arrangements for grocery delivery, pharmacy delivery, monthly newsletters, a wellness program administered by visiting physicians, and organized activities and

trips in conjunction with local senior citizen organizations and controlled building entry for enhanced resident security. The Project is Vintage Housing's third financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: November 7, 2017 – City of Napa – unanimous approval

CDLAC Approval: Expected December 13, 2017. Staff will report to the Commission that the project successfully received an award of CDLAC allocation during presentation of this agenda item.

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 74% (84 units) restricted to 60% or less of area median income households.
 - 26% (29 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities and grocery stores.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 18,830,096
Seller Loan:	\$ 1,900,000
Tax Credits:	\$ 552,204
Rental Income:	\$ 1,277,991
Deferred Developer Fee:	\$ 2,607,960
Total Sources:	\$ 25,168,251

Uses of Funds:

Acquisition:	\$ 16,000,000
Construction Costs:	\$ 3,450,000
Architecture & Engineering:	\$ 125,000
Relocation:	\$ 32,500
Capitalized Interest/Fees:	\$ 1,002,433
Reserves:	\$ 300,485
Developer Fee:	\$ 2,890,061
Cost of Issuance:	\$ 381,650
Contingency:	\$ 355,000
Other Soft Cost:	\$ 631,122
Total Uses:	\$ 25,168,251

Finance Partners:

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

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

Private Placement Purchaser: Citibank, N.A.

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: December 27, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. Photo of Vintage at Napa Senior Apartments (Attachment A)
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A



ATTACHMENT B

RESOLUTION NO. 17-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$24,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS VINTAGE AT NAPA SENIOR APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

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

WHEREAS, Vintage at Napa 2, LP, a California limited partnership, and entities related thereto (collectively, the "Borrower"), has requested that the Authority execute and deliver its Multifamily Housing Revenue Construction/Permanent Note (Vintage at Napa Senior Apartments) 2017 Series NN-1 and its Multifamily Housing Revenue Construction Note (Vintage at Napa Senior Apartments) 2017 Series NN-2 (collectively, the "Notes") to assist in the financing of the acquisition and rehabilitation of a 115-unit multifamily housing rental development for seniors located in the City of Napa, California, and known as Vintage at Napa Senior Apartments (the "Project");

WHEREAS, on December 13, 2017, the Authority received an allocation in the amount of \$18,830,096 (the "Allocation Amount") from the California Debt Limit Allocation Committee ("CDLAC") in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$24,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the

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

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

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

(1) Funding Loan Agreement (the "Funding Loan Agreement") to be entered into between the Funding Lender, Wilmington Trust, National Association (the "Fiscal Agent") and the Authority;

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

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (Vintage at Napa Senior Apartments) 2017 Series NN-1" and "California Statewide Communities Development Authority Multifamily Housing Revenue Construction Note (Vintage at Napa Senior Apartments) 2017 Series NN-2" including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$24,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of any Authorized Signatory (as defined below). The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed

to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond December 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, contingency draw-down agreement, loan related documents, an assignment of deed of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and

resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Notes, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 14, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory



Agenda Item No. 5e

Agenda Report

DATE: December 14, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: 003 Walnut Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Greenfield, County of Monterey

AMOUNT: Not to Exceed \$50,000,000

EXECUTIVE SUMMARY:

003 Walnut Apartments (the “Project”) is the new construction of a 324-unit rental housing project located in the City of Greenfield. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of a 324-unit affordable rental housing facility located in the City of Greenfield.
- Consists of 162 one-bedroom, 108 two-bedroom units, 54 three-bedroom units, including four manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Intelligent Design Real Estate (IDRE) is a California-based real estate development firm that has recently sole sourced and packaged transactions resulting in partnership acquisitions for projects totaling over 1,400,000 sq. ft. of building area across 14 acres of land. Projects include two 35-unit apartment complexes undergoing rehabilitations, one 81-unit apartment complex undergoing rehabilitation, 47-units of multifamily under construction, and other developments located throughout Los Angeles. The Project is IDRE’s 1st financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: Scheduled for December 19, 2017 at the City of Greenfield. CSCDA approval of the Project is contingent upon TEFRA approval by the City.

CDLAC Approval: Expected December 20, 2017. CSCDA approval of the Project is contingent upon receipt of an award of CDLAC allocation.

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 10% (33 units) restricted to 50% or less of area median income households.
 - 90% (291 units) restricted to 60% or less of area median income households.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 40,000,000
Deferred Developer Fee:	\$ 5,831,490
Tax Credits:	\$ 24,498,134
Developer Equity:	<u>\$ 5,845,109</u>
Total Sources:	\$ 76,174,733

Uses of Funds:

Acquisition:	\$ 2,541,203
Construction Costs:	\$ 47,196,000
Architecture/Engineering:	\$ 2,200,000
Reserves:	\$ 870,240
Loan Fees/Costs of Issuance:	\$ 1,217,471
Appraisal:	\$ 10,000
Permits:	\$ 3,000,000
Construction Loan Interest:	\$ 3,437,076
Hard Cost Contingency:	\$ 2,490,900
Developer Fee:	\$ 9,082,005
Other Soft Costs:	<u>\$ 4,129,838</u>
Total Uses:	\$ 76,174,733

Finance Partners:

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

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

Underwriter: RBC Capital Markets

Finance Terms:

Rating: Rated – Expected Rating AA+ (Credit enhanced by HUD/FHA 223a loan)
Term: 35 years
Structure: Public Offering
Estimated Closing: December 27, 2017

CSCDA Policy Compliance:

The financing of the Project complies with CSCDA’s general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the issuance of the Bonds and the financing of the Project, subject to TEFRA approval and receipt of CDLAC allocation;
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. 017H-__

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 \$50,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS 360 WALNUT APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, construction 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, 360 Walnut Avenue Apartments, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, construction and development of a 324-unit multifamily rental housing development located in the City of Greenfield, California and known as 360 Walnut Apartments (the “Project”);

WHEREAS, on December 20, 2017, the Authority is expected to receive an allocation in the amount of \$50,000,000 (such amount as finally approved, the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, approval of the issuance of the Bonds (as defined herein) as provided herein is conditioned upon the receipt of the Allocation Amount for the Project from CDLAC;

WHEREAS, the City of Greenfield is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$50,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (360 Walnut Apartments) 2017 Series

TT (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, 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 Bonds (the “Indenture”), to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);

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

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

(4) Bond Purchase Agreement (the “Bond Purchase Agreement”) relating to the Bonds, to be entered into by the Authority, RBC Capital Markets, LLC, as Underwriter (the “Underwriter”), and the Borrower; and

(5) Official Statement with respect to the Bonds (the “Official Statement”), to be used in connection with the offer and sale of the 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 and the Indenture, 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 (360 Walnut Apartments) 2017 Series TT” including, if and to the extent necessary, 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 \$50,000,000; provided that the Bonds may not be issued unless and until CDLAC grants the Project the Allocation Amount, and provided further that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued

and secured in accordance with the terms of the Indenture, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture, and the 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. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the 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 December 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the 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 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 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 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 Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the 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 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. 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, 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 10. 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, and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 14, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 14, 2017.

By _____
Authorized Signatory