



CSCDA
 CALIFORNIA STATEWIDE COMMUNITIES
 DEVELOPMENT AUTHORITY



REGULAR MEETING AGENDA
June 4, 2020 at 2:00 p.m.

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

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Kevin O’Rourke, Chair	_____ Brian Stiger, Member
_____ Tim Snellings, Vice Chair	_____ Marcia Raines, Member
_____ Brian Moura, Secretary	_____ Michael Cooper, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Niroop Srivatsa, Alt. Member
_____ Dan Mierzwa, Member	
2. Consideration of the Minutes of the May 21, 2020 Regular Meeting.
3. Public Comment.

B. ITEMS FOR CONSIDERATION

4. 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. Emanate Health, Cities of Covina, Glendora and West Covina, County of Los Angeles; issue up to \$260,000,000 in tax-exempt nonprofit revenue bonds.
 - b. St. Paul’s Day School, City of Oakland, County of Alameda; issue up to \$7,100,000 in nonprofit tax-exempt revenue obligations.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2020 at ___: __ __m, Signed _____ . Please email signed page to info@cscda.org

5. Consideration of the addition of Green PACE Capital to the CSCDA Open PACE program.
6. Consideration of supplemental conflict waiver with Richards, Watson & Gershon as CSCDA's General Counsel.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, June 18, 2020 at 2:00 p.m.



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

May 21, 2020 at 2:00 p.m.

Commission Chair Kevin O'Rourke called the meeting to order at 2:01 pm.

1. Roll Call.

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

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sendy Young, CSAC Finance Corporation; Tricia Ortiz, Richards Watson & Gershon; and Chase Broffman, CSAC Finance Corporation.

2. Consideration of the Minutes of May 7, 2020 Regular Meeting.

The Commission approved the May 7, 2020 Regular Meeting minutes.

Motion to approve by D. Mierzwa. Second by T. Snellings. Unanimously approved by roll-call vote. B. Moura did not vote.

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Redwood Gardens Renewal LP (Redwood Gardens Apartments), City of Berkeley, County of Alameda; issue up to \$90 million in multi-family housing revenue bonds.
2. Inducement of Villa Del Sol Apartments, LP (Villa Del Sol Apartments), City of Los Angeles, County of Los Angeles; issue up to \$25 million in multi-family housing revenue bonds.

Motion to approve by M. Raines. Second by J. Kaufman. Unanimously approved by roll-call vote. B. Moura did not vote.

4. Public Comment.

There was no public comment.

5. Consideration of the addition of five hardening measures for CSCDA's Open PACE program.

Executive Director Bando informed the Commission that a list of recommended fire hardening measures is attached, and are identical to the improvements approved for CaliforniaFirst. Such measures are pursuant to the Statewide CAL FIRE recommendations. Executive Director Bando recommended adoption of the attached resolution incorporating fire hardening measures as part of the CSCDA Open PACE program.

Motion to approve by T. Snellings. Second by N. Srivatsa. Unanimously approved by roll-call vote. B. Moura did not vote.

6. Consideration of renewal of services agreement with Clean Fund for the CSCDA Open PACE program.

Executive Director Bando explained that the initial term of the proposed renewal is five years beginning May 21, 2020 with the potential for five one-year extensions. These are the same terms CSCDA has provided for all PACE administrator renewals. CSCDA's Executive Director recommends approval of the agreement with Clean Fund for its commercial PACE program.

Motion to approve by B. Moura. Second by T. Snellings. Unanimously approved by roll-call vote.

7. Market Update of CSCDA Activities (Informational Only).

Staff gave an update of the current market conditions related to CSCDA programs.

8. Executive Director Update.

Executive Director Bando reported that CSCDA amended the 2021 Annual Meeting contract with Carmel Valley Ranch to postpone the dates from January 6-8, 2021 to January 5-7, 2022. The original contract required interim payments beginning in May of 2020. The interim payments have been postponed to commence May 2021 for the revised 2022 dates. We will monitor the pandemic situation throughout the year with the possibility of rebooking the January 6-8, 2021 if we decide to rebook the original dates.

9. Staff Update.

Staff had no updates.

10. Adjourn.

The meeting was adjourned at 2:26 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, June 4, 2020 at 2:00 p.m.



Agenda Item No. 4a

Agenda Report

DATE: June 4, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Emanate Health

PURPOSE: Authorize the Issuance of Bonds to Finance and Refinance the Acquisition, Construction, Improvement, Renovation, Rehabilitation, Remodeling and Equipping of Hospital and Healthcare Facilities located in the Cities of Covina, West Covina and Glendora, County of Los Angeles

AMOUNT: Not to Exceed \$260,000,000

EXECUTIVE SUMMARY:

Emanate Health, a 501c3 nonprofit organization (“Emanate”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$260,000,000 (the “Bonds”) to (a) finance the construction of two separate buildings at the Queen of the Valley Hospital campus located in West Covina, California, (b) finance upgrades to Emanate Health Inter-Community Hospital, which is located in Covina, California, (c) finance the conversion of an existing building in Glendora, California, into a primary and specialty care facility that will be known as the “Glendora Amelia Medical Office Building” and (d) refinance Emanate’s 1998 Certificates of Participation. This will be the first CSCDA financing for Emanate.

PROJECT ANALYSIS:

About Emanate:

Emanate Health, formerly known as Citrus Valley Health Partners, is the parent corporation of the largest nonprofit health care delivery system in the East San Gabriel Valley of Southern California. The Emanate Health System includes three acute care hospitals with a total of 621 licensed acute care beds, a ten-bed inpatient hospice facility, a home health care agency and a network of medical clinics and diagnostic facilities. In each of the past three years, nearly one million residents in the East San Gabriel Valley relied on the Emanate Health System for their health care needs. The Emanate Health System traces its beginnings to a seven-bed hospital that was opened in the City of Covina, California, in 1922 by the Wittler sisters, one of whom was a nurse. In 1947, residents in the City of Covina and surrounding communities raised funds to purchase the hospital, naming

it “Inter-Community” to reflect the contributions from the communities. Since that time, Emanate Health, together with the other entities comprising the Emanate Health System, has grown to serve the cities of Azusa, Chino, Covina, Glendora, La Verne, San Dimas, and West Covina. Today, the Emanate Health System provides care in both inpatient and outpatient settings across a range of medical, surgical and specialty services, including specialization in cancer treatment, behavioral health services, wound care, cardiology, diabetes education, neurology, gastroenterology, maternity/obstetrics/gynecology, emergency rescue and outreach to the partially sighted.

Public Agency Approvals:

TEFRA Hearings:

- City of Covina – May 19, 2020 – unanimous approval
- City of West Covina – May 19, 2020 – unanimous approval
- City of Glendora – Scheduled for June 9, 2020. CSCDA Commission approval shall be contingent upon TEFRA approval by the City.

Economic Development:

- Emanate employs more than 3,600 physicians, nurses and other staff throughout its facilities.
- Emanate’s role in the community has generated the establishment of medical clinics, diagnostic facilities and other medical related businesses. In addition, many Emanate employees live, eat and shop within the community and support the local economy.

Public Benefit:

- In 2018, Emanate contributed \$6,200,000 in total community benefits, including quantifiable benefits for the poor and broader community.
- Emanate’s Get Enrollment Moving program, also known as GEM, which involves volunteers and staff members work together to educate, screen and recruit eligible families for enrollment and retention in Medi-Cal, Covered California, CalFresh and other free and/or low-cost health and social service access programs.
- GEM is a project of Emanate Health and it is supported with funding from the L.A. County Department of Public Health Department.
- Emanate Health’s Welcome Baby initiative is a free universal home visitation program implemented by child development and social services professionals as well as a special post-partum visit by a Registered Nurse. The program serves women during the prenatal and postpartum stages. Families receive assistance to avoid homelessness, receive counseling services, access to food and other essential needs. This program is made possible with a grant with First 5 LA. The Welcome Baby program is a psychosocial model that surrounds mom and infant with education, emotional support and refers to much needed community resources.

Sources and Uses:

Sources of Funds:

Series 2019 Par Amount:	\$ 165,925,000
Premium:	\$ 25,640,937
1998 Bond Reserve Release:	<u>\$ 11,611,735</u>
Total Sources:	\$ 203,177,672

Uses of Funds:

Project Fund	\$ 125,015,570
Refunding Escrow Deposits:	\$ 75,376,439
Prepayment Penalty:	\$ 711,600
Cost of Issuance	<u>\$ 2,074,063</u>
Total Uses:	\$ 203,177,672

Finance Partners:

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

Authority Counsel: Richards, Watson, Gershon, San Francisco

Underwriter: Barclays

Finance Terms:

Rating: A (anticipated)
Term: 30 Years
Method of Sale: Public Offering
Estimated Closing: July 6, 2020

CSCDA Policy Compliance:

The financing for Emanate 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. 20NP-__

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$260,000,000 TO FINANCE AND/OR REFINANCE THE ACQUISITION, CONSTRUCTION, EQUIPPING, IMPROVEMENT, RENOVATION, REHABILITATION, AND/OR REMODELING OF CAPITAL PROJECTS AT HOSPITAL, HEALTH CARE AND RELATED FACILITIES FOR EMANATE HEALTH AND AFFILIATES AND OTHER MATTERS RELATING THERETO

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 Government Code of the State of California (the "Act"), a number of California cities, counties and special districts (each, a "Program Participant") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Statewide Communities Development Authority (the "Authority") was organized;

WHEREAS, the Authority is authorized by its Agreement to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development;

WHEREAS, the Authority is authorized by a resolution adopted March 21, 1991, to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements to finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 which are determined by the Authority to satisfy the criteria set forth in such resolution (the "Eligible Organizations");

WHEREAS, pursuant to the provisions of the Act, the cities, counties and special districts which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal;

WHEREAS, the Cities of Covina, Glendora and West Covina, all in California (together, the "Cities" and individually, a "City") are Program Participants, and each such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

WHEREAS, pursuant to the provisions of the Act and the Agreement, the Authority is authorized to enter into installment purchase and/or sale agreements with the Eligible Organizations and to deliver certificates of participation evidencing interests therein;

WHEREAS, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement with the Eligible Organizations;

WHEREAS, Emanate Health (the “Corporation”), Emanate Health Medical Center and Emanate Health Foothill Presbyterian Hospital, each a California nonprofit public benefit corporation and each an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, are each members of an obligated group (the “Obligated Group Members”) created pursuant to a master trust indenture, between the Obligated Group Members and U.S. Bank National Association, as master trustee thereunder;

WHEREAS, the Corporation wishes to finance and/or refinance (including through the refinancing of certain certificates of participation delivered by the Authority in 1998 for the benefit of the Corporation and/or certain of the Obligated Group Members) the acquisition, construction, equipping, improvement, renovation, rehabilitation, and/or remodeling of capital projects (the “Project”) at hospital, health care and related facilities owned and operated or to be owned and operated by the Corporation or certain of the other Obligated Group Members and located, or to be located, in the Cities;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and/or refinancing the Project;

WHEREAS, pursuant to one or more Bond Indentures (collectively, the “Bond Indenture”), between the Authority and U.S. Bank National Association, as bond trustee (the “Trustee”), the Authority will issue the California Statewide Communities Development Authority Revenue Bonds (Emanate Health) Series 2020, in one or more series (the “Bonds”) for the purpose, among others, of financing and/or refinancing the Project;

WHEREAS, pursuant to one or more Loan Agreements (collectively, the “Loan Agreement”), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of financing and/or refinancing the Project;

WHEREAS, pursuant to one or more Bond Purchase Agreements, to be dated the date of sale of the Bonds (collectively, the “Bond Purchase Agreement”), between Barclays Capital Inc. and any other underwriter named therein, as underwriter (the “Underwriter”) and the Authority, and approved by the Corporation, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Bond Indenture to finance and/or refinance the Project and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, there have been made available to the Commissioners of the Authority the following documents and agreements:

- (1) A proposed form of the Bond Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Bond Purchase Agreement; and

(4) A proposed form of one or more official statements (collectively, the “Official Statement”) to be used by the Underwriter in connection with the offering and sale of the Bonds; and

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 Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto;

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

Section 1. Pursuant to the Act and the Bond Indenture, the Authority is hereby authorized to issue its revenue bonds, designated as the “California Statewide Communities Development Authority Revenue Bonds (Emanate Health), Series 2020” in an aggregate principal amount not to exceed two hundred sixty million dollars (\$260,000,000), from time to time, in one or more series, as federally tax-exempt bonds or federally taxable bonds, with such other name or names of the Bonds or series thereof as designated in the Bond Indenture pursuant to which the Bonds will be issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Bond Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the Vice Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20R-1 of the Authority, adopted on January 23, 2020, or any other resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Bond Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, initial interest rate mode, interest rate or rates or methods of determining rates, conversion provisions, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Bond Indenture, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Bond Purchase Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement, in

substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Official Statement, as made available to the Commissioners, is hereby approved. The Underwriter is hereby authorized to distribute the Official Statement in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form, in substantially the form of the preliminary Official Statement, to the purchasers of the Bonds.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the Cities have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and have approved the issuance of the Bonds to provide financing and/or refinancing for the Project as may be required thereby and in accordance with Section 9 of the Agreement.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 4th day of June, 2020.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO 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 4, 2020.

By:

Authorized Signatory
California Statewide Communities
Development Authority

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: Emanate Health
2. Authority Meeting Date: June 4, 2020
3. Name of Obligations: Revenue Bonds (Emanate Health), Series 2020
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:
 - (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): 3.875211%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$2,074,062.50.
 - (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: \$189,491,875.30.
 - (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): \$322,292,461.80.
5. The good faith estimates provided above 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: June 1, 2020



Agenda Item No. 4b

Agenda Report

DATE: June 4, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: St. Paul’s Day School

PURPOSE: Authorize the Issuance of Tax-Exempt Obligations to Refinance School Facilities in the City of Oakland, County of Alameda

AMOUNT: Not to Exceed \$7,100,000

EXECUTIVE SUMMARY:

St. Paul’s Day School (“St. Paul’s” or the “School”), has requested that CSCDA issue tax-exempt nonprofit revenue obligations in an amount not to exceed \$7,100,000 (the “Obligations”) to refinance certain educational facilities located on its main campus in the City of Oakland.

PROJECT ANALYSIS:

About St. Paul’s Day School:

St. Paul’s Day School of Oakland, also known as St. Paul’s Episcopal School, was founded in 1975 by Reverend Canon David R. Forbes and Reverend Donald W. Seaton. St. Paul’s is a nonprofit, independent co-educational school located in the City of Oakland. It serves students in grades Kindergarten through 8th grade. Education at St. Paul’s is characterized by academic rigor, inclusivity, critical thinking, and social involvement. This is St Paul’s first financing with CSCDA.

About the Financing:

As a result of the refinancing, St. Paul’s is able to reduce its interest rate from 3.86% to 2.75%, resulting in millions of dollars of savings.

Public Agency Approval:

TEFRA Hearing: May 12, 2020 – City of Oakland

Public Benefit:

- **Financial Aid** – St Paul's maintains a strong commitment to broadening socioeconomic diversity by offering financial assistance and payment plans to provide access for its students, including recipients of Financial Aid, to all required programs and activities of the School. Over 50 percent of the student body receives financial aid.
- **Community Involvement** – In 2018, Oakland Magazine recognized St. Paul's as the best private elementary school and best middle school in Oakland. While many independent schools can be perceived as pristine buildings behind gates, that feeling of exclusivity does not align with the School's values. Proudly located in the heart of Oakland, the city is part of the extended campus. Third graders annually lead the bird census at Lake Merritt, the sixth graders track and publicize trash patterns around the neighborhood to raise awareness in the neighborhood, and the eighth graders participate in service opportunities at local organizations. The students learn about their city and have a level of appreciation for and comfort with their surroundings.

Sources and Uses:

Sources of Funds:

Tax-Exempt Loan:	<u>\$7,000,000</u>
Total Sources:	\$7,000,000

Uses of Funds:

Refinance of Loan:	\$6,860,000
Costs of Issuance:	<u>\$ 140,000</u>
Total Uses:	\$7,000,000

Finance Partners:

Bond Counsel: Hawkins, Delafield & Wood, LLP, San Francisco

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

Private Placement Purchaser: First Republic Bank, San Francisco

Finance Terms:

Anticipated Rating: Unrated
Term: 30 years at a fixed interest rate
Method of Sale: Private Placement
Estimated Closing: June 16, 2020

CSCDA Policy Compliance:

The financing complies with CSCDA's general, issuance and K-12 private school 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. __ NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF OBLIGATIONS IN
A PRINCIPAL AMOUNT NOT TO EXCEED \$7,100,000, TO REFINANCE
THE ACQUISITION, DESIGN, APPROVAL, CONSTRUCTION,
RENOVATION, INSTALLATION, DEVELOPMENT AND EQUIPPING
OF FACILITIES AND REFINANCE AN EXISTING TAX-EXEMPT
OBLIGATION FOR THE BENEFIT OF ST. PAUL'S DAY SCHOOL OF
OAKLAND, AND OTHER MATTERS RELATING THERETO**

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 Government Code of the State of California (the "Act"), a number of California cities, counties and special districts (each, a "Program Participant") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Statewide Communities Development Authority (the "Authority") was organized;

WHEREAS, the Authority is authorized by its Agreement to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development;

WHEREAS, the Authority is authorized by a resolution adopted March 21, 1991, to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements to finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 which are determined by the Authority to satisfy the criteria set forth in such resolution (the "Eligible Organizations");

WHEREAS, pursuant to the provisions of the Act, the cities, counties and special districts which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal;

WHEREAS, the City of Oakland (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

WHEREAS, pursuant to the provisions of the Act and the Agreement, the Authority is authorized to enter into installment purchase and/or sale agreements with the Eligible Organizations and to deliver certificates of participation evidencing interests therein;

WHEREAS, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement with the Eligible Organizations;

WHEREAS, St. Paul's Day School of Oakland, a California nonprofit public benefit corporation (the "Corporation"), wishes to (1) refinance and prepay a tax-exempt loan currently outstanding in the aggregate principal amount of approximately \$6.9 million, under that certain Master Loan Agreement, dated as of March 1, 2013, among First Republic Bank, ABAG Finance Authority for Nonprofit Corporations, and the School, the proceeds of which were used to refinance certain outstanding obligations of the School which financed certain capital improvements to the educational facilities owned and/or operated by the School located at 262 Grand Avenue, Oakland, California; 124 Montecito Avenue, Oakland, California; and the property leased by the School at 116 Montecito Avenue, Oakland, California; and (2) pay various costs of issuance and other related costs (collectively, the "Project"), which facilities are owned and/or operated by the Corporation and located in the City;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and refinancing the Project;

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (as "Lender"), the Authority and the Corporation (the "Master Loan Agreement"), the Authority will grant a tax-exempt loan to the Corporation in a principal amount not exceeding \$7,100,000 (the "Obligation"), for the purpose of financing and/or refinancing the Project;

WHEREAS, pursuant to the policies of the Authority, the Obligation may only be assigned to Qualified Institutional Buyers (as defined in the Master Loan Agreement) and the Lender will sign an investor letter confirming that it is a Qualified Institutional Buyer and certain other related matters;

WHEREAS, there has been made available to the Commissioners of the Authority the proposed form of the Master Loan Agreement; and

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 Corporation and has disclosed such good faith estimates as set forth on Exhibit A attached hereto.

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

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligation in an aggregate principal amount not to exceed Seven Million One Hundred Thousand Dollars (\$7,100,000). The Obligation shall be issued and secured in accordance with the terms of the Master Loan Agreement.

Section 2. The proposed form of Master Loan Agreement, as made available to the Commissioners, is hereby approved. Any of the Chair of the Authority or the Vice Chair of the Authority or any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 19R-1 of the Authority, adopted on January 24, 2019, or any other resolution of the Authority (each, an "Authorized Signatory") is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, tender provisions, and other terms of the Obligation shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligation, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 4. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Obligation are hereby ratified, confirmed and approved.

Section 5. Notwithstanding anything to the contrary in this resolution, no documents referenced in this resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Obligation as may be required thereby and in accordance with Section 9 of the Agreement to provide financing and/or refinancing for the Project.

Section 6. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this [_____] day of [_____] , 2020.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO 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 [_____] , 2020.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

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: St. Paul's Day School of Oakland.
2. Authority Meeting Date: June 4, 2020.
3. Name of Obligations: 2020 Tax-Exempt Term Loan.
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.75%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$100,000.
 - (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: \$6,907,116.
 - (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): \$10,352,048.
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: May 29, 2020



Agenda Item No. 5

Agenda Report

DATE: June 4, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Agreement for Services with Green PACE Capital for commercial PACE under Open PACE

EXECUTIVE SUMMARY:

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

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

OVERVIEW:

Green PACE Capital:

- GPC was created in 2016 as a solar finance company offering its Prepaid Power Purchase Agreements funded by residential and commercial PACE assessments in California.
- GPC utilizes its commercial and industrial contractor channel, providing a high-touch approach with over 100 active contractors within its network.
- GPC has launched its proprietary PACE Prepaid Power Purchase Agreement in 2019 to serve the commercial and industrial market.
- GPC continues to expand its C-PACE platform by offering commercial customers best-in-class finance products.
- The overall market potential for GPC's products continues to grow, as commercial customers face increasing energy costs.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends the approval of Green PACE Capital as a new commercial program administrator, and the attached agreement for services under Open PACE. The agreement for services has been reviewed by CSCDA's General Counsel.

Administration Services Agreement:

<https://www.dropbox.com/sh/2nz61umvk06occj/AAA8STF0tqvXLK07lxFdIHd-a?dl=0>



Agenda Item No. 6

Agenda Report

DATE: June 4, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Supplemental Conflict Waiver relating to Richards, Watson Gershon Professional Services Agreement.

EXECUTIVE SUMMARY:

Richards, Watson Gershon (RWG) serves as CSCDA's General Counsel. CSCDA is currently working with the County of Sonoma (the "County") in regards to an agreement for the collection of PACE assessments. RWG represents the County, and will need CSCDA to waive the conflict to represent both parties. A similar waiver will be required to be approved by the County.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the supplemental conflict waiver relating to the Richards, Watson Gershon Professional Services Agreement with CSCDA.

Supplemental Conflict Waiver:

https://www.dropbox.com/sh/f49jgi0p5hz3wlk/AABaXO4xrJTUilzi08P0w7_ka?dl=0