REGULAR MEETING AGENDA

June 16, 2016 at 2:00 p.m.

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

Telephonic Locations:

County of Monterey
168 Alisal Street, Salinas, CA 93901
3252 Southern Hills Drive
Fairfield, CA 94534

709 Portwalk Place
Redwood City, CA 94061
27788 Hidden Trail Road
Laguna Hills, CA 92653

County of Butte
7 County Drive, Oroville, CA 95965
247 Electric Street
Auburn, California 95603

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

   ___ Dan Harrison, Chair
   ___ Larry Combs, Vice Chair
   ___ Kevin O’Rourke, Treasurer
   ___ Ron Holly, Secretary
   ___ Nav Gill, Alt. Member
   ___ Tim Snellings, Member
   ___ Dan Mierzwa, Member
   ___ Irwin Bornstein, Member
   ___ Brian Moura, Alt. Member

2. Consideration of the minutes of the June 2, 2016 Regular and Special Meetings.

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. Discovery Charter Preparatory School, City of Los Angeles, County of Los Angeles; issue up to $7,000,000 in nonprofit revenue bonds.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on ________________, 2016 at ___ : ___ m, Signed ________________________________. Please email signed page to info@cscda.org
b. California College of the Arts, City and County of San Francisco; issue up to $16,000,000 in nonprofit revenue bonds.

c. Stockton Meridian Pointe, L.P. (Meridian Pointe Apartments), City of Stockton, County of San Joaquin; issue up to $15,000,000 in multi-family housing revenue bonds.


C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

6. Executive Director Update.

7. Staff Updates.

8. Adjourn.

NEXT MEETING: Thursday, July 7, 2016 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814
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Commission chair Dan Harrison called the meeting to order at 2:03 pm.

1 Roll Call.

Commission members present: Dan Harrison; and Larry Combs. Kevin O'Rourke; Dan Mierzwa; and Ron Holly participated by conference telephone.

CSCDA Executive Director, Catherine Bando also participated by conference telephone.

Others present included: Norman Coppinger and Perry Stottlemeyer, League of California Cities; Jon Penkower, Bridge Strategic Partners; and Mark Paxson, State Treasurer’s Office. James Hamill, Bridge Strategic Partners; Tricia Ortiz, Richards Watson & Gershon; and Patricia Eichar, Orrick Herrington & Sutcliffe participated by conference telephone.

2 Approval of the minutes of the May 19, 2016 regular meeting.

Motion to approve by Holly; second by Combs; unanimously approved by roll-call vote.

3 Approval of consent calendar:

a Induce Premier Associates II, LP (Premier Apartments), City of Los Angeles, County of Los Angeles; issue up to $18 million in multi-family housing revenue bonds.

b Induce Cypress Villa 2016 LP (Cypress Villa Apartments), City of La Habra, County of Orange; issue up to $14 million in multi-family housing revenue bonds.

c Induce Daly City Pacific Associates, a California Limited Partnership (Brunswick Street Apartments), City of Daly City, County of San Mateo; issue up to $80 million in multi-family housing revenue bonds.

d Induce SLTSG Apartment Investors, LP (Sierra Garden Apartments), City of South Lake Tahoe, County of El Dorado; issue up to $10 million in multi-family housing revenue bonds.

Motion to approve by Combs; second by Holly; unanimously approved by roll-call vote.
4 Election of Secretary.

Chair Dan Harrison indicated that due to Terry Schutten's resignation from the Commission, the office of Secretary is vacant and needs to be filled.

Larry Combs nominated Ron Holly as Secretary for the remainder of the current term; second by O'Rourke; approved by majority roll-call vote. Harrison confirmed that Holly would be willing to serve.

5 Public comment.

None.

6 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; issue up to $100 million in nonprofit revenue bonds.

Executive Director Bando explained that this project is to refinance the acquisition, construction, renovation and equipping of healthcare facilities in Walnut Creek and Concord. This is the borrower’s 7th financing with CSCDA. The unrated bonds will be privately placed.

The project complies with CSCDA’s general and issuance policies, and Bando recommends approval.

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

b Community Hospital of the Monterey Peninsula, Cities of Monterey and Marina, County of Monterey; issue up to $35 million in nonprofit revenue bonds.

Executive Director Bando explained that this project is to refinance the construction, improvement, renovation and equipping of healthcare facilities in Monterey and Marina. This is the borrower’s 4th financing with CSCDA. The 17-year fixed rate unrated bonds will be privately placed.

The project complies with CSCDA’s general and issuance policies, and Bando recommends approval.

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

c Evelyn Avenue Family Apartments, LP (Evelyn Family Apartments), City of Mountain View, County of Santa Clara; issue up to $35 million in multi-family housing revenue bonds.

Executive Director Bando explained this project is for the construction of a 116-unit affordable housing project in Mountain View. This is the borrower's 11th financing with CSCDA. The 35-year unrated bonds will be privately placed.
The project complies with CSCDA’s general and issuance policies, and Bando recommends approval.

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

7 Approve the following resolutions for the creation of CFD No. 2016-01 (Napa Pipe), County of Napa:

a Resolution declaring intention to establish the Authority's Community Facilities District No. 2016-01 (Napa Pipe) (“CFD No. 2016-01”) and to levy a special tax to finance certain environmental remediation.

b Resolution to incur bonded indebtedness to finance construction for environmental remediation within CFD No. 2016-01 and calling for a public hearing.

The Napa Pipe Redevelopment Project has asked CSCDA to finance environmental remediation (removal of soil contamination) via the formation of a community facilities district (CFD). The remediation must occur prior to development of the 154-acre site can proceed.

Executive Director Bando indicated that the project complies with CSCDA’s CFD policies and goals and recommends approval.

Motion to approve Executive Director Bando’s recommendation for items 7a and 7b by Combs; second by O'Rourke; unanimously approved by roll-call vote.

8 Approve the following resolutions for the creation of CFD No. 2016-02 (Delta Coves), County of Contra Costa:

a Resolution approving joint community facilities and declaring intention to establish the Authority’s Community Facilities District No. 2016-02 (Delta Coves) (“CFD No. 2016-02”) to designate two improvement areas therein, and to levy a special tax to finance certain development impact fees and certain services.

b Resolution to incur bonded indebtedness to finance acquisition and construction of certain capital improvements and certain development impact fees for CFD No. 2016-02 and calling for a public hearing to be held on July 7, 2016.

The Delta Coves Project has asked CSCDA to finance the acquisition and development of certain public improvements, development impact fees and certain services for a proposed project via the formation of a community facilities district (CFD).

Executive Director Bando indicated that all final approvals for the issuance of bonds will be brought back to the Commission after all required proceedings have been completed. She recommends approval of both resolutions.

Motion to approve Executive Director Bando’s recommendation for items 8a and 8b by Combs; second by Holly; unanimously approved by roll-call vote.
9 Approve release of litigation reserve funds to CHF Irvine.

Executive Director Bando explained that CSCDA issued $282.55 million in nonprofit revenue bonds to refund bonds issued in 2004, 2006 and 2008. As part of the previous issuances, CSCDA agreed to an issuance policy exception in exchange for the borrower contributing funds into a litigation reserve, held by CSCDA. Since the litigation reserve was never utilized, it should now be terminated and the proceeds released to the borrower.

Bando recommends termination of the litigation reserve and release of the funds to the borrower.

Motion to approve Executive Director Bando’s recommendation for items 8a and 8b by Combs; second by Holly; unanimously approved by roll-call vote.

10 Approve AllianceNRG (Open PACE) consent to service provider and fee update.

AllianceNRG has requested that CSCDA make two amendments to the master services agreement entered into between CSCDA and AllianceNRG for the Open PACE program. The first amendment relates to AllianceNRG's request to enter into an agreement with Services Finance Company LLC to market its Open PACE offering to residential property owners. The second amendment relates to an update to the fee agreement so that it matches the CSCDA fee schedule.

Bando recommends approval of both amendments.

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

11 Executive Director update.

Executive Director Bando welcomed Ron Holly as a full Commissioner. She also mentioned that Nav Gill, the County Executive Officer for Sacramento County, is the new alternate Commissioner representing counties and will join the CSCDA meetings after he completes Commissioner orientation on June 21.

Bando also shared that the tobacco refinancing is still in the works. Orrick is monitoring.

12 Staff updates.

James Hamill shared that AB 2693 has been referred over to the local government committee, so that it's now a joint effort between local government committee and the banking committee. The focus now is disclosure, consumer protection and oversight. A meeting will be held next week with all PACE participants throughout the state. Dan Mierzwa will also attend the meeting. The ultimate bill will likely look different from the original bill and have a better resolution as we move into summer.
Chair Dan Harrison adjourned the meeting at 2:38 pm.

Submitted by: Perry Stottlemyer, League of California Cities staff

The next regular meeting of the commission is scheduled for

Thursday, June 16, at 2:00 pm

in California Association of Counties’ office at 1100 K Street, 1st Floor, Sacramento, California.
Commission chair Dan Harrison called the meeting to order at 2:38 pm.

1 Roll Call.

Commission members present: Dan Harrison; and Larry Combs. Kevin O'Rourke; Dan Mierzwa; and Ron Holly participated by conference telephone.

CSCDA Executive Director, Catherine Bando also participated by conference telephone.

Others present included: Norman Coppinger and Perry Stottlemeyer, League of California Cities; Jon Penkower, Bridge Strategic Partners; and Mark Paxson, State Treasurer’s Office. James Hamill, Bridge Strategic Partners; Tricia Ortiz, Richards Watson & Gershon; and Patricia Eichar, Orrick Herrington & Sutcliffe participated by conference telephone.

2 Approval of consent calendar:

a Induce ROEM Development Corporation (Polo Run Apartments), City of Stockton, County of San Joaquin; issue up to $30 million in multi-family housing revenue bonds.

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

3 Public comment.

None.

4 Chair Dan Harrison adjourned the meeting at 2:39 pm.

Submitted by: Perry Stottlemeyer, League of California Cities staff
Agenda Item No. 4a

Agenda Report

DATE: June 16, 2016

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Discovery Charter Preparatory School

PURPOSE: Authorize the Issuance of Bonds to Finance the Acquisition of a School Site in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed $7,000,000

EXECUTIVE SUMMARY:

Discovery Charter Preparatory School (“Discovery”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed $7,000,000 (the “Bonds”) to finance the acquisition of a school site in Sylmar, located in the City of Los Angeles.

PROJECT ANALYSIS:

About Discovery:

Discovery is an independent charter high school chartered in 2002 by the Los Angeles Unified School District (LAUSD). Discovery was the first high school chartered in the LAUSD. The school currently operates in Pacoima with a current enrollment of 252 students in grades 9-12. Discovery operates in leased space behind a church. Discovery serves very low income students. Students entering the 9th grade on average read at a 5th grade level. The graduation rates for Discovery far exceed the surrounding schools. For the graduating class of 2016, 31 of the 59 students have been accepted to four-year universities.

About the Project:

Discovery has entered into an agreement to purchase a school site in Sylmar which is a 10 minute drive from its current location. The new school site is currently a grade 7-12 Christian private school which is disbanding at the end of the school year. Discovery intends to open the 2016-17 school year in the new building which will require no significant modifications. Discovery will offer existing students transportation due to the new school location.
Public Agency Approval:

TEFRA Hearing: City of Los Angeles – TEFRA hearing is scheduled for June 28, 2016. All approvals will be subject to TEFRA approval by the City of Los Angeles.

Public Benefit:

The new facility will help offset recent enrollment declines which have been due to the constraints of the current facility. It will allow Discovery to further its mission of expanding access to higher education, and provide skills for students to reach their highest academic potential.

Sources and Uses:

Sources of Funds:
- Tax-Exempt Bonds: $6,200,000
- Equity Contribution: $1,500,000
- Total Sources: $7,700,000

Uses of Funds:
- Deposit to Project Fund: $6,800,000
- Capitalized Interest: $300,000
- Costs of Issuance: $600,000
- Total Uses: $7,700,000

Finance Partners:

Bond Counsel: Hinckley Allen, Boston
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter/Placement Agent: B.C. Ziegler and Company

Finance Terms:

Anticipated Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Estimated Closing: July 6, 2016
CSCDA Policy Compliance:

The financing complies with CSCDA’s general and issuance policies.

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 by the City of Los Angeles;

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. ___-__

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF TAX-EXEMPT REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $7,000,000 TO FINANCE THE DISCOVERY CHARTER PREPARATORY SCHOOL PROJECT 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, 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 Los Angeles (the “City”) is a Program Participant of the Authority and 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 any public or private entity 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 a private entity;

WHEREAS, one or more of Discovery Charter Preparatory School, a California nonprofit public benefit corporation and an organization described in section 501(c)(3) of the
Internal Revenue Code of 1986, as amended (“Discovery Prep”), DCPS Properties, a California nonprofit public benefit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“DCPS”) and DCPS Eldridge Avenue LLC, a California LLC (“Eldridge”, Discovery Prep and DCPS are each referred to herein as “Borrower”) plans to purchase, renovate and improve a property at 13570 Eldridge Avenue, Sylmar, California 91324 (the “Property”) for use by Discovery Prep as a charter school;

WHEREAS, in order to facilitate the acquisition and improvement of the Property and its financing (the “Project”), the Borrower has applied for the financial assistance of the Authority in the financing the Project;

WHEREAS, Bond Counsel has advised the Authority that assisting the Borrower in the financing of the Project is authorized by the Act and other applicable provisions of law;

WHEREAS, pursuant to an Indenture (the “Indenture”), between the Authority and Wilmington Trust, N.A., as trustee (the “Trustee”), the Authority will issue and the Trustee will authenticate bonds to be designated generally as the “California Statewide Communities Development Authority Revenue Bonds (Discovery Charter Preparatory School) Series 2016”, or such other name or names as may be designated in the Indenture (the “Bonds”) for the purpose, among others, of financing the Project;

WHEREAS, pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Borrower, the Authority will loan the proceeds of the Bonds to the Borrower for the purpose, among others, of financing the Project;

WHEREAS, a form of the Limited Offering Memorandum (the “Limited Offering Memorandum”) to be distributed in connection with the offering of the Bonds has been prepared;

WHEREAS, the financing of the Project will result in significant public benefits in the form of economic development and the creation and retention of employment opportunities within the City;

WHEREAS, pursuant to a Bond Purchase Agreement among B.C. Ziegler & Company (the “Underwriter”), the Authority and the Borrower (the “Purchase Agreement”), the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project and to pay costs of issuance incurred in connection with the Bonds; and

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

(1) A proposed form of the Indenture;

(2) A proposed form of the Loan Agreement;
(3) A proposed form of the Purchase Agreement; and

(4) A Limited Offering Memorandum.

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 Indenture, the Authority is hereby authorized to issue its revenue bonds designated generally as the “California Statewide Communities Development Authority Revenue Bonds (Discovery Charter Preparatory School) Series 2016” in one or more series and in an aggregate principal amount not to exceed $7,000,000. 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 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 manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 14R-58 of the Authority, adopted on November 6, 2014 (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 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 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, interest rate or rates, 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 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 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 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 form of Limited Offering Memorandum relating to the Bonds, as made available to the Commissioners, is hereby approved on behalf of the Borrower. Any
Authorized Signatory is hereby authorized and directed, at or after the time of the sale of the Bonds, on behalf of the Borrower, to execute a final Limited Offering Memorandum in substantially the form of the Limited Offering Memorandum presented to this meeting, with such additions thereto or changes therein as such Authorized Signatory may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Underwriter is hereby authorized and directed to distribute copies of the Limited Offering Memorandum to potential purchasers of the Bonds and the Limited Offering Memorandum, as finally executed, 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 tax certificate and agreement, and 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 City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing for the Project.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 16th day of June, 2016.
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 16, 2016.

By: ______________________________
   Authorized Signatory
   California Statewide Communities
   Development Authority
DATE: June 16, 2016
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PROJECT: California College of the Arts
PURPOSE: Authorize the Issuance of Bonds to Finance the Acquisition of Educational Facilities in the City and County of San Francisco.
AMOUNT: Not to Exceed $16,000,000

EXECUTIVE SUMMARY:

California College of the Arts (“CCA”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed $16,000,000 (the “Bonds”) to finance the acquisition of various educational facilities in the City and County of San Francisco.

PROJECT ANALYSIS:

About CCA:

Founded in 1907 by Frederick Meyer, a German cabinetmaker, whose vision was shaped by the Arts and Crafts movement, CCA is noted for the interdisciplinary and breadth of its programs. CCA educates students to shape culture and society through the practice and critical study of art, architecture, design, and writing. Benefitting from its San Francisco Bay Area location, the college prepares students for lifelong creative work by cultivating innovation, community engagement, and social and environmental responsibility.

About the Project:

The project is to fund CCA’s investment in a real estate development to be sited south of Market Street in San Francisco, adjacent to the existing CCA campus. The project is part of a larger development of Kilroy Development Corp. The portion that CCA will occupy will be located at 150 Hooper Street in San Francisco. The building will be non-profit owned and was conceived as a small business manufacturing incubator. CCA will use its space in the building (upper two floors) for labs and studios for arts activities, film, material, sustainability, entrepreneurship and other resource facilities for students.
Public Agency Approval:

TEFRA Hearing: City and County of San Francisco – TEFRA hearing was held and unanimously approved by the Board of Supervisors on March 15, 2016.

Public Benefit:

As an educational and cultural institution, CCA believes in fostering the artistic and academic excellence of its students and faculty. They cultivate intellectual curiosity and risk-taking, collaboration and innovation, compassion and integrity. As a global citizen and good neighbor, CCA believes in its role as a proponent of social justice and community engagement.

- CCA promotes diversity on its campus by improving access and opportunities for underrepresented groups.
- CCA values sustainability and believes that as a school of the arts they have a unique ability and an ethical responsibility to shape a culture that is more environmentally responsible.
- CCA understands the importance of creative economies and the role of artists, designers, architects, and writers in solving social, cultural, environmental, and economic problems.

Sources and Uses:

Sources of Funds:
- Tax-Exempt Bonds: $16,000,000
- Equity Contribution: $232,500
- Total Sources: $16,232,500

Uses of Funds:
- Deposit to Project: $13,750,000
- Project Architect: $2,000,000
- Costs of Issuance: $482,000
- Total Uses: $16,232,500

Finance Partners:

Bond Counsel: Hawkins, Delafield & Wood, 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
- **Structure:** Private Placement
- **Estimated Closing:** July 6, 2016

CSCDA Policy Compliance:

The financing complies with CSCDA’s general and issuance policies.

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. ___ NP-___

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF AN OBLIGATION IN A
PRINCIPAL AMOUNT NOT TO EXCEED $16,000,000, TO FINANCE AND/OR
REFINANCE CERTAIN CAPITAL EXPENDITURES OF THE CALIFORNIA
COLLEGE OF THE ARTS, 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 and County of San Francisco (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 Chapter 1, Division 1 of Title 3 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, California College of the Arts, a California nonprofit public benefit corporation (the “Corporation”), wishes to: (1) pay and/or reimburse the Corporation for miscellaneous capital expenditures related to the construction, development, improvement, equipping, long-term lease and acquisition of that certain property located at 150 Hooper Street, San Francisco, California; (2) finance or refinance the construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Corporation’s facilities located at 1111 Eighth Street, San Francisco, California; 450 Irwin Street, San Francisco, California; 480 Irwin Street, San Francisco, California; 1100 7th Street, San Francisco, California; and 80 Carolina Street, San Francisco, California; and (3) pay various costs of issuance and other related costs (collectively, the “Project”);

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

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (the “Lender”), the Authority and the Corporation (the “Master Loan Agreement”), the Authority will make a tax-exempt loan to the Corporation in a principal amount not exceeding $16,000,000 (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.

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 Sixteen Million Dollars ($16,000,000). 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 member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 15R-53 of the
Authority, adopted on October 22, 2015 (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 16th day of June, 2016.

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 16, 2016.

By: _______________________
    Authorized Signatory
    California Statewide Communities Development Authority
Agenda Item No. 4c

Agenda Report

DATE: June 16, 2016

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Meridian Pointe Apartments

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

AMOUNT: Not to Exceed $17,000,000

EXECUTIVE SUMMARY:

Meridian Pointe Apartments (the “Project”) is an acquisition and rehabilitation of a 186-unit rental affordable housing project located in the City of Stockton. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 186-unit affordable rental housing facility located at 819 East Hammer Lane in the City of Stockton.
- 7.16 acre site.
- Various two-story wood frame buildings.
- Consists of 140 two-bedroom units, 44 four-bedroom units and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Affordable Housing Development Corporation (“AHDC”) is committed to developing the highest quality affordable housing communities that create and maintain value, both for those living in – and those living around – its properties. In the mid-1980’s, AHDC became part of a solution to the state’s dwindling affordable housing options. Since its initial involvement in the industry, AHDC has developed multi-family communities with more than 15,000 rental units in California. AHDC has received recognition for its resident initiative programs and the quality of its performance and housing products from numerous city governments, the California State Assembly, Governor Arnold

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Schwarzenegger, several members of the United States Congress, the White House Commission on Community Leadership, and President George W. Bush. This is AHDC’s 18th financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: January 26, 2016 – City of Stockton – unanimous approval

CDLAC Approval: March 16, 2016

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
  - 90% (165 units) restricted to 60% or less of area median income households.
  - 10% (19 units) restricted to 50% or less of area median income households.
  - 2 manager’s units
- The Project is in close proximity to recreational facilities, grocery stores and public K-12 schools.

Sources and Uses:

Sources of Funds:
- Tax-Exempt Bonds: $12,053,767
- City Loan: $5,948,227
- Tax Credits: $1,736,556
- Deferred Costs: $1,919,773
- Total Sources: $21,658,323

Uses of Funds:
- Acquisition: $8,255,437
- Construction Costs: $6,932,045
- Contingency: $693,204
- Financing Costs: $1,498,019
- Reserves: $750,000
- Developer Fee: $2,339,546
- Soft Costs: $1,190,072
- Total Uses: $21,658,323

Finance Partners:

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

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

Private Placement Purchaser: Wells Fargo & Freddie Mac
Finance Terms:

Rating: Unrated
Term: 15 years at a fixed interest rate
Structure: Private Placement
Closing: July 11, 2016

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)
1. Photographs of Meridian Pointe 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

Meridian Pointe Apartments
ATTACHMENT B

RESOLUTION NO. 16H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS AND NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $17,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS MERIDIAN POINTE 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 AND 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 or 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, Stockton Meridian Pointe, 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, rehabilitation and development of a 186-unit multifamily rental housing development located in the City of Stockton, California, and to be generally known as Meridian Pointe Apartments (the “Project”);

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

WHEREAS, on March 16, 2016, the Authority received an allocation in the amount of $15,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the Authority is willing to issue not to exceed $17,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Meridian Pointe Apartments) 2016 Series G (the “Bonds”); provided that the portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Bonds will initially be privately placed with Wells Fargo Bank, N.A. (the “Construction Phase Lender”), in accordance with the Authority’s private placement policy;
WHEREAS, upon the satisfaction of certain conditions, following completion of rehabilitation of the Project ("Conversion") the parties expect that the Master Pledge and Assignment (as defined herein) and the Bonds will be amended and restated, and, in connection therewith, Jones Lang LaSalle Multifamily, LLC ("JLL") will make a loan to the Authority (the "Funding Loan"), and assume the debt obligation represented by the Bonds, as amended, in the form of a tax-exempt note (the "Tax-Exempt Note") issued by the Authority and evidencing the Authority’s obligation to repay the Funding Loan;

WHEREAS, JLL and the Federal Home Loan Mortgage Corporation, a shareholder owned government-sponsored enterprise ("Freddie Mac") intend to enter into a Forward Commitment concerning the purchase, upon Conversion, of the Tax-Exempt Note by Freddie Mac;

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 the Tax-Exempt Note, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Construction Phase Lender, as agent (the “Agent”);

(2) Master Pledge and Assignment (the “Master Pledge and Assignment”), to be entered into among the Authority, the Agent and the Construction Phase Lender, as holder;

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

(4) Construction Phase Financing Agreement (the “CPFA”) to be entered into among JLL, as Freddie Mac Seller/Servicer, the Construction Phase Lender and Freddie Mac, together with exhibits thereto, including forms of the permanent phase tax-exempt loan documents and Tax-Exempt Note to be employed during the permanent phase following conversion (the “Tax-Exempt Loan Documents”).

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

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 Master Pledge and Assignment, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Meridian Pointe Apartments) 2016 Series G”; with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed $17,000,000; provided that the aggregate principal amount of any tax exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Master Pledge and Assignment, and shall be executed on behalf of the Authority by the facsimile
signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and 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 Master Pledge and Assignment 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 Master Pledge and Assignment and the Bonds 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 Master Pledge and Assignment 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 hereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-53 of the Authority, adopted on October 22, 2015) (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 Master Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond July 1, 2061), 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 Master Pledge and Assignment as finally executed.

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

Section 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 CPFA 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 final forms of the Tax-Exempt Loan Documents and other exhibits to the CPFA, which require the execution by the Authority, 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 sell the Bonds to the Construction Phase Lender pursuant to the terms and conditions of the Master Pledge and Assignment.

Section 8. The Bonds, when executed, shall be delivered to the Agent for registration. The Agent is hereby requested and directed to register the Bonds by executing the certificate of registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on
behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Agent. Such instructions shall provide for the delivery of the Bonds to the purchasers thereof 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 and issuance of the Bonds and Tax-Exempt 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, one or more subordination or intercreditor agreements, any endorsement and/or assignment of deed of trust, a termination of regulatory agreement, an allonge or assignment of any note and such other documents as described in the Master Pledge and Assignment and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and Tax-Exempt 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 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 and Tax-Exempt 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 Bonds or Tax-Exempt Note, or any redemption of the Bonds or Tax-Exempt 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 Master Pledge and Assignment and other documents approved herein.

Section 11. This Resolution shall take effect upon its adoption.
PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 16, 2016.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on June 16, 2016.

By ________________________________

Authorized Signatory
DATE: June 16, 2016

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of CSCDA budget for fiscal year 2016/17

BACKGROUND AND SUMMARY:

Attached for the consideration of the Commission is the proposed 2016/17 CSCDA budget. The proposed budget is a compilation of projections compiled by the Executive Director, League of California Cities (League), California State Association of Counties (CSAC) and CSCDA Staff. Highlights of the budget include the following:

1. Collections – Collections include issuance fees and bond administrative fees.
   a. Issuance Fees – We project that PACE issuance fees will continue to rise in the next fiscal year and have budgeted $1.4 million in collections. This amount is 65% over the prior year’s budget but only 30% higher than the YTD collections for 2015-16. Other municipal bond programs are projected to be flat compared to actual YTD 2015-16 collections which is a reduction under the 2015-16 budgeted amount.
   b. Bond Administrative Fees – Our projections are that overall bond administrative fees will be slightly lower than the 2015-16 budget which is consistent with the trend for prior years as a result of CSCDA’s lower fee schedule. Fees related to the increased amount of SCIP/Mello Roos transactions are projected to increase 53% compared to the budgeted amount for 2015-16.

2. Disbursements – Disbursements consist of issuance fees, bond administrative fees and general administrative costs. Due to the new fee arrangements under the CSCDA program management contract both CSAC and the League’s governance fees will increase. The goal is to keep general administrative costs lower including legislative and legal costs.

3. Notes – The notes to the budget outlines that the League and CSAC contributed $300,000 in fees to establish this fund. The fund was established to pay CSCDA expenses if there is a shortfall in the Professional Services Account. Also noted is the fact that the CSCDC line item has been removed from the CSCDA budget.

RECOMMENDED ACTION:

CSCDA’s Executive Director recommends approval of the 2016/17 budget.
CSCDA
Proposed Budget for Fiscal Year 2016-17

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<tr>
<th>Amounts collected</th>
<th>2014-15</th>
<th>Budget 2015-16</th>
<th>YTD 2015-16</th>
<th>Budget 2016-17</th>
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<td>Issuance fees</td>
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<td>Qualified 501 (c)(3)</td>
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<td>Issuance</td>
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### CSCDA

**Proposed Budget for Fiscal Year 2016-17**

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<tr>
<td>General Counsel - Richards Watson Gershon</td>
<td>76,815</td>
<td>60,000</td>
<td>187,140</td>
<td>150,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>26,428</td>
<td>60,000</td>
<td>26,518</td>
<td>30,000</td>
</tr>
<tr>
<td>Board travel reimbursements</td>
<td>12,234</td>
<td>15,000</td>
<td>2,479</td>
<td>5,000</td>
</tr>
<tr>
<td>Issuer counsel - Orrick</td>
<td>147,606</td>
<td>145,000</td>
<td>73,950</td>
<td>181,250</td>
</tr>
<tr>
<td>Auditor - MGO</td>
<td>40,300</td>
<td>30,000</td>
<td>20,600</td>
<td>30,000</td>
</tr>
<tr>
<td>Other professional services: Nielsen</td>
<td>88,420</td>
<td>45,000</td>
<td>38,850</td>
<td>45,000</td>
</tr>
<tr>
<td>NMTC²</td>
<td>0</td>
<td>85,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>BSP municipal advisor fee</td>
<td>0</td>
<td>24,000</td>
<td>22,000</td>
<td>24,000</td>
</tr>
<tr>
<td>Bank service fees</td>
<td>4,738</td>
<td>7,000</td>
<td>3,937</td>
<td>7,000</td>
</tr>
<tr>
<td>Marketing and Sponsorships</td>
<td>0</td>
<td>15,000</td>
<td>11,885</td>
<td>30,000</td>
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<tr>
<td>Other</td>
<td>29,670</td>
<td>5,000</td>
<td>33,330</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total general administrative</strong></td>
<td>509,335</td>
<td>563,000</td>
<td>507,635</td>
<td>594,250</td>
</tr>
</tbody>
</table>

|                                |                |                |             |                |
| **Total amounts disbursed**    | 13,699,294     | 13,018,703     | 12,525,237  | 13,892,005     |

|                                |                |                |             |                |
| **Net surplus (deficit)**      | 11,158         | 318,020        | 453,190     | 109,244        |

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¹ During the 2014-15 FY budget, the League and CSAC contributed $300,000 in fees to establish and fund an Operating Sub-Account.