



REGULAR MEETING AGENDA

October 22, 2015 at 10:00 a.m.

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

Telephonic Locations:

420 Litho Street, Sausalito, CA 94965

27788 Hidden Trail Road
Laguna Hills, California 92653

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

County of Butte
7 County Drive, Oroville, CA 9596

8000 Valley Greens Drive
Carmel-by-the-Sea, CA 93923

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

____ Larry Combs, Chair
____ Kevin O'Rourke, Vice Chair
____ Terry Schutten, Treasurer
____ Dan Harrison, Secretary
____ Irwin Bornstein, Member

____ Tim Snellings, Member
____ Dan Mierzwa, Member
____ Ron Holly, Alt. Member
____ Brian Moura, Alt. Member

2. Consideration of the minutes of the October 8, 2015 Regular Meeting.

3. Consideration of the Consent Calendar.

4. Public Comment.

B. ITEMS FOR CONSIDERATION

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

- a. Beverly Community Hospital Association, City of Montebello, County of Los Angeles, up to \$43,000,000 in nonprofit health facility revenue bonds.

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- b. Preservation Duarte Manor, L.P. (Duarte Manor), City of Duarte, County of Los Angeles, up to \$9,500,000 in multi-family housing revenue bond.
 - c. Preservation Vista Park Chino II, L.P. (Vista Park Chino), City of Chino, County of San Bernardino, up to \$9,800,000 in multi-family housing revenue bonds.
 - d. Moreno Valley Cottonwood I, L.P. (Cottonwood Place Apartments), City of Moreno Valley, County of Riverside, up to \$11,00,000 in multi-family housing revenue bonds.
 - e. Samoa Avenue Housing, L.P. (Samoa Avenue Apartments), City of Los Angeles, County of Los Angeles, up to \$12,000,000 in multi-family housing revenue bonds.
 - f. Huntington Villa Yorba Preservation, L.P. (Huntington Villa Yorba), City of Los Huntington Beach, County of Orange, up to \$43,000,000 in multi-family housing revenue bonds.
- 6. Statewide Communities Infrastructure Program (SCIP) 2015 (Emerson Ranch): consideration of resolution authorizing the issuance, sale and delivery of SCIP Revenue Bonds up to \$15,308,588, Series 2015 (Emerson Ranch Project), City of Oakley, County of Contra Costa, and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure agreement, and a preliminary official statement and authorizing certain other actions.
 - 7. Conduct public hearing with respect to the Statewide Community Infrastructure Program Assessment District No. 15-01 (City of Roseville, County of Placer, State of California) (hearing to be held at 10 a.m. or shortly thereafter). Hearing to be continued to November 19, 2015 at 10 a.m. at CSAC.
 - 8. Consideration of proposed settlement agreement regarding delinquent assessment under Statewide Community Infrastructure Program Assessment District 05-01 (San Mateo) APN 080-085-100.
 - 9. Consideration of agreement with Jones Hall, P.C. for legal services related to CaliforniaFIRST and Renewable Funding.
 - 10. Consideration of the form of the Deposit Reimbursement Agreement for CSCDA Community Facilities Districts and the Statewide Community Infrastructure Program.
 - 11. Consideration of 2016 CSCDA Meeting Calendar.
 - 12. Consideration of adding Alan Fernandes from the CSAC Finance Corporation as an authorized signatory and removing Nancy Parrish as an authorized signatory.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

- 13. Executive Director Update.
- 14. Staff Updates.
- 15. Adjourn.

NEXT MEETING: Thursday, November 5, 2015 at 10:00 a.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consent Calendar

- a. Approve and ratify the addition of the City of Imperial Beach and City of Fountain Valley as members to CSCDA.

October 22, 2015



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

League of California Cities
1400 K Street, Sacramento, California

October 8, 2015

MINUTES

Commission Chair Larry Combs called the meeting to order at 10:00 a.m.

1. Roll Call

Commission members participating by conference call: Larry Combs.

Others present: Norman Coppinger, League of California Cities. Others participating by conference call: James Hamill, Bridge Strategic Partners; and Chris Lynch and Josh Anzel, Jones Hall.

2. Adjourn

Commission Chair Combs adjourned the meeting until 1 p.m. on Friday, October 9, 2015 at 10:01 a.m.

**CONTINUATION OF THE OCTOBER 8, 2015 REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY (CSCDA)**

League of California Cities
1400 K Street, Sacramento, California

October 9, 2015

Commission Chair Larry Combs called the continuation meeting of the October 8, 2015 regular CSCDA meeting to order at 1:02 p.m.

1. Roll Call

Commission members participating by conference call: Larry Combs, Kevin O'Rourke, Terry Schutten and Tim Snellings.

CSCDA executive director Catherine Bando participated by conference call.

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Others present: Norman Coppinger, League of California Cities; James Hamill, Bridge Strategic Partners; Alan Fernandes, CSAC Finance Corporation. Participating by conference call Laura Labanieh, CSAC Finance Corporation; Jon Penkower, Bridge Strategic Partners; and Josh Anzel and Chris Lynch, Jones Hall.

2. Approval of Minutes

The commission approved the minutes of the regular and special meetings held September 24, 2015.

Motion by Schutten; second by O'Rourke; unanimously approved by roll-call vote.

3. Consent Calendar

The commission approved by consent:

- a. Inducement of Hayward Main & Maple Apartments, L.P. (Main and Maple Apartments) City of Hayward, County of Alameda; issue up to \$95 million in multi-family housing revenue bonds.

Motion by Schutten; second by O'Rourke; unanimously approved by roll-call vote.

4. Public Comment

None

5. Financing Approval

The commission approved issuance of bonds and financing; all necessary actions; the execution and delivery of all necessary documents; and authorized any member to sign all necessary financing documents for following projects:

- a. Enloe Medical Center, City of Chico, County of Butte, up to \$250,000,000 in nonprofit health facility revenue bonds.

Motion by Snelling; second by O'Rourke; unanimously approved by roll-call vote.

- b. East Mountain Housing Associates, L.P. (Northwest Manors II Apartments), City of Pasadena, County of Los Angeles, up to \$10,530,000 in multi-family housing revenue bonds.

Motion by Schutten; second by Snelling; unanimously approved by roll-call vote.

6. Resolution of Intent

The commission approved a resolution declaring intention to finance the installation of seismic strengthening improvements, electric vehicle charging infrastructure and other improvements that may be authorized by the legislature for the CaliforniaFIRST PACE program, and set the public hearing for November 19, 2015 at 1100 K Street, Sacramento, California at 10:00 a.m. It was noted that if the legislature authorizes other improvements, the newly authorized improvements would be presented to the commission prior to including them in the CaliforniaFIRST PACE program.

Motion by Snelling; second by O'Rourke; unanimously approved by roll-call vote.

7. Executive Director Update

Executive director Bando indicates she, along with League of California Cities executive director Chris McKenzie and California State Association of Counties executive director Matt Cate are meeting with the State Treasurer on October 14, 2015 to report the terms of the CSCDA/State Treasurer agreement have been implemented.

It was noted the tentative 2016 CSCDA meeting calendar will be present to commissioners for adoption during the October 22 CSCDA meeting. Bando indicated the 2016 meetings will begin at 2 p.m. rather than the current 10 a.m. start time.

The commission was informed the CSCDA Program management Ad-Hoc Committee has issued a Request for Proposals (RFP) for Housing Compliance Services for transactions that closed prior to July 1, 2015. Bando indicated the proposals are due October 16, 2015 and that interest is strong. It was noted the RFP for housing compliance services is the only RFP the Ad-Hoc Committee has issued since being authorized during the September 24, 2015 special CSCDA meeting to solicit, as needed, proposals for services involving transactions that closed prior to July 1, 2015.

8. Staff Updates

None

9. Adjourn

Commission Chair Combs adjourned the meeting at 1:22 p.m.

Submitted by: Norman Coppinger, Assistant to the Secretary

*The next regular meeting of the commission is scheduled for
Thursday, October 22, 2015, at 10:00 a.m.
in the California State Association of Counties Office at 1100 K Street, Sacramento, CA.*

RESOLUTION NO. 15R-52

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

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

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

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

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

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

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

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

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority on October 22, 2015.

* * * * *

I, the undersigned, a duly appointed, and qualified Authorized Signatory of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on October 22, 2015.

By _____
Authorized Signatory

EXHIBIT A

**ADDITION OF NEW CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY
PROGRAM PARTICIPANT(S)**

- 1. City of Fountain Valley, California**
- 2. City of Imperial Beach, California**



Agenda Item No. 5a

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Beverly Hospital

PURPOSE: Authorize the Issuance of Bonds to Finance and Refinance the Acquisition, Construction, Improvement, Renovation and/or Equipping of Health Facilities located in the City of Montebello, County of Los Angeles

AMOUNT: Not to Exceed \$43,000,000

EXECUTIVE SUMMARY:

Beverly Hospital, a 501c3 nonprofit organization (“Beverly”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$43,000,000 (the “Bonds”) to refinance two taxable bank loans and for the construction, improvement and equipping of health facilities located in the City of Montebello (the “Project”). The Project includes renovations to achieve seismic compliance, expansion of the hospital’s emergency department, and various equipment purchases to maintain and enhance the services offered by Beverly.

PROJECT ANALYSIS:

About Beverly Hospital:

Beverly Hospital is a not-for-profit, leading and independent 224-bed acute care facility that is proud of the medical services and comfort provided to patients. From emergency room and hospitalization to outpatient procedures, Beverly offers a full range of services with the latest technology on diagnostic and treatment options. A medical staff of over 350 physicians, representing a wide spectrum of specialties, is supported by experienced and dedicated employees and volunteers, who strive to deliver high-tech, high-touch services, preventive education and patient care.

Public Agency Approval:

TEFRA Hearing: October 14, 2015 – City of Montebello – unanimous approval

Economic Development:

- Beverly employs more than 350 physicians and hundreds of medical staff throughout its City of Montebello facilities.
- Beverly's role in the community has generated the establishment of medical clinics, pharmacies, rehabilitation centers and other medical related businesses to assist those in need of continued medical care. In addition, many Beverly employees live, eat and shop within the community and support the local economy.

Public Benefit:

- Emergency care – Beverly provides 24-hour emergency care to all individuals, regardless of their ability to pay.
- In 2013, Beverly contributed more than \$13 million in total community benefits, including quantifiable benefits for the poor and broader community.
- Medi-Cal, Medicaid and Medicare acceptance – Beverly provides healthcare and helps to subsidize the cost of service for patients that participate in government sponsored programs such as Medi-Cal, Medicaid and Medicare. In 2013, Beverly subsidized more than \$9 million for the unpaid cost of Medi-Cal.
- Non-reimbursed community benefit costs – In 2013, Beverly provided more than \$1.2 million in traditional charity care charges.
- Beverly provides a wide range of free services including childhood immunizations, flu shots, health lectures, community health fairs, nutrition classes, diabetes screenings and exercise classes for seniors.

Sources and Uses:

Sources of Funds:

| | |
|-------------------|---------------|
| Tax-Exempt Bonds: | \$ 41,410,000 |
| Bond Premium: | \$ 3,033,922 |
| Total Sources: | \$ 44,443,922 |

Uses of Funds:

| | |
|-----------------------|---------------|
| Debt Refinancing: | \$ 25,000,000 |
| Construction Costs: | \$ 16,000,800 |
| Debt Service Reserve: | \$ 2,830,250 |
| Costs of Issuance: | \$ 613,672 |
| Total Uses: | \$ 44,443,922 |

Finance Partners:

Bond Counsel: Squire, Patton, Boggs, LLP, San Francisco

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

Underwriter: Wells Fargo Securities, San Francisco

Finance Terms:

Rating: BBB-
Term: 30 years at a fixed interest rate
Structure: Public offering
Estimated Closing: November 25, 2015

CSCDA Policy Compliance:

The financing for Beverly 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. [15NP-__]

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN ONE OR
MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$43,000,000 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION,
IMPROVEMENT, RENOVATION AND/OR EQUIPPING OF HEALTH FACILITIES
OWNED AND/OR OPERATED BY BEVERLY COMMUNITY HOSPITAL
ASSOCIATION 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 Montebello, California (the "City") is a Program Participant, and the 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, Beverly Community Hospital Association (the "Corporation") has previously entered into one or more certain agreements pursuant to which the Corporation borrowed funds (the "Prior Loans") to finance or refinance the acquisition, construction, improvement, renovation and/or equipping of health facilities (the "Facilities") owned and/or operated by the Corporation, which Facilities are located in the City;

WHEREAS, the Corporation wishes to (i) finance the acquisition, construction, improvement, renovation and/or equipping of a portion of the Facilities owned and/or operated by the Corporation, which Facilities are located in the City (the "Project"), and (ii) refinance the Prior Loans;

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

WHEREAS, pursuant to a Bond Indenture (the "Bond Indenture"), between the Authority and U.S. Bank National Association (the "Bond Trustee"), the Authority will issue one or more series of California Statewide Communities Development Authority Revenue Bonds (Beverly Community Hospital Association), Series 2015 (the "Series 2015 Bonds"), for the purpose, among others, of financing the Project and refinancing the Prior Loans;

WHEREAS, pursuant to a Loan Agreement (the "Loan Agreement"), between the Authority and the Corporation, the Authority will loan the proceeds of the Series 2015 Bonds to the Corporation for the purpose, among others, of financing the Project and refinancing the Prior Loans;

WHEREAS, pursuant to a Purchase Contract, to be dated the date of sale of the Series 2015 Bonds (the "Bond Purchase Agreement"), executed by Wells Fargo Bank, National Association, as underwriter of the Series 2015 Bonds (the "Underwriter"), accepted and agreed to by the Authority and approved and accepted by the Corporation as Obligated Group Representative (as defined in the Bond Purchase Agreement), the Series 2015 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 the Project and to refinance the Prior Loans, to fund, if applicable, a debt service reserve account under the Bond Indenture, and to pay costs incurred in connection with the issuance of the Series 2015 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 an official statement (the “Official Statement”) to be used by the Underwriter in connection with the offering and sale of the Series 2015 Bonds;

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, in one or more series, designated as the “California Statewide Communities Development Authority Revenue Bonds (Beverly Community Hospital Association), Series 2015” in an aggregate principal amount not to exceed forty-three million dollars (\$43,000,000). The Series 2015 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 Series 2015 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. 15R-53 of the Authority, adopted on October 22, 2015 (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 Bond Trustee, 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, whether a particular series of Series 2015 Bonds will be secured by a debt service reserve fund, and other terms of the Series 2015 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 the 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 to the purchasers of the Bonds, in each case with such changes as may be approved as aforesaid.

Section 6. The Series 2015 Bonds, when executed as provided in Section 1, shall be delivered to the Bond Trustee for authentication by the Bond Trustee. The Bond Trustee is hereby requested and directed to authenticate the Series 2015 Bonds by executing the Bond Trustee's Certificate of Authentication and Registration appearing thereon, and to deliver the Series 2015 Bonds, when duly executed and authenticated, to the Underwriter 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 Bond Trustee. Such instructions shall provide for the delivery of the Series 2015 Bonds to the Underwriter, 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 Series 2015 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 Series 2015 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, and has approved the issuance of the Bonds as may be required thereby and in accordance with Section 9 of the Agreement to provide financing for the Project and refinancing of the Prior Loans.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 22nd day of October, 2015.

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 October 22, 2015.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 5b

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Duarte Manor Apartments

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

AMOUNT: Not to Exceed \$9,500,000

EXECUTIVE SUMMARY:

Duarte Manor Apartments (the “Project”) is an acquisition and rehabilitation of a 42-unit rental affordable housing project located in the City of Duarte. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 42-unit affordable rental housing facility located at 1235 North Highland Avenue in the City of Duarte.
- 2.37 acre site.
- Five two-story residential buildings.
- Consists of 26 two-bedroom units and 16 three-bedroom units.

PROJECT ANALYSIS:

Background on Applicant:

Western America Properties, Inc. (WAP) is a housing sponsor created to acquire, rehabilitate and manage FHA insured, “at risk” Section 8 Assisted apartment developments and market apartment properties. Its affordable mission is to improve the quality and maintain the affordability of “at risk” properties. Through judicious use of direct government subsidy, tax exempt bonds and low income tax credits, the firm breathes new life into endangered affordable housing developments. Since 1998, WAP and its principals have purchased and completed the rehabilitation, and is presently managing, eight “At Risk” projects and has also purchased and is managing an additional 1,492 Project Based Section 8 units, and 647 market rate units for a total of 2,139 apartment units. The management entity of WAP has an impressive record of turning around

troubled properties under difficult market circumstances. WAP apartment communities are well maintained, have low vacancies and provide residents a link with locally available services.

Duarte Manor, along with Vista Park Chino Apartments, also seeking approval from CSCDA today, are the first two WAP financings with CSCDA.

Public Agency Approval:

TEFRA Hearing: October 13, 2015 – City of Duarte – unanimous approval

CDLAC Approval: July 15, 2015

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 88% (36 units) restricted to 60% or less of area median income households.
 - 12% (5 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.

Sources and Uses:

Sources of Funds:

| | |
|-------------------|-------------------|
| Tax-Exempt Bonds: | \$ 9,031,318 |
| Tax Credits: | \$ 2,663,273 |
| Rental Income: | <u>\$ 495,565</u> |
| Total Sources: | \$ 12,190,156 |

Uses of Funds:

| | |
|-----------------------------|-------------------|
| Acquisition: | \$ 7,110,390 |
| Construction Costs: | \$ 1,980,302 |
| Architecture & Engineering: | \$ 75,000 |
| Contractor Overhead: | \$ 194,399 |
| Relocation | \$ 251,090 |
| Capitalized Interest | \$ 440,358 |
| Developer Fee: | \$ 1,217,164 |
| Reserves: | \$ 267,000 |
| Soft Cost Contingency: | <u>\$ 654,453</u> |
| Total Uses: | \$ 12,190,156 |

Finance Partners:

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

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

Private Placement Purchaser: Citigroup

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: November 9, 2015

CSCDA Policy Compliance:

The financing for Duarte Manor Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. Photo of Duarte Manor Apartments
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A



ATTACHMENT B

RESOLUTION NO. 15H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,500,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS DUARTE MANOR 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 NOTE.

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

WHEREAS, Preservation Duarte Manor II, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Duarte Manor Apartments Project) 2015 Series Z (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a 42-unit multifamily housing rental development located in the City of Duarte, County of Los Angeles, California, and known or to be known as Duarte Manor Apartments (the “Project”);

WHEREAS, on July 15, 2015, the Authority received an allocation in the amount of \$9,100,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$9,500,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

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

(1) Funding Loan Agreement (the "Funding Loan Agreement") to be entered into between the Funding Lender and the Authority;

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

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

(4) Contingency Draw-Down Agreement (the "Contingency Draw-Down Agreement") to be entered into by the Funding Lender and the Borrower;

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Duarte Manor Apartments Project) 2015 Series Z" including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$9,500,000; provided that the aggregate principal amount of any tax-exempt Note executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of

the Authority, adopted on April 9, 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond November 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

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

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

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Note, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Note or any prepayment of the Note, may be given or taken by any Authorized

Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

Section 10. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 22, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 22, 2015.

By: _____
Authorized Signatory



Agenda Item No. 5c

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Vista Park Chino Apartments

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

AMOUNT: Not to Exceed \$9,800,000

EXECUTIVE SUMMARY:

Vista Park Chino Apartments (the “Project”) is an acquisition and rehabilitation of a 40-unit rental affordable housing project located in the City of Chino. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 40-unit affordable rental housing facility located at 5819-5829 Riverside Drive in the City of Chino.
- 2.62 acre site.
- Six two-story residential buildings.
- Consists of 20 two-bedroom units, 19 three-bedroom units and a manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Western America Properties, Inc. (WAP) is a housing sponsor created to acquire, rehabilitate and manage FHA insured, “at risk” Section 8 Assisted apartment developments and market apartment properties. Its affordable mission is to improve the quality and maintain the affordability of “at risk” properties. Through judicious use of direct government subsidy, tax exempt bonds and low income tax credits, the firm breathes new life into endangered affordable housing developments. Since 1998, WAP and its principals have purchased and completed the rehabilitation, and is presently managing, eight “At Risk” projects and has also purchased and is managing an additional 1,492 Project Based Section 8 units, and 647 market rate units for a total of 2,139 apartment units. The management entity of WAP has an impressive record of turning around troubled properties

under difficult market circumstances. WAP apartment communities are well maintained, have low vacancies and provide residents a link with locally available services.

Vista Park Chino Apartments, along with Duarte Manor Apartments, also seeking approval from CSCDA today, are the first two Western America financings with CSCDA.

Public Agency Approval:

TEFRA Hearing: March 17, 2015 – City of Chino – unanimous approval

CDLAC Approval: July 15, 2015

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (35 units) restricted to 60% or less of area median income households.
 - 10% (4 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.

Sources and Uses:

Sources of Funds:

| | |
|-------------------|-------------------|
| Tax-Exempt Bonds: | \$ 9,269,822 |
| Tax Credits: | \$ 2,271,164 |
| Rental Income: | <u>\$ 532,141</u> |
| Total Sources: | \$ 12,073,127 |

Uses of Funds:

| | |
|-----------------------------|-------------------|
| Acquisition: | \$ 7,093,676 |
| Construction Costs: | \$ 1,890,002 |
| Architecture & Engineering: | \$ 75,650 |
| Contractor Overhead: | \$ 203,699 |
| Relocation | \$ 241,600 |
| Capitalized Interest | \$ 450,537 |
| Developer Fee: | \$ 1,576,744 |
| Reserves: | \$ 251,000 |
| Soft Cost Contingency: | <u>\$ 290,219</u> |
| Total Uses: | \$ 12,073,127 |

Finance Partners:

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

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

Private Placement Purchaser: Citigroup

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: November 16, 2015

CSCDA Policy Compliance:

The financing for Vista Park Chino Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. Photo of Vista Park Chino Apartments (Attachment A)
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A



ATTACHMENT B

RESOLUTION NO. 15H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,800,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS VISTA PARK CHINO 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 NOTE.

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

WHEREAS, Preservation Vista Park Chino II, L.P., a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Vista Park Chino Apartments Project) 2015 Series Y (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a 40-unit multifamily housing rental development located in the City of Chino, County of San Bernardino, California, and known or to be known as Vista Park Chino Apartments (the “Project”);

WHEREAS, on July 15, 2015, the Authority received an allocation in the amount of \$9,300,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$9,800,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

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

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

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

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

(4) Contingency Draw-Down Agreement (the “Contingency Draw-Down Agreement”) to be entered into by the Funding Lender and the Borrower;

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Vista Park Chino Apartments Project) 2015 Series Y” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$9,800,000; provided that the aggregate principal amount of any tax-exempt Note executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the

Authority, adopted on April 9, 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond November 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

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

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

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Note, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Note or any prepayment of the Note, may be given or taken by any Authorized Signatory,

as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 22, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 22, 2015.

By: _____
Authorized Signatory



Agenda Item No. 5d

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Cottonwood Place Apartments

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

AMOUNT: Not to Exceed \$11,000,000

EXECUTIVE SUMMARY:

Cottonwood Place Apartments (the “Project”) is an acquisition and rehabilitation of a 108-unit rental affordable housing project located in the City of Moreno Valley. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 108-unit affordable rental housing facility located at 24115 Cottonwood Avenue in the City of Moreno Valley.
- 7.9 acre site.
- Garden-style walk-up two-story residential buildings.
- Consists of 54 three-bedroom units and 54 four-bedroom units.

PROJECT ANALYSIS:

Background on Applicant:

Palm Communities is an integrated real estate development company that specializes in producing only the highest quality, service enriched affordable housing for families, seniors and those with special needs. With a portfolio consisting of more than 1,800 affordable multi-family units located in a variety of communities throughout Southern California, Palm Communities has earned a strong reputation for innovative design, commitment to lasting quality and the delivery of projects on time and on budget. For over 30 years, Palm Communities has been committed to developing physically and economically sustainable residential developments that exceed the expectations of all of its stakeholders: its public agency partners, business partners, lenders, investors and, most of all, its residents.

Palm Communities understands that high quality affordable housing is only the first step toward creating communities that are sustainable and that provide residents with the best opportunity to improve their outcomes in life. On-site social services support residents' goals of upward mobility and help to provide the peace of mind necessary for them to have the highest quality of life possible, regardless of economic circumstances. Services provided at Palm Communities' properties include after school programs, supplemental education programs, health, wellness and skill building classes, on-site case management, crisis management, mediation services and social activities. Palm Communities has constructed or rehabilitated more than 15 multi-family affordable housing projects and Cottonwood Place Apartments is its second financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: May 9, 2015 – Riverside County – unanimous approval
CDLAC Approval: September 16, 2015

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 100% (108 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.

Sources and Uses:

Sources of Funds:

| | |
|-------------------------|---------------------|
| Tax-Exempt Bonds: | \$ 9,603,205 |
| Tax Credits: | \$ 735,202 |
| City Loan: | \$ 520,394 |
| Deferred Developer Fee: | \$ 2,298,744 |
| Seller Carry-Back Note: | <u>\$ 2,591,262</u> |
| Total Sources: | \$ 15,748,807 |

Uses of Funds:

| | |
|-----------------------------|-------------------|
| Acquisition: | \$ 9,000,000 |
| Construction Costs: | \$ 2,861,400 |
| Architecture & Engineering: | \$ 50,000 |
| Permits & Impact Fees: | \$ 20,000 |
| FF&E: | \$ 20,000 |
| Insurance: | \$ 71,535 |
| Costs of Issuance: | \$ 157,500 |
| Capitalized Interest: | \$ 620,361 |
| Developer Fee: | \$ 1,743,501 |
| Project Contingency: | \$ 398,640 |
| Reserves: | \$ 262,853 |
| Soft Costs: | <u>\$ 543,017</u> |
| Total Uses: | \$ 15,748,807 |

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Private Placement Purchaser: Citigroup

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: November 25, 2015

CSCDA Policy Compliance:

The financing for Cottonwood Place Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. Photos of Cottonwood Apartments
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

Cottonwood Place Apartments



ATTACHMENT B

RESOLUTION NO. 15H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS COTTONWOOD PLACE; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

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

WHEREAS, Moreno Valley Cottonwood 1R Partners LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cottonwood Place Apartments) 2015 Series W-1, its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cottonwood Place Apartments) 2015 Series W-2 and its California Statewide Communities Development Authority Multifamily Housing Revenue Taxable Note (Cottonwood Place Apartments) 2015 Series W-3 (collectively, the “Notes”) to assist in the financing of the construction and development of a 109-unit multifamily housing rental development located in the City of Moreno Valley, California, and to be known as Cottonwood Place Apartments Phase I (the “Project”);

WHEREAS, on September 16, 2015, the Authority received an allocation in the amount of \$8,910,874 the (“Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Moreno Valley (the “City”) is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Notes;

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$11,000,000, provided that the portion of such Notes

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

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

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

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

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

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

(4) Contingency Draw-Down Agreement (the “Contingency Draw-Down Agreement”) to be entered into by the Funding Lender and the Borrower;

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cottonwood Place Apartments) 2015 Series W-1”, its “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Cottonwood Place Apartments) 2015 Series W-2” and its “California Statewide Communities Development Authority Multifamily Housing Revenue Taxable Note (Cottonwood Place Apartments) 2015 Series W-3” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$11,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting,

as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond October 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

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

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note and such other

documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

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

Section 10. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 22, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 22, 2015.

By _____
Authorized Signatory



Agenda Item No. 5e

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: James Hamill, Managing Director
Jon Penkower, Managing Director

PROJECT: Samoa Avenue Apartments

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

AMOUNT: Not to Exceed \$12,000,000

EXECUTIVE SUMMARY:

Samoa Avenue Apartments (the “Project”) is the new construction of a 48-unit rental affordable housing project located in the City of Los Angeles. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of 48-unit affordable rental housing facility located at 10046-56 Samoa Avenue in the City of Los Angeles.
- 0.98 acre site.
- Three story wood frame building over gated parking garage.
- Consists of 8 two-bedroom, 22 three-bedroom units and 18 four-bedroom units.
- Construction is anticipated to begin in November, 2015 and be completed by January, 2017.

PROJECT ANALYSIS:

Background on Applicant:

Milare Housing Investment, Inc. (MHI) is a developer of low income housing communities located in Los Angeles, California. Ali Milani is the President of MHI and has vast experience in multi-family affordable housing. Before joining MHI, he was the Executive Vice President at Housing Alternative, Inc. During his tenure as a Senior Project Manager at MacFarlane Costa Housing Partners, LLC (formerly Simpson Housing Solutions-SHS) which is among America's

leading developers, financiers and owners of affordable and mixed-income multifamily workforce and senior apartment communities from 1997 to 2010, Mr. Milani developed and managed twenty eight affordable housing apartment communities comprising approximately 2,900 units, the majority of which were financed with LIHTC's, tax exempt bonds and/or conventional loans. His responsibilities included overseeing land acquisition, planning, entitlements, construction, construction and permanent financing and lease-up activities. Mr. Milani brings over 17 years of experience in development of multi-family, senior housing and assisted living rental communities nationwide financed primarily with Low Income Housing Tax Credit (LIHTC). This is MHI's first financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: December 10, 2014 – City of Los Angeles – unanimous approval

CDLAC Approval: May 20, 2015

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 10% (5 units) restricted to 50% or less of area median income households.
 - 90% (42 units) restricted to 60% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.

Sources and Uses:

Sources of Funds:

| | |
|-------------------------|---------------------|
| Tax-Exempt Bonds: | \$ 10,000,000 |
| Taxable Bonds | \$ 1,200,000 |
| Seller Carry-Back Note: | \$ 1,000,000 |
| Equity: | \$ 2,465,835 |
| Precise Air Note: | \$ 853,005 |
| Solar Tax Credits: | \$ 93,451 |
| Solar Rebate: | \$ 201,494 |
| Deferred Costs: | <u>\$ 1,700,733</u> |
| Total Sources: | \$ 17,514,518 |

Uses of Funds:

| | |
|-----------------------------|-------------------|
| Land Acquisition: | \$ 3,000,000 |
| Construction Costs: | \$ 10,110,915 |
| Architecture & Engineering: | \$ 443,920 |
| Costs of Issuance: | \$ 371,000 |
| Capitalized Interest | \$ 871,218 |
| Developer Fee: | \$ 1,608,450 |
| Reserves: | \$ 233,533 |
| Soft Cost Contingency: | <u>\$ 875,482</u> |
| Total Uses: | \$ 17,514,518 |

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter: Stifel, Nicolaus & Co.

Finance Terms:

Rating: AA+
Term: 30 years
Structure: Public Offering
Estimated Closing: November 25, 2015

CSCDA Policy Compliance:

The financing for Samoa Avenue Apartments complies with CSCDA's general and issuance policies.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED:

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 B

RESOLUTION NO. 015H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS SAMOA AVENUE APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, construction, 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, Samoa Avenue Housing LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, construction and development of a 48-unit multifamily rental housing development located in the City of Los Angeles (the “City”), County of Los Angeles, California, and known as Samoa Avenue Apartments (the “Project”);

WHEREAS, the Authority received an allocation in the amount of \$10,000,000 (the “Allocation Amount”), on May 20, 2015, from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

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

WHEREAS, the Authority is willing to issue not to exceed \$12,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Samoa Avenue Apartments) 2015 Series V (the “Bonds”), provided that the aggregate portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, as finally approved, and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the

issuance of the Bonds, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

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

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

(3) Bond Purchase Agreement (the “Purchase Agreement”), to be entered into among the Authority, the Borrower, and Stifel, Nicolaus & Company, as underwriter of the Bonds (collectively, the “Underwriter”);

(4) Official Statement (the “Official Statement”), to be used in connection with the offer and sale of the Bonds; and

(5) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee.

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

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

Section 2. Pursuant to the JPA Law and the Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Samoa Avenue Apartments) 2015 Series V” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$12,000,000; 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 Indenture, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

Section 3. The Indenture in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 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 Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond November 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

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

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

Section 6. The form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Bonds, said Official Statement in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. 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 8. The Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the Underwriter, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee. Such instructions shall provide

for the delivery of the Bonds to or at the direction of the Underwriter in accordance with the Purchase Agreement upon payment of the purchase price thereof.

Section 9. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, a subordination or intercreditor agreement, any endorsement and/or assignment of the deed of trust and such other documents as described in the Indenture, the Purchase Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 10. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Bonds or any redemption of the Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Indenture, and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 22nd day of October 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 22, 2015.

By: _____
Authorized Signatory



Agenda Item No. 5f

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Huntington Villa Yorba Apartments

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

AMOUNT: Not to Exceed \$43,000,000

EXECUTIVE SUMMARY:

On March 28, 2014, CSCDA issued \$31 million in multi-family housing revenue bonds on behalf of Huntington Villa Yorba Preservation Limited Partnership (the “Borrower”) to finance the acquisition and rehabilitation of an affordable housing project known as Huntington Villa Yorba Apartments, located in the City of Huntington Beach (the “Project”). Fifty percent of the units in the mixed income Project are rent restricted for low-income tenants. The Borrower is now able to access a new financing tool from Freddie Mac that permits the Borrower to finance more capital for the Project at a lower interest rate. The Project is expected to receive additional allocation from CDLAC for the supplemental financing, however, the Borrower must also reissue the \$31 million of existing 2014 bonds. Given that the existing bonds were issued less than two years ago, the Borrower has requested some accommodation on the issuance fees that will be assessed against the original \$31 million of existing bonds. This proposed financing has the same structure as the recent Jasmine Gardens refinancing wherein CSCDA provided a similar fee accommodation on August 6, 2015 (Attachment C - Item #9). The fee accommodation proposed is to adjust the issuance fee to 0.1% on the original \$31 million in 2014 bonds that must be reissued (a 50% reduction) and CSCDA’s regular issuance fee of 0.2% on the \$7 million in supplemental issued bonds.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 396-unit mixed income rental housing facility located at 16000 Villa Yorba Lane in the City of Huntington Beach.
- 11.5 acre site.
- 16 two and three story buildings.
- Affordable units are comprised of 21 one-bedroom, 156 two-bedroom, and 21 three-bedroom apartments.

PROJECT ANALYSIS:

Background on Applicant:

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

Public Agency Approval:

TEFRA Hearing: August 3, 2015 – City of Huntington Beach – unanimous approval

CDLAC Approval: January 15, 2014 and September 15, 2015

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (174 units) restricted to 60% or less of area median income households.
 - 10% (21 units) restricted to 50% or less of area median income households.
- The Project is in close proximity to recreational facilities, grocery stores, public K-12 schools and a medical clinic.

Sources and Uses:

Sources of Funds:

| | |
|-------------------|---------------------|
| Tax-Exempt Bonds: | \$ 38,000,000 |
| Taxable Bonds: | <u>\$ 5,000,000</u> |
| Total Sources: | \$ 43,000,000 |

Uses of Funds:

| | |
|----------------------|-------------------|
| Refund 2014 Bonds: | \$ 31,000,000 |
| Refund Taxable Loan: | \$ 10,473,000 |
| Developer Fee: | \$ 1,325,400 |
| Closing Costs: | <u>\$ 201,600</u> |
| Total Uses: | \$ 43,000,000 |

Finance Partners:

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

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

Private Placement Purchasers: Citibank and Freddie Mac

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Anticipated Closing: November 25, 2015

CSCDA Policy Compliance:

The financing for Huntington Villa Yorba Apartments complies with CSCDA's general and issuance policies for unrated debt.

DOCUMENTS: (as attachments)

1. Photographs of Huntington Villa Yorba Apartments (Attachment A)
2. CSCDA Resolution (Attachment B)
3. CSCDA Minutes from August 6, 2015 meeting (Attachment C)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves an issuance fee of 0.1% on the original \$31 million in 2014 bonds that must be reissued (a 50% reduction) and CSCDA's regular issuance fee of 0.2% on the \$7 million in supplemental issued bonds;
3. Approves all necessary actions and documents in connection with the financing; and
4. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

Huntington Villa Yorba Apartments



ATTACHMENT B

RESOLUTION NO. _____

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$44,000,000 FOR THE FINANCING AND REFINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS THE HUNTINGTON VILLA YORBA 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 NOTE.

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

WHEREAS, at the request of Huntington Villa Yorba Preservation Limited Partnership, a California limited partnership (the “Borrower”), the Authority previously issued \$31,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Huntington Villa Yorba Project), 2014 Series C (the “Original Bonds”), and loaned the proceeds thereof to the Borrower to assist in the financing for the acquisition, rehabilitation and development of the 198-unit multifamily rental housing development (which includes three (3) managers’ units) located in the City of Huntington Beach, California known as the Huntington Villa Yorba Apartments (the “Project”);

WHEREAS, the Borrower has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Huntington Villa Yorba Apartments Project) 2015 Series AA (the “Note”) to refund the Original Bonds and provide additional financing for the acquisition and rehabilitation of the Project;

WHEREAS, on September 15, 2015, the Authority received from the California Debt Limit Allocation Committee in connection with the Project a carryforward allocation of state volume cap in the amount of \$13,000,000 (the “Allocation Amount”);

WHEREAS, the City of Huntington Beach (the “City”) is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the

Note to finance and refinance the Project as required by Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) and Section 9 of the Agreement;

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$44,000,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the sum of (i) the outstanding principal amount of the Original Bonds and (ii) the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist the refinancing and financing of the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

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

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into among the Funding Lender, the Authority and U.S. Bank National Association, as fiscal agent (the “Fiscal Agent”);

(2) Project Loan Agreement (the “Project Loan Agreement”) to be entered into among the Authority, the Borrower and the Fiscal Agent; and

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Huntington Villa Yorba Project) 2015 Series AA” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$44,000,000; provided that the aggregate principal amount of any tax-exempt Note executed and delivered shall not exceed the sum of (i) the outstanding principal amount of the Original Bonds and (ii) the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory (defined herein). The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of,

and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this resolution of the Authority (this "Resolution") and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond December 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

Section 8. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Note, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Note or any prepayment of the Note, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing and refinancing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 22, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on October 22, 2015.

By: _____
Authorized Signatory

ATTACHMENT C

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

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

August 6, 2015

MINUTES

Commission chair Larry Combs called the adjourned meeting to order at 10:05 am.

1 Roll Call.

Commission members present: Larry Combs and Dan Harrison. Kevin O'Rourke, Tim Snellings and Alternate commissioner Brian Moura (representing Irwin Bornstein) participated by conference telephone.

CSCDA Executive Director, Catherine Bando was also present.

Others present included: Jon Penkower, Bridge Strategic Partners; Perry Stottlemeyer, League of California Cities; Brandon Diaz, Orrick Herrington & Sutcliffe; and Mark Paxson, State Treasurer's Office. James Hamill, Bridge Strategic Partners; Bob Giles, PACE Funding Group; Greg Stepanicich, Richards Watson & Gershon; and Roger Davis and Erin Pham, Orrick Herrington & Sutcliffe participated by conference telephone.

2 Approval of the minutes of the July 23, 2015 Regular and Adjourned Meeting and July 29, 2015 Special Meeting.

Motion to approve by Harrison; second by Snellings; unanimously approved by roll-call vote.

3 Consideration of Consent calendar.

a Induce the following projects:

Vintage Housing Development, Inc. (Bouquet Canyon Senior Apartments), City of Santa Clarita, County of Los Angeles; issue up to \$39 million in multi-family housing revenue bonds.

Huntington Villa Yorba Preservation, LP (Huntington Villa Yorba Apartments), City of Huntington Beach, County of Orange; issue up to \$46 million in multi-family housing revenue bonds.

b Approve the following invoices for David Taussig & Associates:

Orinda Wilder Project – invoice 1506214 - \$2,810.61 and outstanding invoices for 02/15-05/15 totaling \$3,357.50.

Placer and San Joaquin SCIP 2014A – invoice 2014A consolidated - \$10,365

CSCDA CFD 2012-01 – invoice 1506055 - \$2,022.35 and outstanding invoice for 03/31/15 totaling \$897.15

Motion to approve by Harrison; second by O'Rourke; unanimously approved by roll-call vote.

4 Public comment.

None.

5 Statewide Community Infrastructure Program (SCIP) 2015A:

a Conducted proceedings with respect to SCIP 2015A:

i. Executive Director Bando Commission explained that these are projects that were originally induced via a resolution of intention on June 18. There are four projects: City of Brentwood, City of Palm Springs, City of Manteca, and City of Cathedral City. The total is a little under \$5 million.

Chair Larry Combs opened the public hearing for the assessment district at 10:09 pm.

Bando explained there are three resolutions: (i) resolution approving final engineer's reports, levying assessments, ordering financing of specified development impact fees and capital improvements, and confirming amounts of unpaid assessments; (ii) resolution providing for the issuance of four separate series of SCIP limited obligation for improvement bonds and approving the form and substance of a trust agreement; (iii) resolution authorizing the issuance, sale and delivery of SCIP revenue bonds, series 2015A and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure agreement, and a preliminary official statement and authorizing certain other actions.

Any member of the public wishing to comment was asked to speak.

ii. Due to no public comments, Commission chair Larry Combs closed the public hearing for the assessment district at 10:11 pm.

iii. Erin Pham, Orrick Herrington & Sutcliffe, explained that waivers and ballots have been received for each of the districts (Brentwood, Palm Springs, Manteca, and Cathedral City). The results favor establishing the assessment districts, levying assessments, and issuing the bonds.

b Approval of the following resolutions for SCIP 2015A:

i. Resolution approving final engineer's reports, levying assessments, ordering financing of specified development impact fees and capital improvements, and confirming amounts of unpaid assessments.

Motion to approve by Snellings; second by Harrison; unanimously approved by roll-call vote.

ii. Resolution providing for the issuance of four separate series of SCIP limited obligation for improvement bonds and approving the form and substance of a trust agreement.

Motion to approve by Snellings; second by O'Rourke; unanimously approved by roll-call vote.

iii. Resolution authorizing the issuance, sale and delivery of SCIP revenue bonds, series 2015A and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure agreement, and a preliminary official statement and authorizing certain other actions.

Motion to approve by Snellings; second by Harrison; unanimously approved by roll-call vote.

- 6 Conduct second reading and adoption of ordinance levying a special tax for fiscal year 2015-16 and following fiscal years solely within and relating to California Statewide Communities Development Authority Community Facilities District No. 2015-02 (Rio Bravo), City of Bakersfield, County of Kern, State of California.

Executive Director Bando explained that this is a multi-phase medical/retail project not to exceed \$20 million.

Motion to waive second reading and adopt the ordinance by Harrison; second by O'Rourke; unanimously approved by roll-call vote.

- 7 Approval of PACE ad hoc committee recommendation to add PACE Funding to CSCDA Open PACE program.

Executive Director Bando explained that last year the Authority established Open PACE, which includes Renewable Funding and AllianceNRG. A proposal was received from PACE Funding. An ad hoc committee was formed (Brian Moura, Tim Snellings and Ron Holly) to review PACE Funding's capabilities. It was determined that their program includes a team that specializes in home improvement and contractor financing, with a strong technology platform. After reviewing their credentials, it was decided the committee would recommend they be added to Open PACE, subject to a contract to be worked out.

Commissioner Snellings added that the committee asked a lot of questions and was satisfied with PACE Funding's responses, which left the committee feeling confident that they would be a good fit and a great partner. He added that their rates are competitive, which will put pressure on other PACE partners. Commissioner Moura expressed similar feedback.

Chair Larry Combs asked whether federal tax benefits, which will expire soon, will be extended. Bob Giles, PACE Funding, explained that it appears that there is support for an extension on both sides of the political aisle. However, third-party leasing companies will likely be impacted most. PACE Funding has loan products available to homeowners, who have many reasons to proceed in addition to the tax benefits, so his company is prepared either way.

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

- 8 Approval of bond counsel services agreement with Orrick, Herrington & Sutcliffe for AllianceNRG Open PACE program.

Executive Director Bando explained that Commissioners should consider the agreement for Orrick, Herrington & Sutcliffe (Orrick) to act as bond counsel for AllianceNRG, because Orrick already acts as bond counsel for CSCDA. CSCDA's General Counsel has reviewed and approved the form and content of this new agreement between Orrick and AllianceNRG. Therefore, Bando recommends approval of the agreement.

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

- 9 Approval of issuance fee proposal for Jasmine Gardens Apartments.

Executive Director Bando explained that the borrower for Jasmine Gardens Apartments is a very active borrower with CSCDA, having financed nine prior development projects. The Jasmine Gardens Apartments project was financed not quite two years ago (\$19 million). The borrower now has access to a new financing tool through FreddieMac that permits them to finance more capital for the project at a lower rate, including an additional \$6 million allocation from CDLAC for supplemental financing. However, the borrower must reissue the existing \$19 million of existing bonds. Accordingly, the borrower requested a reduction in CSCDA fees relating to the \$19 million, from 20 basis points to 10. The remainder of the new issuance (\$6 million) will be at the full fee.

Bando believes the request is reasonable and recommends approval.

Motion to approve by Harrison; second by O'Rourke; unanimously approved by roll-call vote.

- 10 Approval of San Diego Housing Federation Sponsorship.

Executive Director Bando explained that San Diego Housing Federation (SDHF) is an advocacy group for low income housing. SDHF hosts an annual conference that attracts influential and innovative multi-family development professionals from throughout the state. Sponsorship of SDHF's annual conference will provide exposure and recognition of CSCDA to this group.

Bando recommends the bronze level sponsorship (\$1,500).

There was discussion among the commissioners as to how many sponsorship requests CSCDA receives and where the line will be drawn as to which to support. James Hamill explained that several such requests are received every week, which staff evaluates. Only those deemed valuable to CSCDA are brought to the board for approval and will be within budget.

Motion to approve by O'Rourke; second by Harrison; unanimously approved by roll-call vote.

- 11 Approval of County Administrative Officers Association of California sponsorship.

Executive Director Bando explained that a \$2,000 sponsorship of the County Administrative Officers Association of California (CAOAC) provides an opportunity to make a five-minute oral presentation at

their annual conference, as well as receive recognition in all conference materials. Bando explained that sponsorship this year is especially important because of the new environment with competing JPAs, so the opportunity to make an oral presentation is important.

Motion to approve by O'Rourke; second by Moura; unanimously approved by roll-call vote.

12 Approval of first amendment to Bridge Strategic Partners services agreement.

Item pulled from the current agenda; deferred until a later meeting.

13 Executive Director update.

Executive Director Bando shared that it's been a pleasure to work with Bridge Strategic Partners because the lines of communication are open.

14 Staff updates.

Jon Penkower stated that the first month has very well. Things are operating smoothly and the transition was seamless for CSCDA's borrowers, finance professionals and attorneys.

15 Chair Larry Combs adjourned the meeting at 10:38 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The next regular meeting of the commission is scheduled for
Thursday, August 20, at 10:00 am
in California Association of Counties' office at 1100 K Street, 1st Floor, Sacramento, California.*

Agenda Item No. 6

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Emerson Ranch – Statewide Community Infrastructure Program

PURPOSE: Consideration of resolution authorizing the issuance, sale and delivery of SCIP Revenue Bonds Series 2015 (Emerson Ranch Project), City of Oakley, County of Contra Costa, and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure agreement, and a preliminary official statement and authorizing certain other actions.

AMOUNT: Not to Exceed \$15,308,588

EXECUTIVE SUMMARY:

The Emerson Ranch Assessment District (“Assessment District”) encompasses a master planned community known as Emerson Ranch in the City of Oakley. Emerson Ranch will consist of 567 detached single family homes within six neighborhoods, a park, and a commercial site. Within the Assessment District, approximately 10 acres are designated for parks, 25.2 acres are designated commercial, 4.5 acres are designated for levee landscaping and 2.8 acres are designated for right of way and streets. The park site will contain a 5 acre lake designated to detain local storm drainage.

PROJECT ANALYSIS:

The Local Agency Participants & Improvements:

The City of Oakley. The City of Oakley (the “City”) is located in the eastern portion of Contra Costa County. Improvements to be owned by the City include street and roadway improvements, storm drain improvements, and landscaping improvements. The roadway improvements include construction of local streets with related grading; concrete curb, gutter and sidewalk; aggregate base; asphaltic concrete paving; and street lighting improvements alongside the internal roadways within the Assessment District. In addition, under the development agreement the property owner must construct the roadways bordering the east and southern edges of the Assessment District as a condition to development. Storm drain improvements include facilities for the collection and disposal of storm waters for drainage and flood control purposes, including mainline and connector pipes, drainage inlets, manholes, retention basin, bubblers, risers and outfall pumps. Landscaping

improvements include grading, ground cover, irrigation, and recreational elements for the Emerson Ranch project.

The Ironhouse Sanitary District. The Ironhouse Sanitary District provides wastewater collection, treatment and disposal services to individuals and businesses within the City of Oakley, Bethel Island, and from other unincorporated areas within the Ironhouse Sanitary District's boundaries. The Ironhouse Sanitary District was formed on August 27, 1945, under the provisions of the California Health and Safety Code. Bond proceeds are expected to be provided for the construction or acquisition of sanitary sewer improvements that will be owned by the Ironhouse Sanitary District. The sanitary sewer improvements include but are not limited to pump station, manholes, gravity mainline, and force mains necessary to meet the project service demands of the Emerson Ranch project.

The Diablo Water District. The Diablo Water District provides water service to individuals and businesses within the City of Oakley and other areas within its boundaries. The Diablo Water District is a self-governing local public agency created on May 7, 1953, under the County Water District Law of California. Bond proceeds are expected to also provide funding for capital improvements to the water system, including but not limited to the removal and installation of water mains and appurtenances and the installation of fire hydrants, backflow preventer and irrigation necessary to meet the potable and non-potable residential water needs of the Emerson Ranch project.

The Developer:

Brookfield Residential ("Brookfield") has been developing land and building homes for over 50 years. Brookfield Residential is a leading North American land developer and homebuilder with operations in Canada and the United States. Brookfield entitles and develops land to create master-planned communities and build and sell lots to third-party builders, as well as to its own homebuilding division. Brookfield also participates in select strategic real estate opportunities, including infill projects, mixed-use developments, infrastructure projects and joint ventures. Brookfield currently focuses on the following operating segments: Canada, California and Central and Eastern United States.

Public Agency Approval:

All discretionary approvals by the City of Oakley, Ironhouse Sanitary District and Diablo Water District have been obtained. In addition, all of the public hearing requirements to form the Assessment District have been properly noticed and completed.

Sources and Uses:

Sources:

| | |
|-----------------------------|------------------|
| Principal Amount of Bonds | 15,305,000.00 |
| Plus Original Issue Premium | <u>56,551.80</u> |
| Total Sources | 15,361,551.80 |

Uses:

| | |
|--------------------------------------|-------------------|
| Deposit to Project Fund | 13,002,083.23 |
| Deposit to Debt Service Reserve Fund | 982,393.76 |
| Deposit to Capitalized Interest Fund | 524,587.31 |
| Costs of Issuance | 546,387.50 |
| Underwriter's Discount | <u>306,100.00</u> |
| Total Uses | 15,361,551.80 |

Finance Partners:

| | |
|--------------------|--|
| Bond Counsel: | Orrick, Herrington & Sutcliffe, LLP, San Francisco |
| Authority Counsel: | Orrick, Herrington & Sutcliffe, LLP, San Francisco |
| Underwriter: | RBC Capital Markets, San Francisco |

Finance Terms:

| | |
|---------------------------|-----------------------------------|
| Rating: | Not Rated |
| Term: | 29 years at a fixed interest rate |
| Structure: | Public offering |
| Estimated Closing: | November 17, 2015 |

CSCDA Policy Compliance:

The financing for the Emerson Ranch Assessment District complies with CSCDA's general, issuance and SCIP/Land Secured Financing policies.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. The issuance of the Emerson Ranch Statewide Community Infrastructure Program (SCIP) 2015 Bonds to be issued in the aggregate principal amount of not to exceed \$15,308,588.

Approval of the following forms which are available in Documents for Commissioner Review:

2. the Trust Agreement;
3. the Bond Purchase Agreement, wherein the Authority agrees to sell and RBC Capital Markets LLC, the underwriter (the “Underwriter”) agrees to purchase the Bonds;
4. the Continuing Disclosure Agreement, wherein the Authority agrees and covenants to provide certain annual financial information and notice of material events to assist the Underwriter in complying with Rule 15c2-12 of the Securities Exchange Commission; and
5. the Preliminary Official Statement, describing the Bonds and the Local Obligations.

ATTACHMENT A

RESOLUTION NO. 15R-_____

A RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$15,308,588 OF ITS STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM REVENUE BONDS, SERIES 2015 (EMERSON RANCH PROJECT); APPROVING THE FORMS OF A TRUST AGREEMENT, A BOND PURCHASE AGREEMENT, AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING CHANGES THERETO AND EXECUTION AND DELIVERY THEREOF AS MODIFIED; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING CHANGES THERETO AND DELIVERY THEREOF AS MODIFIED; AUTHORIZING THE PREPARATION OF A FINAL OFFICIAL STATEMENT SUBSTANTIALLY DERIVED FROM THE PRELIMINARY OFFICIAL STATEMENT AND EXECUTION AND DELIVERY THEREOF; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS AND IMPLEMENTATION OF THE RELATED FINANCING PROGRAM

WHEREAS, the California Statewide Communities Development Authority is a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the “Authority”), with this Commission (this “Commission”) serving as the legislative body of the Authority; and

WHEREAS, this Commission has completed its legal proceedings under the Municipal Improvement Act of 1913 (Division 12, commencing with Section 10000 of the Streets and Highways Code of the State of California) (the “1913 Act”) in connection with the formation of the Statewide Community Infrastructure Program Assessment District No. 14-01 (County of Contra Costa, California) (the “District”); and

WHEREAS, this Commission is empowered under the provisions of the Improvement Bond Act of 1915 (Division 10, commencing with Section 8500, of the Streets and Highways Code of the State of California) (the “1915 Act”) to undertake legal proceedings for the issuance, sale and delivery of limited obligation improvement bonds (the “Local Obligations”) upon the security of the recorded and unpaid assessments (the “Assessments”) of the District; and

WHEREAS, this Commission is empowered under the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (the “Law”) to issue bonds of the Authority for the purpose of acquiring certain local obligations issued by the Authority, including the Local Obligations; and

WHEREAS, this Commission has determined to issue Local Obligations to be issued pursuant to that certain Trust Agreement (the “Trust Agreement”) between the Authority and Wilmington Trust, National Association, as Trustee (the “Trustee”), to be registered in the name of the Trustee and to bear such series designations as set forth in the Trust Agreement, which Local Obligations will fund certain public capital improvements (the “Improvements”); and

WHEREAS, by this Resolution, this Commission wishes to authorize and undertake the issuance of the Authority’s Statewide Community Infrastructure Program Revenue Bonds, Series 2015 (Emerson Ranch Project) (the “Bonds”), to acquire the Local Obligations, to fund a reserve fund and to pay costs of issuance (the “Financing Program”); and

WHEREAS, this Commission has determined that the estimated amount necessary to acquire the Local Obligations, to fund a reserve fund and to pay costs of issuance will require the issuance of the Bonds in the aggregate principal amount not to exceed \$15,308,588; and

WHEREAS, this Commission has determined that all things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in the Trust Agreement the valid, binding and legal obligations of the Authority according to the import thereof and hereof have been done and performed; and

WHEREAS, in furtherance of implementing the financing described above, there have been filed with the Secretary of the Authority and submitted to this Commission for consideration and approval at this meeting, forms of the following:

- (a) the Trust Agreement, described above; and
- (b) a Bond Purchase Agreement, under the terms of which, among other things, the Authority agrees to sell and RBC Capital Markets LLC, the underwriter (the “Underwriter”) agrees to purchase the Bonds; and
- (c) a Continuing Disclosure Agreement, under the terms of which, among other things, the Authority agrees and covenants to provide certain annual financial information and notice of material events to assist the Underwriter in complying with Rule 15c2-12 of the Securities Exchange Commission; and
- (d) a Preliminary Official Statement, describing the Bonds and the Local Obligations.

WHEREAS, being fully advised in the matter of the financing, this Commission wishes to proceed with implementation of the Financing Program; and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the Financing Program do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize the execution and delivery of certain documents in order to further implement the financing in the manner and upon the terms herein provided; and

WHEREAS, the requisite local agencies with jurisdiction over the area encompassed by the District have determined that the issuance of the Bonds by the Authority and the acquisition of the Local Obligations will result in significant public benefits, including demonstrable savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs;

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

Section 1. The foregoing recitals are true and correct, and this Commission so finds and determines.

Pursuant to the Law, the Bonds shall be issued in the aggregate principal amount of not to exceed \$15,308,588; provided, however, that (a) the true interest cost on the Bonds shall not exceed 8.0%, and (b) the maximum term of any maturity shall not exceed twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

The form and substance of the Trust Agreement made available to the Commissioners at this meeting is hereby approved. Any member of the Commission of the Authority, the Executive Director of the Authority, or their administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 2015 (each, an "Authorized Signatory") is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Trust Agreement in substantially said form, with such changes therein as any member of the Commission may require or approve in consultation with Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

The form and substance of the Bond Purchase Agreement is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as any member of the Commission may require or approve in consultation with Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

The form and substance of the Continuing Disclosure Agreement is hereby approved. Any Authorized Signatory is hereby authorized to execute and deliver said Continuing Disclosure Agreement in substantially the form on file with the Secretary and presented to this meeting, with such changes as any member of the Commission may require or approve in consultation with Disclosure Counsel, such approval to be conclusively evidenced by such execution and delivery.

(a) The form and substance of the Preliminary Official Statement is hereby approved. Any Authorized Signatory is hereby authorized to execute the final Official Statement to be derived therefrom.

(b) Any Authorized Signatory is hereby authorized to find and determine that said Preliminary Official Statement in preliminary form is, and as of its date shall be, deemed "final" for purpose of Rule 15c2-12 of the Securities and Exchange Commission, and such Member is hereby authorized to execute a certificate to such effect in the customary form.

(c) Any Authorized Signatory is hereby authorized in consultation with Disclosure Counsel to approve corrections and additions to the Preliminary Official Statement by supplement or amendment thereto, by appropriate insertions, or otherwise as appropriate, provided that such corrections or additions shall be regarded by any member of the Commission as necessary to cause the information contained in the Preliminary Official Statement to conform to facts material to the Bonds or the Local Obligations or to the proceedings of this Commission or that such corrections or additions are in form rather than in substance.

(d) The Underwriter is authorized to distribute said Preliminary Official Statement and the final Official Statement to be derived therefrom in connection with the sale and delivery of the Bonds.

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, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution. 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 transactions contemplated by this resolution are hereby ratified, confirmed and approved.

This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Commission of the California Statewide Communities Development Authority this October 22, 2015.

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 October 22, 2015.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

Agenda Item No. 8

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of proposed settlement agreement regarding delinquent assessment under Statewide Community Infrastructure Program Assessment District 05-01 (San Mateo) APN 080-085-100

EXECUTIVE SUMMARY:

CSCDA's foreclosure counsel, Stradling, Yocca, Carlson & Roth, for the Statewide Communities Infrastructure Program (SCIP), has been working with Ms. Tiscornia to enter into a settlement for past due assessment installments for fiscal year 2013/2014 within SCIP Assessment District 05-01 in the County of San Mateo. The total amounts due and owing against the property for 2013/2014 are as follows:

| | |
|-------------------------|-------------------|
| Delinquent Assessments: | \$2,441.17 |
| Flat Rate Penalties: | \$244.12 |
| Interest Costs: | \$549.26 |
| Other Costs: | \$2,961.00 |
| Attorneys' Fees: | <u>\$2,932.50</u> |
| Total: | \$9,128.05 |

Ms. Tiscornia has agreed to the following terms and conditions to bring the delinquency current. The proposed agreement is attached and is summarized as follows:

1. Payment of \$5,000 within 10 days of execution of this settlement.
2. Payment of the outstanding amount in 6 monthly payments totaling \$688.00 (last payment is \$688.05).
3. In the event Ms. Tiscornia fails to make the required payments the Authority will give written notice of the default, and Ms. Tiscornia will have 14 days to cure the default.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the settlement agreement with Ms. Tiscornia.

ALLISON E. BURNS
949.725.4187
ABURNS@SYCR.COM

September 29, 2015

VIA ELECTRONIC MAIL

Tia Tiscornia
151 Carmel Way
Portola Valley, CA 94028
1standingtall@gmail.com

Re: Proposed Settlement Agreement re Delinquent Assessment
Assessment District 05-01 (San Mateo)
APN: 080-085-100

Dear Ms. Tiscornia:

This letter is in response to your e-mail dated September 21, 2015. Please find attached a settlement agreement proposed by California Statewide Community Development Authority to satisfy all delinquent assessments, penalties, interest, costs and attorneys' fees due and owing against your property identified as APN 080-085-100 (the "Settlement Agreement"). Upon receipt of your signature, this office will proceed to present the Settlement Agreement to the governing body of the CSCDA (the "Commission") with its recommendation that the Commission approve the same.

Should you have any questions, please contact the undersigned.

Best regards,



FOR Allison E. Burns
Shareholder
STRADLING YOCCA CARLSON & RAUTH, P.C.

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is entered into by and between the California Statewide Community Development Authority (the “Authority”), on the one hand, and Tia Tiscornia (“Ms. Tiscornia”) on the other hand (collectively, the “Parties”), in consideration of the promises made herein (hereinafter, this “Settlement Agreement”).

RECITALS

A. WHEREAS, this Settlement Agreement arises out of the failure to pay a certain assessment installment levied pursuant to the Municipal Improvement Act of 1913 (Division 12 of the Streets and Highways Code of California (the “Assessments”) for fiscal year 2013/2014 as it became due with respect to a certain parcel of real property currently owned by Ms. Tiscornia located within Assessment District No. 05-01 (San Mateo) of the California Statewide Community Development Authority (“AD No. 05-01”) in the County of San Mateo, State of California, and bearing Assessor’s Parcel No. 080-085-100 and further described in **Exhibit “A”** attached hereto and incorporated by reference (the “Property”).

B. WHEREAS, pursuant to Streets and Highways Code Sections 8680 and 8800 and Revenue and Taxation Code Sections 2704 and 2705, delinquent penalties (“Flat Rate Penalties”) of 10 percent attach to each delinquent Assessment installment.

C. WHEREAS, pursuant to Streets and Highways Code Sections 8680 and 8800 and Revenue and Taxation Code sections 4102 and 4103, redemption penalties (“Interest”) attach to each delinquent Assessment installment and accrue at the rate of 1.5 percent per month until the time of redemption.

D. WHEREAS, pursuant to Streets and Highways Code Sections 3115 and 10428, the Property is subject to a continuing lien against it securing future Assessments for AD No. 05-01 levied by the Authority thereon. The Parties hereby expressly acknowledge and agree that the continuing lien will survive termination of this Settlement Agreement.

E. WHEREAS, the total amounts due and owing against the Property for the 2013/2014 fiscal year are as follows: (i) \$2,441.17 for delinquent Assessments; (ii) \$244.12 for Flat Rate Penalties; (iii) \$549.26 for Interest through September 30, 2015; (iv) \$2,961.00 for costs; and (v) \$2,932.50 in attorneys' fees for a total amount of \$9,128.05 (the "Total Owed").

F. WHEREAS, the Parties intend to completely and fully resolve all disputes and differences with regard to the Total Owed.

G. WHEREAS, these Recitals are true and correct, and are incorporated by this reference into the Settlement Agreement below.

NOW, THEREFORE, in consideration of the terms, conditions and covenants contained herein, the Parties agree as follows:

1. Initial Payment. Ms. Tiscornia hereby agrees to tender to the Authority a lump sum payment of \$5,000 within ten (10) days from the date of execution of this Settlement Agreement (the "Initial Payment"). The Initial Payment shall be made by cashier's check or money order payable to "California Statewide Community Development Authority" and delivered to the following address:

California Statewide Community Development Authority
c/o Stradling Yocca Carlson & Rauth, PC
Attn: Kelly Curran
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660

2. Payment of Remaining Amount Owed. After the Initial Payment is applied to the Total Owed pursuant to the terms of this Settlement Agreement, the remaining amount owed for delinquent Assessments for the 2013/2014 fiscal year, including all accrued penalties, interest, costs, and attorneys' fees will be \$4,128.05 (the "Remaining Amount Owed"). Ms. Tiscornia shall pay to the Authority, pursuant to the payment schedule attached hereto as **Exhibit "B"**, the Remaining Amount Owed in six (6) monthly payments due on the 1st day of each month beginning on November 1, 2015 and continuing until the Remaining Amount Owed is paid in full (the "Payment Plan"). Notwithstanding the foregoing, Ms. Tiscornia may prepay, in whole or in part on any date, without penalty, the Remaining Amount Owed. If a Default Event has occurred, as described in Paragraph 6 herein, any prepayment of the Remaining Amount Owed thereafter shall include all additional penalties, interest, costs and attorneys' fees accrued subsequent to the execution of this Settlement Agreement.

3. Application of Payments. All payments to be made by Ms. Tiscornia to the Authority pursuant to this Settlement Agreement will be applied in the following order of precedence: (i) to costs, including attorneys' fees, incurred by the Authority in connection with the collection of the Assessments; (ii) interest; (iii) penalties; (iv) the principal amount of delinquent Assessments.

4. Future Interest. The Authority shall hold in abeyance the accrual of Interest that will accrue against the Property during the pendency of the Payment Plan. If a Default Event occurs as defined in Paragraph 6 below, Interest will no longer be held in abeyance and all accrued Interest for the Assessments shall immediately become due and owing.

5. Future Assessment Installments. The signatories to this Settlement Agreement acknowledge and affirm that the Property is subject to a continuing lien against it in order to secure

future Assessments for AD No. 05-01 levied by the Authority thereon. This Settlement Agreement is expressly conditioned on timely payment of all Assessments levied against the Property that become due and owing during the pendency of this Settlement Agreement, which amounts shall be paid directly to the County of San Mateo, provided, however, that any failure to pay Assessments after the Assessment receives payment of the Total Owed shall not be an Other Default as defined in Paragraph 6 of this Settlement Agreement and shall not trigger a Default Event as defined in Paragraph 6 of this Settlement Agreement.

6. Default. In the event that Ms. Tiscornia fails to make the required payments or otherwise fails to adhere to the terms of this Settlement Agreement (the “Default”), the Authority shall give written notice of the Default to Ms. Tiscornia (“Notice of Default”). Ms. Tiscornia shall have fourteen (14) days from the date of mailing of the Notice of Default to cure the Default (“Cure Period”). If Ms. Tiscornia fails to cure the Default identified in the Notice of Default within the Cure Period (a “Default Event”), the following amounts, less all payments made prior to the Default Event, shall become immediately due and payable: (i) the Total Owed, (ii) all Interest accrued subsequent to the execution of this Settlement Agreement, and (iii) all costs, including attorneys’ fees, related to the Settlement Agreement and the enforcement thereof incurred by the Authority subsequent to the execution of this Settlement Agreement (collectively, the “Default Event Total”). Upon the occurrence of a Default Event, Ms. Tiscornia waives all defenses in any action brought by the Authority to enforce this Settlement Agreement to recover the Default Event Total.

7. Notices. Unless otherwise required by law, any notice to be given or served upon any party hereto in connection with this Settlement Agreement must be in writing and mailed to the extent permitted by law. Notices shall be delivered to the following addresses:

California Statewide Community Development Authority
c/o Stradling Yocca Carlson & Rauth, P.C.

Attn: Allison Burns
660 Newport Center Drive, Suite 1600
Newport Beach, CA 92660

Tia Tiscornia
151 Carmel Way
Portola Valley, CA 94028

8. Non-Assignability of Settlement Agreement. The Parties covenant and agree that the Authority will not assign or transfer its rights under this Settlement Agreement or assign or transfer its right of collection of the delinquent Assessments, including all accrued penalties, interest, costs and attorneys' fees to any third party or entity. The Parties further covenant and agree that Ms. Tiscornia will not assign or transfer any interest in the Property without first obtaining the Authority's written consent to the same. The Authority covenants and agrees that it will not unreasonably withhold consent to any proposed transfer of the Property.

9. No Inducement. The Parties individually and collectively declare and represent that no promises, inducements or other agreements not expressly contained herein have been made and that this Settlement Agreement contains the entire agreement between them and the terms of this Settlement Agreement are contractual and not recitals only.

10. Binding Effect. This Settlement Agreement shall bind and inure to the benefit of each party hereto, their predecessors, successors, parents, subsidiaries, affiliates, representatives, assigns, agents, officers, directors, employees and personal representatives, past, present and future.

11. Future Documents. To the extent that any documents are required to be executed by any of the signatories to effectuate this Settlement Agreement, each party hereto agrees to execute and deliver as necessary any further documents as may be required to carry out the terms of this Settlement Agreement.

12. Representation. The Parties represent and acknowledge that each of them has been represented by counsel and/or have been given the opportunity to be represented by counsel of their choosing with respect to this Settlement Agreement and all matters covered by or related to such Settlement Agreement. The Parties have been, or have been given the opportunity to be, fully advised with respect to all rights, which are affected by this Settlement Agreement.

13. No Modification. This Settlement Agreement contains the entire agreement between the Parties and may not be altered, amended or modified in any respect, except by a writing duly executed by the party to be charged. All other prior agreements and understandings, oral agreements and writings are expressly superseded hereby and are of no further force or effect.

14. Voluntary and Knowing Release. Each party signing this Settlement Agreement represents and warrants that each has read, knows and understands the contents hereof, has executed this Settlement Agreement voluntarily and has not been influenced by any person or attorney acting on behalf of any party, and understands that after signing this Settlement Agreement, each party cannot proceed against any person who is a party to this Settlement Agreement or to whom inure the benefits of this Settlement Agreement except as provided for in this Settlement Agreement.

15. California Law to Govern; Venue. This Settlement Agreement has been executed in the State of California and the substantive laws of the State of California shall govern the validity and interpretation of this Settlement Agreement and the performance of the Parties under this Settlement Agreement. Any claim, complaint or cause of action which relates to this Settlement Agreement shall be filed and litigated in San Mateo County, California.

16. Counterparts. The Parties may execute this Settlement Agreement in two or more counterparts, which shall, in the aggregate, be signed by the Parties. Each counterpart shall be deemed an original instrument as against any signatory who has signed it.

17. No Third Party Benefited. Nothing in this Settlement Agreement, whether express or implied, shall be intended to confer any rights or remedies under or by reason of this Settlement Agreement on any persons other than the Parties and their respective successors and assigns, nor shall anything in this Settlement Agreement relieve or discharge the obligation or liability of any third persons to any party to this Settlement Agreement, nor shall any provision give any third person any right of subrogation or action over or against any party to this Settlement Agreement.

18. Effective Date. This Settlement Agreement shall be effective for all purposes immediately upon the execution hereof by the Parties, and the effective date shall be the date of the last signature hereon.

19. Authority to Execute. By signature below, each signatory represents and warrants that he or she is an authorized signatory of the Party on behalf of whom he or she executes this Settlement Agreement.

[SIGNATURE PAGE TO FOLLOW]

Date: _____

CALIFORNIA STATEWIDE COMMUNITY
DEVELOPMENT AUTHORITY

By: _____

Title: _____

Date: _____

TIA TISCORNIA

By: _____

EXHIBIT "A"

LEGAL DESCRIPTION

Lot 36, as delineated upon that certain Map entitled "Los Trancos Wood Tract No. 1, San Mateo County, California", filed for record in the Office of the Recorder of the County of San Mateo, State of California, on August 6th, 1928 in Book 17 of Maps, Pages 14 and 15.

Parcel No.: 080-085-100
Also Known as: 151 Carmel Way

EXHIBIT “B”

PAYMENT SCHEDULE

| Payment No. | Payment Date | Payment | Costs | Interest | Penalties | Principal |
|--------------------|---------------------|----------------|--------------|-----------------|------------------|------------------|
| Initial Payment | | \$5,000.00 | \$5,893.50 | \$549.26 | \$244.12 | \$2,441.17 |
| 1 | 1-Nov-2015 | \$688.00 | \$893.50 | \$549.26 | \$244.12 | \$2,441.17 |
| 2 | 1-Dec-2015 | \$688.00 | \$205.50 | \$549.26 | \$244.12 | \$2,441.17 |
| 3 | 1-Jan-2016 | \$688.00 | \$0 | \$66.76 | \$244.12 | \$2,441.17 |
| 4 | 1-Feb-2016 | \$688.00 | | \$0 | \$0 | \$2,064.05 |
| 5 | 1-Mar-2016 | \$688.00 | | | | \$1,376.05 |
| 6 | 1-Apr-2016 | \$688.05 | | | | \$688.05 |
| | | | | | | \$0 |



Agenda Item No. 9

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Bond Counsel Services Agreement with Jones Hall, P.C. for the CaliforniaFIRST program and Renewable Funding

EXECUTIVE SUMMARY:

Renewable Funding has engaged Jones Hall, P.C. (“Jones Hall”) to act as counsel for its CaliforniaFIRST PACE program. As part of the engagement, Jones Hall will serve as bond counsel for the PACE transactions funded by Renewable Funding. CSCDA’s General Counsel has reviewed and approved the proposed agreement. The proposed agreement requires that all bond counsel fees be paid out of bond proceeds, and CSCDA is not responsible for any such fees.

RECOMMENDED ACTION:

CSCDA’s Executive Director recommends approval of the Bond Counsel Services Agreement (Attachment 1) with Jones Hall, P.C. to act as bond counsel under the CaliforniaFIRST PACE program.

ATTACHMENT 1

September __, 2015

California Statewide Communities
Development Authority
2999 Oak Road, Suite 710
Walnut Creek, CA 94597
Attn: James Hamill

Re: CaliforniaFIRST

Ladies and Gentlemen:

This letter will confirm our understanding of the terms and conditions under which our firm, Jones Hall, A Professional Law Corporation ("Jones Hall" or "Bond Counsel"), will be compensated for services rendered and expenses incurred since January 2009 and continuing from this date as bond counsel to the California Statewide Communities Development Authority ("CSCDA" or the "Authority") in connection with its CaliforniaFIRST program (the "Program") administered by Renewable Funding LLC ("Renewable Funding LLC").

Jones Hall's ongoing services as bond counsel for CSCDA in the Program will consist of:

A. Bond Issues:

- i. Receive bond issuance data from Renewable Funding LLC.
- ii. Use that data to prepare or review the bonds, legal documentation, bond opinions and closing documents.
- iii. Email notice of closing to all parties participating in the Program (which parties shall be notified to Jones Hall by Renewable Funding LLC).
- iv. Archive file of electronic copies of closing documents.

B. Assignment Transactions:

- i. Receive assignment data from Renewable Funding LLC.
- ii. Use that data to prepare or review the assignment documentation, opinions and closing documents.
- iii. Email notice of closing to all Parties (which parties shall be notified to Jones Hall by Renewable Funding LLC).
- iv. Archive file of electronic copies of closing documents.

C. Other:

Assist with changes to the Program, or the following in connection with the Program: amendments or changes in the forms of documents for the Program, review of documents or questions not covered in paragraphs A or B above, research legal issues, render opinions (other than the opinions referred to above), review or prepare resolutions, review or prepare legislative changes.

In rendering opinions and performing legal services pursuant to this letter agreement, Bond Counsel shall be entitled to rely, without independent investigation, verification or responsibility, on (a) the accuracy and completeness of information provided and certifications made by, and opinions rendered by counsel to, the Authority and Renewable Funding LLC, including (without limitation) the information described in subparagraphs A(i) and B(i) above, (b) the proper form, authorization, execution, delivery, recordation, validity and enforceability (against CSCDA and all required property owners and any other parties) of the individual assessment contracts, contractual assessments and related liens, notices, assignments, power purchase agreements and leases, and (c) the improvements financed being located within a city or county that is a member of CSCDA and whose legislative body has adopted (and not rescinded) an applicable resolution ("opt-in resolution") approving operation of the Program in that city or county.

Unless otherwise expressly agreed in writing by Bond Counsel, Bond Counsel's services with respect to the Program are limited to those specifically set forth above. For example, Bond Counsel services in respect of the Program do not include responsibility for (a) representing CSCDA, Renewable Funding LLC or any other party in any litigation or other legal or administrative proceedings, audit or investigation involving any of the Bonds, the contractual assessments, the participating properties, the financed improvements or installation thereof (the "Projects") or any related matter; (b) any information provided by Renewable Funding LLC or bond purchasers use in preparing the Bonds, opinions and any other documents; (c) execution, delivery, review, conformance with legal or Program requirements, receipt, maintaining, filing or recording of any assessment contract, notice or lien or any related matter or any power purchase agreement or lease entered into by the property owners in connection therewith; (d) any consumer protection, lending, environmental, land use, construction, real estate, insurance or similar laws or matters, or federal or state tax treatment of any of the Parties, contractual assessments, Projects or property owners; (e) preparing or obtaining any individual opt-in resolution or conformance therewith of any assessment contract; (f) the PACE Loss Reserve Program administered by California Alternative Energy and Advanced Transportation Financing Authority; (g) any foreclosure, judicial sale or other enforcement proceedings; (h) any other matter not explicitly covered by the services described in paragraphs A, B or C above; or (i) any financial advice or analysis.

With respect to the residential Program, Bond Counsel will be paid a fee (the "Residential Issuance Fee") payable on each date of bond issuance equal to 1.000% times the amount deposited into the Program Fund under the applicable indenture.

With respect to the non-residential Program, Bond Counsel will be paid a fee in connection with the issuance of bonds (together with the Residential Issuance Fee, the "Issuance Fees") payable on each date of bond issuance as follows:

| <u>Principal Amount</u> | <u>% of Program Fund Deposit</u> |
|-------------------------|----------------------------------|
| <\$500,000 | 1.500% |

| | |
|---------------------|-------|
| \$500,001-\$999,999 | 1.000 |
| \$1,000,000+ | 0.500 |

In connection with the non-residential Program, Bond Counsel will be paid a fee in connection with assignments of contractual assessments (an "Assignment Fee") as follows:

- a. At the time of assignment:

| <u>Principal Amount</u> | <u>% of Program Fund Deposit</u> |
|-------------------------|----------------------------------|
| <\$500,000 | 1.125% |
| \$500,001-\$999,999 | 0.750 |
| \$1,000,000+ | 0.375 |

- b. At the issuance of bonds, 0.25% with a minimum fee of \$10,000 and a maximum fee of \$250,000.

For the services, if any, described in paragraph C above that are requested by Renewable Funding LLC or, with the prior approval of Renewable Funding LLC, CSCDA, unless otherwise agreed by Jones Hall, CSCDA and Renewable Funding LLC, Jones Hall will be compensated for this work as part of its compensation for the issuance of bonds or the assignment of contractual assessments, and the Authority and Renewable Funding LLC acknowledge that the compensation described above is intended to compensate Jones Hall for this work.

The Issuance Fees (in whole or part) will be paid by the Authority from proceeds of the bonds, and the Assignment Fees will be paid from the proceeds of an assignment. The Issuance Fees shall be paid at bond issuance, and the Assignment Fee shall be paid upon assignment and at bond issuance as described above. All other amounts payable to Bond Counsel shall be paid within 60 days of invoice by Bond Counsel. CSCDA shall not be responsible for payment of any of the foregoing fees or expenses of Bond Counsel from any of its own funds.

The amount of the foregoing Issuance Fees and Assignment Fees may be adjusted from time to time in the event there is compression in the California PACE market generally in the amount of fees included in the principal amount of assessments, in the same proportion as adjustment to the Authority's base fee and Renewable Funding LLC's fee.

The scope of services and fees set forth above are based on the following additional assumptions with respect to the Program: (a) all residential bonds will be issued on the same day of the week (for example, Thursday) and not more frequently than weekly, (b) all documents and all signatures will be electronic to the extent permitted by law, and (c) any party hereto that desires paper copies will be responsible for printing them out from the closing website, which will constitute the official transcript (provided that the actual bonds may be in paper form authenticated by the bond trustee (the "Trustee") and delivered as arranged with the Trustee by the bond purchasers).

This agreement may be terminated at any time, but not sooner than three years from the date hereof, by written notice, at least three months prior to termination, from CSCDA and Renewable Funding LLC to Bond Counsel or from Bond Counsel to CSCDA and Renewable Funding LLC. At any time following the aforementioned three-year period, Renewable Funding LLC, upon at least three months prior written notice to Bond Counsel and CSCDA, may terminate its status as a party to and all of its rights and obligations under this agreement. In the event of termination, all finished documents prepared for adoption or execution by CSCDA, shall, at the

option of CSCDA, become its property and shall be electronically delivered to it or to any party it may designate; provided that Bond Counsel shall have no liability whatsoever for any subsequent use of such documents. Bond Counsel shall be paid for all work to and including the date of termination plus expenses and for any unpaid Issuance Fees and Assignment Fees accruing through the Termination Date. Except as stated above, Bond Counsel retains the right to discard any files and materials.

In addition to the provisions of the preceding paragraph, and subject to the limitations, assumptions and conditions set forth herein, if Bond Counsel fails to provide the services described in paragraphs A or B above in a timely and professional manner (except as permitted in this agreement or as a result of nonpayment or late payment of any fees), and such failure is material, does not result from the failure of CSCDA, Renewable Funding LLC, bond purchasers, Trustee or any other party to perform its obligations in a timely and professional manner, is continuing and results in a material impairment of the Program, CSCDA may provide written notice to Bond Counsel of such failure, together with a request that Bond Counsel either explain why it believes no such failure exists or how such failure will be addressed. If such a failure exists, but is not corrected within 30 days (if correction may reasonably be accomplished within such 30-day period), CSCDA may provide notice of termination of this agreement, and after payment to Jones Hall for all work to and including the date of termination (including expenses) and any unpaid Issuance Fees, this agreement shall terminate.

It is standard practice that bond counsel represent the issuer of the bonds, even where, as here, another party is participating in contracting for the services of bond counsel and is responsible for paying all or part of bond counsel's fees and expenses. Therefore, in performing its services as bond counsel in connection with bonds or assignment of contractual assessments, Bond Counsel will act as special counsel to CSCDA with respect to issuance of the bonds; i.e., Bond Counsel will assist Issuer Counsel in representing Issuer but only with respect to the services described above. Renewable Funding LLC, purchasers of bonds and assignees of contractual assessments should be represented by their own counsel in connection with the Program. Bond Counsel shall have no attorney-client relationship with or duty of any kind to Renewable Funding LLC, purchasers of bonds or assignees of contractual assessments in connection with the Program.

You should also be aware that Jones Hall has represented, represents or may in the future represent many public and private entity clients, including underwriters, trustees, rating agencies, lenders, contractors, suppliers, financial, assessment and other consultants/advisors, accountants, investment providers/brokers, companies that may be competitors of the Program or Renewable Funding LLC, and others who may have a role or interest in the CaliforniaFIRST financings, the Program or the Projects or that may be involved with or adverse to CSCDA or Renewable Funding LLC in this or some other matter; and, further, that Jones Hall also has represented, represents or may in the future represent or otherwise work with other issuers, program administrators, lenders, investors, property owners, bond or assessment purchasers, securitization issuers or underwriters and others in respect of PACE and similar matters in California and other states. Given the special limited role of Bond Counsel, CSCDA acknowledges and agrees that no conflict of interest exists or would exist and CSCDA waives any actual or potential conflict of interest that may be deemed to arise, now or in the future from this agreement or any such other relationship that Jones Hall may have had, have or enter into. Renewable Funding LLC acknowledges, as to itself, that Jones Hall has no attorney-client relationship to it in connection with the Program and agrees that no conflict of interest exists, and waives any actual or potential conflict of interest that may be deemed to arise, on account of Jones Hall's attorney-client relationship with the Authority in respect of its PACE programs or with

Jones Hall's other PACE related clients on their respective PACE programs. Jones Hall will, of course, not share with other clients (except the Authority) proprietary new product information developed by Renewable Funding LLC for the Program, prior to such information becoming public, although some benefit of the research, learning and document development associated with new product information may indirectly benefit other clients in the ordinary course of our providing legal services to them.

Nothing in this agreement or in any of the documents contemplated hereby, expressed or implied, is intended or construed to give any person other than CSCDA, Renewable Funding LLC and Bond Counsel any legal or equitable right or claim under or in respect of this agreement, and this agreement shall inure to the sole and exclusive benefit of CSCDA, Renewable Funding LLC and Bond Counsel.

Bond Counsel may not assign its obligations under this agreement without the written consent of CSCDA and Renewable Funding LLC, except to a successor partnership or corporation to which all or substantially all of the assets and operations of Bond Counsel (including its public finance group) are transferred. Renewable Funding LLC shall not assign its rights or obligations under this agreement without the written consent of CSCDA and Bond Counsel, provided that any such assignment shall not relieve the assignor of any obligation for fees and expenses of Bond Counsel it may have as of the effective date of the assignment. All references to Bond Counsel, CSCDA and Renewable Funding LLC in this agreement shall be deemed to refer to any such permitted successor of Bond Counsel and to any such permitted assignee of CSCDA and Renewable Funding LLC, as the case may be, and shall bind and inure to the benefit of such successor and assignee whether so expressed or not.

This agreement may be executed in any number of counterparts and each counterpart shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same agreement.

If the foregoing is acceptable, please so indicate by returning a copy of this letter, signed by an authorized officer, and retain an original for your files. We look forward to working with you and to helping make the Program as successful as possible.

JONES HALL, A Professional Law
Corporation

Christopher K. Lynch

ACCEPTED AND AGREED TO:

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: _____
Title: _____
Date: _____

ACCEPTED AND AGREED TO:

By RENEWABLE FUNDING LLC

By: _____
Title: _____
Date: _____

Agenda Item No. 10

Agenda Report

DATE: October 22, 2015

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of the form of the Deposit and Reimbursement Agreement for CSCDA Community Facilities Districts

EXECUTIVE SUMMARY:

In order for CSCDA to recover third party professional expenses (i.e. attorneys, assessment engineers, appraisers, etc.) incurred in connection with the establishment of a community facilities district, a deposit and reimbursement agreement is established between the CSCDA and the developer. The funds are kept in a separate trust account and paid via a requisition for the professional services incurred.

In order to efficiently process these deposit and reimbursement agreements, establishing a standard form of the agreement would be beneficial. A standard form would avoid having to come back to the Commission every time one of these agreements need to be approved, and would avoid prolonged negotiation back and forth on the terms of the agreement.

CSCDA's issuer counsel has prepared and approves of the form of the attached deposit and reimbursement agreement.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the attached form of deposit and reimbursement agreement for community facilities districts.

ATTACHMENT 1

RESOLUTION NO. 15R-__

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY APPROVING A FORM OF DEPOSIT AND REIMBURSEMENT AGREEMENT FOR COMMUNITY FACILITY DISTRICTS

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) from time to time undertakes proceedings toward the establishment of community facilities districts (the “Community Facilities Districts”) pursuant to the Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the “Act”), for the purposes of financing certain public improvements and/or development impact fees to partially mitigate the impacts of new development is expected to occur or has occurred within the proposed boundaries of or adjacent to such Community Facilities Districts; and

WHEREAS, to provide for a source of funding to pay preliminary and incidental costs and expenses incurred by the Authority in connection with the Authority’s proceedings to implement the proposed Community Facilities Districts, the Authority will enter into a Deposit and Reimbursement Agreement with each developer; and

WHEREAS, a form of Deposit and Reimbursement Agreement is on file with the Secretary of the Authority and presented to this meeting; and

NOW, THEREFORE, BY IT RESOLVED by the Commission as follows:

Section 1. The foregoing recitals are true and correct, and this Commission so finds and determines.

Section 2. The form of Deposit and Reimbursement Agreement is hereby approved. In connection with the commencement of any proceedings by the Authority to form Community Facilities Districts, the Commission hereby directs any member of the Commission of the Authority, the Executive Director of the Authority, or their administrative delegates duly authorized pursuant to a resolution of the Authority (each, an “Authorized Signatory”) is hereby authorized and directed to execute and deliver a Deposit and Reimbursement Agreement in substantially such form, with any changes therein as may be necessary after consultation with counsel to Authority, such approval to be conclusively evidenced by the execution and delivery of the Deposit and Reimbursement Agreement.

Section 4. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 22nd day of October, 2015.

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 October 22, 2015.

By _____
Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

FORM OF DEPOSIT AND REIMBURSEMENT AGREEMENT

DEPOSIT AND REIMBURSEMENT AGREEMENT

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

COMMUNITY FACILITIES DISTRICT

for

[NAME OF PROJECT]

Recitals

The parties to this agreement are the CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY, a California joint exercise of powers authority ("CSCDA"), and [Legal Name of Developer], a [State] [type of company] (the "Developer").

A. The effective date of this agreement shall be [___], 2015.

B. The Developer has requested CSCDA to implement special tax proceedings for the purposes of establishing a community facilities district (the "CFD") to finance certain public improvements and/or development impact fees relating to the development project commonly known as the [Name of Project] in the City of [City] (the "City"), said proceedings to be taken pursuant to the Mello-Roos Community Facilities Act of 1982 (Section 53311 and following, California Government Code) (the "Act"), and to issue and sell special tax bonds of CSCDA upon the security of the special tax levied and recorded against certain real property which the Developer has acquired or is in the process of acquiring and developing within said community facilities district.

C. In the event CSCDA is able to establish the community facilities district and to accomplish the sale and delivery of the special tax bonds pursuant to the Act, CSCDA intends to use the proceeds of sale thereof pursuant to the terms and conditions of this agreement to (1) reimburse the Developer for the deposits required by this agreement, (2) allow the City or other public agencies to acquire completed public improvements from the Developer, and (3) finance public improvements included in development impact fee programs of the City or other public agencies, applicable to development within the community facilities district, all in accordance with and subject to the terms and conditions of this agreement.

D. In consideration for the mutual undertakings of the parties stated herein, the parties agree as follows.

Agreement

1. The foregoing recitals are true and correct, and the parties expressly so acknowledge.

2. Forthwith upon approval of this agreement by the Commission of CSCDA and execution hereof by the authorized representatives of the parties, the Developer will deposit \$[_____] into a special fund to be established and maintained by CSCDA. CSCDA is authorized to disburse amounts from said fund, from time to time, to pay preliminary and incidental costs and expenses incurred by CSCDA in connection with CSCDA's proceedings to implement the proposed CFD. Without limiting the generality of the foregoing, CSCDA may disburse amounts from said fund to other appropriate funds or accounts of

CSCDA to reimburse CSCDA for the reasonable cost of staff time devoted to said proceedings, as well as to pay third party invoices from consultants retained by CSCDA to assist CSCDA in the implementation of the proposed CFD.

3. In the event that the balance in said fund is drawn down to an amount of less than \$5,000, CSCDA may notify the Developer of such fact, and the Developer shall forthwith provide CSCDA with an additional deposit of \$10,000 or such larger amount specified by CSCDA to assure the continued availability of funds for the payment of such preliminary expenses.

4. Upon completing the legal proceedings pursuant to the Act, a special tax shall be authorized to be levied on the non-exempt real property within the CFD, commencing in the first fiscal year following completion of such processing. CSCDA shall proceed with all due diligence to accomplish issuance and sale of the special tax bonds in one or more series upon the security of the recorded special tax lien to accomplish the authorized purposes of the CFD, including, but not limited to, reimbursement to the Developer for its deposit or deposits pursuant to this agreement and its costs relating to the authorized public improvements and to acquire the completed work and improvements from the Developer upon completion; it being expressly understood that CSCDA has no obligation to proceed with such acquisition until the subject work and improvements have been fully completed to the satisfaction of CSCDA, as determined by an appropriate official of the City or other public agency acquiring the completed work and improvements, in the sole discretion of such person, such discretion not to be exercised arbitrarily or unreasonably per the approved standard details and specifications in place at the time of construction.

5. CSCDA agrees to use its best efforts to accomplish a public offering and sale of the proposed special tax bonds, it being understood that CSCDA intends to accomplish such offering and sale through a negotiated sale to RBC Capital Markets, LLC (the "Underwriter"). To enable CSCDA and the Underwriter to prepare an Official Statement to be utilized in connection with the Underwriter's public offering of the proposed special tax bonds, the Developer agrees to provide such financial information, development program information, title reports, appraisal reports, and such other information as the Underwriter may consider material in connection with preparing the Official Statement and determining feasibility and structure of the proposed special tax bond issue. Such reports and information shall be provided to CSCDA and to the Underwriter at no cost to either, and the actual cost and expense of the Developer shall be eligible for reimbursement from bond sale proceeds, provided that sufficient allowance has been made in the cost estimate and bond sale for that purpose.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their authorized representatives as of the effective date stated above.

CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

By _____
Authorized Signatory

[LEGAL NAME OF DEVELOPER],
a [State] [type of company]

By _____
Authorized Signatory

2016 Regular Meeting Calendar

All Regular Meetings of the Authority will begin at 2:00 PM. The primary location for the first meeting of each month is the League of California Cities, located at 1400 K Street, 3rd Floor, Sacramento, CA 95814. The primary location for the second meeting of each month is the California State Association of Counties, located at 1100 K Street, Sacramento, CA 95814.

| JANUARY | | | | | | |
|---------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 10 | 11 | 12 | 13 | 14 | 15 | 16 |
| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |
| 31 | | | | | | |

| FEBRUARY | | | | | | |
|----------|----|----|----|----|----|----|
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| 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | | | | | |

| MARCH | | | | | | |
|-------|----|----|----|----|----|----|
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| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

| APRIL | | | | | | |
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| 17 | 18 | 19 | 20 | 21 | 22 | 23 |
| 24 | 25 | 26 | 27 | 28 | 29 | 30 |

| MAY | | | | | | |
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| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

| JUNE | | | | | | |
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| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
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| JULY | | | | | | |
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| 31 | | | | | | |

| AUGUST | | | | | | |
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| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | 31 | | | |

| SEPTEMBER | | | | | | |
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| 25 | 26 | 27 | 28 | 29 | 30 | |

| OCTOBER | | | | | | |
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| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | | | | | |

| NOVEMBER | | | | | | |
|----------|----|----|----|----|----|----|
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| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | | | |

| DECEMBER | | | | | | |
|----------|----|----|----|----|----|----|
| S | M | T | W | T | F | S |
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| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

Regular CSCDA Board Meetings highlighted Yellow

January 7th
January 28th
February 4th
February 18th
March 3rd
March 17th
April 7th
April 21st
May 5th
May 19th
June 2nd
June 16th

July 7th
July 21st
August 4th
August 18th
September 1st
September 15th
October 6th (CSAC)
October 20th
November 3rd
November 17th
December 1st
December 15th

Federal Holidays highlighted Red

January 1st – New Year's Day
January 18th – M.L. King, Jr. Day
February 15th – Presidents Day
May 30th – Memorial Day
July 4th – Independence Day
September 5th – Labor Day
October 10th – Columbus Day
November 11th – Veterans Day
November 24th – Thanksgiving
December 26th – Christmas Day (Observed)

RESOLUTION NO. 15R-53

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING, AMONG OTHER MATTERS, DESIGNEES THEREOF TO EXECUTE AND DELIVER ON BEHALF OF THE COMMISSION OR THE AUTHORITY DOCUMENTS REQUIRING SIGNATURE BY A MEMBER OF THE COMMISSION AND AUTHORIZED BY AUTHORITY RESOLUTION

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 entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Statewide Communities Development Authority (the “Authority”) was organized; and

WHEREAS, pursuant to the Agreement, the Authority is administered by a commission (the “Commission”) consisting of seven members (the “Members”) vested with the powers set forth therein, four of which are appointed by the California State Association of Counties (“CSAC”), successor to County Supervisors Association of California, and three of which are appointed by the League of California Cities (the “League”); and

WHEREAS, pursuant to the Agreement, the Commission has the power, by resolution, to the extent permitted by the Act and any other applicable law, to delegate any of its functions to one or more of the Members, its officers or its agents and to cause such designees to take any actions and execute any documents or instruments for and in the name and on behalf of the Commission; and

WHEREAS, given the increase in the number of issues of bonds per year by the Authority and the related documentation since the formation of the Authority, the Commission desires to delegate to certain agents the function of execution and delivery on behalf of the Authority of any documents, certificates or instruments requiring signature by any Member, including any Member acting as an officer of the Commission, that are authorized for execution and delivery by adoption of a resolution of the Authority (each an “Authority Resolution”); and

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

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

Section 2. The Authority hereby appoints Alan Fernandes, and such other persons as may from time to time be appointed pursuant to a resolution of the Authority, as delegates of the Members with certain administrative duties as further specified in Sections 4 and 5 below.

Section 3. The Authority hereby confirms its appointment of Dorothy Holzem and Graham Knaus, originally appointed pursuant to Resolution No. 15R-11, adopted by the Authority on April 9, 2015; Executive Director, Catherine Bando, originally appointed pursuant to Resolution No. 14R-4, adopted by the Authority on February 6, 2014; Laura Labanieh (formerly Laura Campbell), originally appointed pursuant to Resolution No. 13R-20, adopted by the Authority on September 5, 2013, with her name change from Laura Campbell to Laura Labanieh recognized by the Authority pursuant to Resolution No. 14R-58, adopted by the Authority on November 6, 2014; and Norman Coppinger, originally appointed pursuant to Resolution No. 13R-12, adopted by the Authority on May 30, 2013, and revokes its appointment of Nancy Parrish, as delegatee of the Members with certain administrative duties as further specified in Sections 4 and 5 below. Alan Fernandes, Dorothy Holzem and Graham Knaus, Catherine Bando, Laura Labanieh and Norman Coppinger, are each referred to herein as an “Authorized Signatory.”

Section 4. To the extent permitted by the Act or any other applicable law, the Commission hereby delegates to each Authorized Signatory, on behalf of a Member, the administrative authority to execute and deliver, any documents, certificates or instruments requiring signature by any Member, including any Member acting as an officer of the Commission, that are authorized for execution and delivery by Authority Resolution, including, but not limited to, the execution and delivery of any bonds, notes or other evidences of indebtedness issued and/or delivered by the Authority.

Section 5. To the extent permitted by the Act or any other applicable law, the Commission hereby further delegates to each Authorized Signatory, on behalf of a Member, the administrative authority to execute and deliver any amendments, waivers, consents, approvals, notices, orders, requests and other actions of the Authority entered into or given in accordance with the documents approved by an Authority Resolution or as otherwise provided in Resolution No. 00R-5, adopted by the Authority on March 28, 2000, as provided to such Authorized Signatory by staff to the Authority upon the advice of counsel to the Authority.

Section 6. The Commission hereby further delegates to each Authorized Signatory, the administrative authority to record and publish minutes of meetings of the Commission on behalf of the Authority and further authorizes each Authorized Signatory, to delegate such functions to staff of the League or CSAC, as he or she may deem necessary or appropriate.

Section 7. All actions heretofore taken by any Member, Authorized Signatory and other appropriate officers and agents of the Authority with respect to the matters herein contained are hereby ratified, confirmed and approved.

Section 8. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 22, 2015.

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 October 22, 2015.

By _____
Authorized Signatory
California Statewide Communities
Development Authority