



REGULAR MEETING AGENDA

December 7, 2017 at 2:00 p.m.

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

Telephonic Locations:

3252 Southern Hills Drive
Fairfield, CA 94534

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

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

247 Electric Street
Auburn, CA 95603

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

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<input type="checkbox"/> Dan Harrison, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Larry Combs, Vice Chair	<input type="checkbox"/> Dan Mierzwa, Member
<input type="checkbox"/> Kevin O'Rourke, Treasurer	<input type="checkbox"/> Irwin Bornstein, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Brian Moura, Alt. Member
2. Consideration of the Minutes of the November 16, 2017 Regular Meeting and November 29, 2017 Special Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
 - a. John Muir Health, City of Walnut Creek, County of Contra Costa, and City of Concord, County of Contra Costa; issue up to \$140,000,000 in nonprofit revenue bonds.

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- b. Motion Picture & Television Fund, City of Los Angeles, County of Los Angeles; issue up to \$21,000,000 in nonprofit revenue bonds.
 - c. Fairfield Warm Springs Affordable, LP (Warm Springs Apartments), City of Fremont, County of Alameda; issue up to \$35,000,000 in multifamily housing revenue bonds.
 - d. Murrieta Seniors Associates, LP (Heritage Estates Senior Apartments), City of Livermore, County of Alameda; issue up to \$16,640,000 in multifamily housing revenue bonds.
 - e. Cienega Gardens Preservation Limited Partnership (Cienega Gardens Apartments), City of Covina, County of Los Angeles; issue up to \$41,000,000 in multifamily housing revenue bonds.
6. Consideration to act as conduit issuer and approval of fee structure for Gateway Connectors project at Los Angeles International Airport.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, December 21, 2017 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consent Calendar
 - a. Consideration of Simplifile agreement for electronic assessment recording for the CaliforniaFirst program.
 - b. Consideration of Participation Agreement with City of Santa Barbara for PACE.
 - c. Consideration of membership to California Housing Consortium.

December 7, 2017



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

November 16, 2017

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

Commission Chair Dan Harrison called the meeting to order at 2:02 pm.

1. Roll Call.

Commission members present: Dan Harrison, Kevin O' Rourke and Tim Snellings.
Commission members participating via teleconference: Jordan Kaufman and Brian Moura.

Others present: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sedy Young, CSAC Finance Corporation and Brian Spilman, Silverado Homes.

Others participating via teleconference: Patricia Eichar, Orrick, Herrington & Sutcliffe; Jon Penkower, Bridge Strategic Partners; Inder Khalsa, Richards, Watson & Gershon

2. Consideration of the Minutes of the October 19, 2017 Regular Meeting.

The commission approved the minutes.

Motion to approve by K.O'Rourke, Second by Tim Snellings. Unanimously approved by roll-call vote.

3. Consideration of the Consent Calendar.

The Commission approved the following items on the Consent Calendar:

- a. Inducement of Ontario TH Renewal L.P. (Ontario Townhouses), City of Ontario, County of San Bernardino; issue up to \$30 million in multi-family housing revenue bonds.
- b. Consideration of resolution ordering the commencement of judicial foreclosure proceedings pursuant to collect delinquent assessment installments levied pursuant to the CaliforniaFIRST PACE program and directing the removal of delinquent assessment installments from the county tax roll.

- c. Consideration of CSMFO Membership.
- d. Consideration of transfer of CaliforniaFirst assessment administration services from Willdan to David Taussig & Associates.
- e. Consideration of supplemental indenture for Hannon Armstrong related to CSCDA Commercial PACE.
- f. Consideration of supplemental indenture for Renovate America residential PACE program.

Motion to approve consent calendar by K. O'Rourke. Second by T. Snellings. Unanimously approved by roll-call vote.

- 4. Public Comment.

There was no public comment.

- 5. Statewide Community Infrastructure Program (SCIP):

- a. Conduct proceedings with respect to the Statewide Community Infrastructure Program (SCIP) (Hearing to be held at 2pm or shortly thereafter):
 - 1. Open Consolidated Assessment Districts Public Hearing
 - 2. Close Consolidated Assessment District Public Hearing.
 - 3. Open assessment ballots and announce results.

Commission Chair Dan Harrison opened the public hearing with respect to the Statewide Community Infrastructure Program (SCIP). There were no oral or written comments from the public. The hearing was closed. All ballots have been cast in favor of formation of the assessment district, and no ballots have been cast opposed. The assessment districts are being formed for the purpose of financing certain improvements and/or development impact fees.

Motion to close the public hearing by K. O'Rourke. Second by T. Snellings. Unanimously approved by roll-call vote.

- b. Consider the following resolutions with the respect to SCIP:
 - 1. Resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, and confirming unpaid assessment amounts.

Motion to approve by T. Snellings. Second by J. Kaufman. Unanimously approved by roll-call vote.

- 2. Resolution providing for the issuance of separate series of SCIP limited obligation for improvement bonds each in one or more series and approving the form and substance of a trust agreement.

Motion to approve by K. O'Rourke. Second by B.Moura. Unanimously approved by roll call vote.

3. Resolution authorizing the issuance, sale and delivery of not to exceed \$14,500,000 of SCIP Revenue Bonds, Series 2017C and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure agreement, and a preliminary official statement.

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

4. Resolution abandoning proceedings for proposed Assessment District No. 17-03 (City of Antioch, County of Contra Costa, California).

Motion to approve by J. Kaufman. Second by B. Moura. Unanimously approved by roll-call vote.

6. Consideration of Amendment to CSCDA Fee Schedule for Municipal Financings.

Executive Director recommended approval of the amendment to the fee schedule for municipal financings that removes the annual administrative fee. The removal of the fee would allow more cities and counties to participate in CSCDA programs helping generate more business for CSCDA.

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

7. Executive Director Update.

Executive Director Bando reminded the Commission of the upcoming Annual CSCDA meeting in January at the Quail Lodge in Carmel. She encouraged everyone to make hotel arrangements, except for the Commission. CSCDA will be making reservations on their behalf.

8. Staff Updates.

James Hamill asked the Commission to submit any topics of interest to discuss during the Annual Meeting, preferably by next week. He also informed the Commission that the House voted to approve the bill to eliminate private activity bonds, while the Senate version has not eliminated them. The bill also targets the elimination of the New Market Credit. Commissioner Kevin O'Rourke strongly suggested reaching out to other counties and states in order to gain support for opposition to the House bill.

9. Adjourn.

The meeting was adjourned at 2:41 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, December 7, 2017 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814



MINUTES

SPECIAL MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

League of California Cities
1400 K Street, 4th Floor, Sacramento, California 95814

November 29, 2017

MINUTES

Commission Secretary Tim Snellings called the meeting to order at 3:30 pm.

1. Roll Call.

Commission members present: Tim Snellings. Jordan Kaufman, Dan Mierzwa, and Irwin Bornstein participated by teleconference.

CSCDA Executive Director, Catherine Bando, was present.

Jon Penkower, Bridge Strategic Partners, participated by teleconference.

2. Consideration of the Consent Calendar.

- a. Inducement of Aqua Housing LP (Aqua Apartments), City of Santa Ana, County of Orange; issue up to \$30 million in multi-family housing revenue bonds.
- b. Inducement of UHC 00661 Morgan Hill, L.P. (The Crossings on Monterey), City of Morgan Hill, County of Santa Clara; issue up to \$14 million in multi-family housing revenue bonds.
- c. Inducement of Centralia Affordable Communities, L.P. (Hawaiian Gardens Apartments), City of Hawaiian Gardens, County of Los Angeles; issue up to \$70 million in multi-family housing revenue bonds.
- d. Inducement of El Centro Affordable Communities, L.P. (Desert Villas), City of El Centro, County of Imperial; issue up to \$17 million in multi-family housing revenue bonds.
- e. Inducement of Seaview Affordable Communities, L.P. (Seaview Village Apartments), City of Seaside, County of Monterey; issue up to \$35 million in multi-family housing revenue bonds.
- f. Inducement of Sacramento Affordable Communities, L.P. (Mulberry Gardens Apartments), City of Sacramento, County of Sacramento; issue up to \$18 million in multi-family housing revenue bonds.
- g. Inducement of 003 Walnut LLC (003 Walnut Apartments), City of Greenfield, County of Monterey; issue up to \$50 million in multi-family housing revenue bonds.

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

3. Public Comment.

There was no public comment.

4. Secretary Tim Snellings adjourned the meeting at 3:32 pm.

Submitted by: Jon Penkower, CSCDA

NEXT MEETING: Thursday, December 7, 2017 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814



Agenda Item No. 3

Agenda Report

DATE: December 7, 2017
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

- a. Consideration of Simplifile agreement for electronic assessment recording for the CaliforniaFirst program.
With the increased volume of PACE assessments it has been determined moving to electronic recording is the most efficient and economical way to administer the program. CSCDA's General Counsel has reviewed and approved the form and content of the agreement. This will be for the CaliforniaFirst program only at this time.
- b. Consideration of Participation Agreement with City of Santa Barbara for PACE.
The City of Santa Barbara has opted-in to the Open PACE program. As part of its participation they have requested a participation agreement with CSCDA. CSCDA will be taking on more administrative responsibility versus its typical conduit role to ensure compliance of the Open PACE administrators, and avoid the City having to engage each individual administrator. This includes indemnification by CSCDA to the City to operate the Open PACE program within the City. CSCDA's General Counsel has reviewed and approved the content and form of the agreement.
- c. Consideration of membership to California Housing Consortium.
CSCDA is currently a member to CHC. CHC represents the affordable housing community in Sacramento. The membership grants CSCDA access to policy forums, advocacy and annual conferences. The membership fee is \$2,500.



Agenda Item No. 5a

Agenda Report

DATE: December 7, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: John Muir Health

PURPOSE: Authorize the Issuance of Bonds to Finance and Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Healthcare Facilities located in the Cities of Walnut Creek and Concord, County of Contra Costa

AMOUNT: Not to Exceed \$140,000,000

EXECUTIVE SUMMARY:

John Muir Health, a 501c3 nonprofit organization (“John Muir”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$140,000,000 (the “Bonds”) to refinance the acquisition, construction, improvement, renovation and equipping of healthcare facilities located in the Cities of Walnut Creek and Concord (the “Project”). The Bonds are being issued to refinance the aggregate principal amount of CSCDA’s 2009A bonds previously issued for the benefit of John Muir (the “2009 Bonds”). The privately placed advance refunding will preserve John Muir’s ability to pursue a fixed rate tax exempt refunding next year, regardless of the outcome of tax reform. Once John Muir converts the Bonds into a public fixed rate issuance in 2018, \$9.4 million in savings are estimated. This will be the eighth CSCDA financing for John Muir.

PROJECT ANALYSIS:

About John Muir:

John Muir includes two of the largest medical centers in Contra Costa County: John Muir Medical Center, Walnut Creek, a 572-licensed bed medical center that serves as Contra Costa County's only designated trauma center; and John Muir Medical Center, Concord, a 245-licensed bed medical center in Concord. Together, they are recognized as preeminent centers for neurosciences, orthopedics, cancer care, cardiovascular care and high-risk obstetrics. John Muir Health also offers complete inpatient and outpatient behavioral health programs and services at its Behavioral Health Center, a fully accredited, 73-bed psychiatric hospital located in Concord. Other areas of specialty include general surgery, robotic surgery, weight-loss surgery, rehabilitation and critical care. All hospitals are accredited by The Joint Commission, a national surveyor of quality patient care. In

addition, John Muir provides a number of primary care and outpatient services throughout the community and urgent care centers in Brentwood, Concord, San Ramon and Walnut Creek.

Public Agency Approvals:

TEFRA Hearing: TEFRA is scheduled for December 12, 2017 at the City of Concord and December 19, 2017 at the City of Walnut Creek. CSCDA's approval of the financing shall be contingent upon TEFRA approval from both cities.

Economic Development:

- John Muir employs more than 6,000 physicians, nurses and other staff throughout its facilities.
- John Muir's role in the community has generated the establishment of medical clinics, pharmacies, rehabilitation centers and other medical related businesses to assist children in need of continued medical care. In addition, many John Muir employees live, eat and shop within the community and support the local economy.

Public Benefit:

- In 2016, John Muir contributed \$121,748,257 in total community benefits, including quantifiable benefits for the poor and broader community.
- Medi-Cal, Medicaid and Medicare acceptance – John Muir 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 2016, John Muir subsidized more than \$87 million for the unpaid cost of federal, state, and local programs.
- Non-reimbursed community benefit costs – In 2016, John Muir provided more than \$15 million in traditional charity care charges.
- John Muir is the community's only Level 1 Trauma Center.
- John Muir provides a wide array of community program for adults, youth and seniors.
- John Muir provides a Beyond Violence program to help mentor vulnerable youth.
- John Muir provides a volunteer driven mobile community healthcare clinic.

Sources and Uses:

Sources of Funds:

Series 2017 Par Amount:	<u>\$ 93,215,000</u>
Total Sources:	\$ 93,215,000

Uses of Funds:

Refunding 2009 Bonds:	\$ 92,281,850
Cost of Issuance	<u>\$ 933,150</u>
Total Uses:	\$ 93,215,000

Finance Partners:

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

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

Bond Purchaser: Bank of America Merrill Lynch, San Francisco

Finance Terms:

Rating: Unrated
Term: 20 Years
Structure: Private Placement
Estimated Closing: December 21, 2017

CSCDA Policy Compliance:

The financing for John Muir complies with CSCDA's general and issuance policies.

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the issuance of the Bonds and the financing of the Project, subject to TEFRA approval by the City of Concord and City of Walnut Creek;
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. 17NP-__

**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 \$140,000,000 TO REFUND ALL OR A PORTION OF THE OUTSTANDING CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY REVENUE BONDS (JOHN MUIR HEALTH), SERIES 2009A 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 Concord and the City of Walnut Creek are each Program Participants, and such cities are 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, John Muir Health, a California nonprofit public benefit corporation (the "Corporation"), wishes to refund all or a portion of the outstanding California Statewide Communities Development Authority Revenue Bonds (John Muir Health), Series 2009A (the "Prior Bonds"), which financed the construction, improvement, equipping, renovation, rehabilitation, remodeling and other capital projects of health facilities owned and operated by the Corporation and located in the City of Concord and the City of Walnut Creek;

WHEREAS, the Corporation is requesting the assistance of the Authority in refunding all or a portion of the Prior Bonds;

WHEREAS, pursuant to one or more bond indentures (the "Indentures"), between the Authority and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), the Authority will issue the California Statewide Communities Development Authority Revenue Bonds (John Muir Health), Series 2017 in one or more series (the "Bonds") for the purpose, among others, of refunding all or a portion of the Prior Bonds;

WHEREAS, pursuant to one or more loan agreements (the "Loan Agreements"), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of refunding all or a portion of the Prior Bonds;

WHEREAS, pursuant to one or more bond purchase contracts, to be dated the date of sale of the Bonds (the "Purchase Contracts"), between the Authority and the purchasers named therein (the "Purchasers") and approved by the Corporation, the Bonds will be sold to the Purchasers, and the proceeds of such sale will be used as set forth in the Indentures to refund all or a portion of the Prior Bonds and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, the Purchasers will be Approved Institutional Buyers (as defined in the Indentures);

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

- (1) A proposed form of the Indentures;
- (2) A proposed form of the Loan Agreements; and
- (3) A proposed form of the Purchase Contracts.

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 Indentures, the Authority is hereby authorized to issue its revenue bonds designated as the "California Statewide Communities Development Authority Revenue Bonds (John Muir Health), Series 2017," in one or more series in an aggregate principal amount not to exceed one hundred forty million dollars (\$140,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indentures. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to

Resolution No. 17R-4 of the Authority, adopted on March 2, 2017, or any other resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of the Indentures, 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 Indentures in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, method of determining rates, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indentures, as finally executed.

Section 3. The proposed form of the Loan Agreements, 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 Agreements 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 Purchase Contracts, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contracts, 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 Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Purchaser or Purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Purchaser or Purchasers thereof, upon payment of the purchase price thereof.

Section 6. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents

approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 7. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 8. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City of Walnut Creek and the City of Concord have held the hearings pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and have approved the issuance of the Bonds as may be required thereby and in accordance with Section 9 of the Agreement to provide for the refunding of all or a portion of the Prior Bonds.

Section 9. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority
this ____ day of December, 2017.

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 December __, 2017.

By: _____

Authorized Signatory

California Statewide Communities

Development Authority



Agenda Item No. 5b

Agenda Report

DATE: December 7, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Motion Picture & Television Fund

PURPOSE: Authorize the Issuance of Bonds to Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Healthcare Facilities located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$21,000,000

EXECUTIVE SUMMARY:

Motion Picture & Television Fund, a 501c3 nonprofit organization (“MPTF”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$21,000,000 (the “Bonds”) to refinance the acquisition, construction, improvement, renovation and equipping of healthcare facilities located in the City of Los Angeles (the “Project”). The Bonds are being issued to refinance the aggregate principal amount of CSCDA’s 2001A bonds previously issued for the benefit of MPTF (the “2001 Bonds”). The estimated savings for the financing will be approximately \$95,000. The refunding is not for savings, but is mainly to switch from a weekly interest rate mode with a letter of credit agreement to a private placement structure to avoid interest rate risk. This will be the third CSCDA financing for MPTF.

PROJECT ANALYSIS:

About the Motion Picture & Television Fund:

MPTF, a California nonprofit public benefit corporation founded in 1921, is an integrated health and social service organization providing inpatient medical care, retirement community accommodations, social services, temporary financial assistance, child care, and various wellness and education programs to eligible members including retirees of the entertainment industry and their families within Southern California. MPTF operations include a 122-bed multi-level care hospital and skilled nursing facility, a 186 unit retirement community providing independent and assisted living, and a free-standing child care facility.

Public Agency Approval:

TEFRA Hearing: The Project is a current refunding of the 2001 Bonds and bond counsel has confirmed that a TEFRA hearing is not required.

Public Benefit:

- In 2016, MPTF provided \$2,989,351 in financial assistance to its eligible members.
- 4,175 of MPTF members received reduced cost access to financial assistance counseling, child care, elder connection opportunities and health insurance.
- MPTF works with its veteran members to ensure they receive all benefits and assists in tracking down necessary documentation for such benefits.
- MPTF provides a variety of volunteer opportunities to its members to participate in to raise funds for different charities.

Sources and Uses:

Sources of Funds:

Series 2017 Par Amount:	\$ 19,830,000
Total Sources:	\$ 19,830,000

Uses of Funds:

Refunding 2001 Bonds:	\$ 19,430,000
Cost of Issuance:	\$ 396,600
Additional Proceeds:	\$ 3,400
Total Uses:	\$ 19,830,000

Finance Partners:

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

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

Financial Advisor: Kaufman Hall & Associates, Skokie, Illinois

Private Placement Purchaser: Northern Trust; Chicago, Illinois

Finance Terms:

Rating: Unrated

Term: The Bonds will have maturities that mirror the 2001 Bonds with a 14 year term.

Structure: Private Placement

Estimated Closing: December 27, 2017

CSCDA Policy Compliance:

The financing for MPTF 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. 17NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING (1) THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$21,000,000 TO REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF HEALTH CARE, ASSISTED LIVING AND RETIREMENT FACILITIES FOR MOTION PICTURE AND TELEVISION FUND AND OTHER MATTERS RELATING THERETO AND (2) THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO BOND INDENTURE IN CONNECTION WITH THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY VARIABLE RATE REVENUE BONDS (MOTION PICTURE AND TELEVISION FUND), SERIES 2001A AND OTHER MATTERS RELATED 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 Los Angeles (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

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

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

WHEREAS, the Motion Picture and Television Fund, a California nonprofit public benefit corporation (the "Corporation"), wishes to refund on a current basis, all of the outstanding principal amount of the Authority's Variable Rate Revenue Bonds (Motion Picture and Television Fund), Series 2001A (the "Series 2001A Bonds");

WHEREAS, the Corporation is requesting the assistance of the Authority in refunding the Series 2001A Bonds;

WHEREAS, pursuant to a Bond Indenture (the "Indenture"), between the Authority and U.S. Bank National Association (the "Trustee"), the Authority will issue the California Statewide Communities Development Authority Variable Rate Revenue Bonds (Motion Picture and Television Fund), Series 2017A, in one or more series (the "Bonds") for the purpose, among others, of refunding the Series 2001A Bonds;

WHEREAS, pursuant to a Loan Agreement (the "Loan Agreement"), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of refunding the Series 2001A Bonds;

WHEREAS, pursuant a Bond Purchase Contract, to be dated the date of sale of the Bonds (the "Purchase Contract"), between the Authority and The Northern Trust Company (the "Purchaser") and approved by the Corporation, the Bonds will be sold to the Purchaser, and the proceeds of such sale will be used as set forth in the Indenture to refund the Series 2001A Bonds, and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, the Purchaser will be an Approved Institutional Buyer (as defined in the Indenture);

WHEREAS, the Authority and the Trustee, are parties to that certain Bond Indenture, dated as of March 1, 2001, as amended by the First Amendment to Bond Indenture, dated as of May 13, 2011 (collectively, the "Series 2001A Bond Indenture"), pursuant to which the Authority on March 14, 2001 issued the Series 2001A Bonds;

WHEREAS, the Authority, upon request of the Corporation, has determined to amend the Series 2001A Bond Indenture pursuant to a Second Amendment to Bond Indenture, between the Authority and the Trustee (the "Second Amendment to Series 2001A Bond Indenture"), in order to change a requirement in the Series 2001A Bond Indenture whereby the Series 2001A Bonds in the Daily Mode or Weekly Mode are subject to redemption, at the option of the Corporation, in whole or in part on any Interest Payment Date and instead make the Series 2001A Bonds subject to redemption, at the option of the Corporation, in whole or in part on any Business Day;

WHEREAS, Section 9.01(A) of the Series 2001A Bond Indenture permits the amendment of the Series 2001A Bond Indenture, upon the execution of a supplement to the Series 2011A Bond Indenture by the Authority and the Trustee, with the written consent of the Credit Facility Provider and Liquidity Facility Provider for the Series 2001A Bonds;

WHEREAS, The Northern Trust Company is the Credit Facility Provider and Liquidity Facility Provider for the Series 2001A Bonds;

WHEREAS, in connection with the execution and delivery of the Second Amendment to Series 2001A Bond Indenture, approved hereby, the consent of the Credit Facility Provider and Liquidity Facility Provider to the modifications and amendments of the Series 2001A Bond Indenture will be obtained;

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

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Purchase Contract; and
- (4) A proposed form of the Second Amendment to Series 2001A Bond Indenture.

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

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds, designated as the “California Statewide Communities Development Authority Variable Rate Revenue Bonds (Motion Picture and Television Fund), Series 2017A” in an aggregate principal amount not to exceed twenty one million dollars (\$21,000,000), from time to time, in one or more series, with such other name or names of the Bonds or series thereof as designated in the Indenture pursuant to which the Bonds will be issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017, or any other resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates or

methods of determining rates, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the 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 Purchase Contract, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract, 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 form of the Second Amendment to Series 2001A 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 Second Amendment to Series 2001A 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.

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

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

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

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City of Los Angeles 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 for the refunding of the Series 2001A Bonds.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 7th day of December, 2017.

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 December 7, 2017.

By:

Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 5c

Agenda Report

DATE: December 7, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Warm Springs Apartments

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

AMOUNT: Not to Exceed \$35,000,000

EXECUTIVE SUMMARY:

Warm Springs Apartments (the “Project”) is the new construction of a 102-unit rental housing project located in the City of Fremont. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of 102-unit affordable rental housing facility located in the City of Fremont.
- Consists of 51 one-bedroom units, 46 two-bedroom units, four three-bedroom units, and a manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

The project sponsors are Fairfield Residential Company (“Fairfield”) and Wakeland. Fairfield is a fully integrated development company, general contractor, and property management firm with considerable expertise in tax-exempt bond financing and with low income housing tax credit programs. These programs have been the principal funding sources for over 6,400 residential units in 26 projects built or renovated by Fairfield Investment Company LLC and its principals. This is Fairfield’s sixth financing with CSCDA.

Wakeland was founded in 1998 as a nonprofit corporation. Wakeland has developed, acquired and rehabilitated a total of 35 properties and more than 6,500 units of affordable housing over the years, emerging as a leader in affordable housing communities. Wakeland works with a variety of state

and local public agencies and business partners throughout California to produce high-quality, cost-efficient communities.

Public Agency Approval:

TEFRA Hearing: May 2, 2017 – City of Fremont – unanimous approval

CDLAC Approval: November 15, 2017

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 67 units restricted to 60% or less of area median income households.
 - 34 units restricted to 50% or less of area median income households.
 - 1 manager’s unit.
- The Project is in close proximity to recreational facilities, grocery stores and public K-12 schools.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 30,000,000
Taxable Loan:	\$ 12,843,565
Tax Credits:	\$ 3,514,097
Cash Flow:	\$ 408,473
Interest Earnings:	\$ 412,783
Deferred Developer Fee:	<u>\$ 5,850,000</u>
Total Sources:	\$ 53,028,918

Uses of Funds:

Acquisition:	\$ 75,001
Construction Costs:	\$ 39,941,813
Architecture/Engineering:	\$ 2,310,000
Debt Service:	\$ 2,900,000
Loan/Financing Fees:	\$ 630,000
Development Fee:	\$ 5,850,000
Nonprofit Developer Fee:	\$ 250,000
Tax Credit Costs:	\$ 205,479
Reserve:	\$ 331,000
Contingency:	\$ 250,000
Cost of Issuance:	<u>\$ 285,625</u>
Total Uses:	\$ 53,028,918

Finance Partners:

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

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Closing: December 14, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

Attachment A

RESOLUTION NO. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS WARM SPRINGS 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, Fairfield Warm Springs Affordable 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 (Warm Springs Apartments) 2017 Series KK (the "Note") to assist in the financing of the acquisition, construction and development of a 102-unit multifamily housing rental development located in the City of Fremont, County of Alameda, California, and known as Warm Springs Apartments (the "Project");

WHEREAS, on November 15, 2017, the Authority received an allocation in the amount of \$28,500,000 (the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Fremont 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 \$35,000,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

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

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

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

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

(4) Contingency Draw-Down Agreement (the "Contingency Draw-Down Agreement") to be entered into among the Funding Lender, the Borrower and the Fiscal Agent;

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Note (Warm Springs Apartments) 2017 Series KK" 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 \$35,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and

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

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

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

Section 6. The 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 December 7, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 7, 2017.

By _____
Authorized Signatory



Agenda Item No. 5d

Agenda Report

DATE: December 7, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Heritage Estates Senior Apartments

PURPOSE: Approve the Refinancing of Rental Affordable Housing Project Located in the City of Livermore, County of Alameda

AMOUNT: Not to Exceed \$16,640,000

EXECUTIVE SUMMARY:

Heritage Estates Senior Apartments (the “Project”) is the refinancing of a 130-unit mixed income senior housing project located in the City of Livermore. 42% of the units are rent restricted for low-income tenants. Klein Financial Corporation (“Klein”) has requested that CSCDA issue \$16,640,000 in bonds to refinance existing bonds that were issued in 2009 by the Redevelopment Agency of City of Livermore. The refinancing will save approximately \$30,000 per month in principal reserve payments and permit the release of more than \$2,000,000 in an existing principal reserve.

PROJECT ANALYSIS:

Background on Applicant:

Klein, founded in 1984 by Robert N. Klein, II, was created to meet a need in the real estate financing sector for innovative solutions to the lack of affordable housing mortgage financing. The firm provides financial, development, governmental, tax credit and other advisory services to clients pursuing the development of affordable housing and other real estate development opportunities which utilize governmental subsidy programs. Klein also develops real estate projects as a principal to validate new financial technologies and/or innovative project legal and capital structures it designs.

Klein has designed, structured, developed or consolidated approximately \$5.0 billion in bond financing for private developers and governmental agencies. For the most recent 15 years, Klein has developed or financed more than 50 properties, throughout California, Colorado and Arizona, consisting of approximately 12,498 units with a total value of approximately \$1,319,269,000. This will be Klein’s sixth financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: The transaction is a current refunding and bond counsel has confirmed that a TEFRA hearing is not required.

Public Benefits:

- 42% of the units remain rent restricted for 55 years.
 - 55 units restricted to 60% or less of area median income senior households.
- The Project is within walking distance to mass transit, parks, and a shopping center.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 16,640,000
Reserve Fund:	<u>\$ 2,135,420</u>
Total Sources:	\$ 18,775,420

Uses of Funds:

Bond Redemption:	\$ 16,640,000
Fannie Mae Fee:	\$ 332,800
Lender Fees:	\$ 193,200
Costs of Issuance:	\$ 150,000
Project Fund:	<u>\$ 1,459,420</u>
Total Uses:	\$ 18,775,420

Finance Partners:

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

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

Bond Purchaser: Deutsche Bank, New York

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Direct Placement
Estimated Closing: December 15, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A

RESOLUTION NO. 17H-__

**RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY
AUTHORIZING THE ISSUANCE AND DELIVERY OF
MULTIFAMILY HOUSING REFUNDING REVENUE
BONDS RELATED TO THE REFINANCING OF
HERITAGE ESTATES SENIOR APARTMENTS IN THE
CITY OF LIVERMORE, CALIFORNIA, AUTHORIZING
THE EXECUTION AND DELIVERY OF RELATED
DOCUMENTS AND APPROVING ACTIONS IN
CONNECTION THEREWITH**

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 "Act"), 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, among other things, refunding revenue bonds issued by its members in accordance with Article 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the "Refunding Law");

WHEREAS, the Authority hereby finds and declares that it is necessary, essential and a public purpose for the Authority to engage in a program (the "Program") of issuing revenue obligations of the Authority to finance and refinance the acquisition, construction/rehabilitation and development of multifamily rental housing, and has determined to borrow money for such purpose by the issuance and delivery of revenue bonds as authorized by the Act and the Refunding Law;

WHEREAS, the Redevelopment Agency of the City of Livermore (the "Agency"), previously issued its \$16,640,000 Redevelopment Agency of the City of Livermore Multifamily Housing Revenue Refunding Bonds (Livermore Independent Senior Apartments) 2009 Series A, \$16,640,000 aggregate principal amount of which remains outstanding (the "Refunded Bonds");

WHEREAS, the Agency previously made a loan to Murrieta Seniors Associates, LP, a California limited partnership (the "Borrower") in the amount of \$2,000,000 (the "Taxable Loan");

WHEREAS, following the dissolution of the Agency, the City of Livermore (the "City"), elected to retain the housing assets and functions previously performed by the Agency, and declared that the City would act as housing successor to the Agency;

WHEREAS, the City is a member of the Authority;

WHEREAS, the Borrower has requested that the Authority issue and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Heritage Estates Senior Apartments) 2017 Series LL (the "Bonds") for the purpose of making a loan to the Borrower to refinance the acquisition, construction and development of a multifamily housing rental development located in the City, commonly known as "Heritage Estates Senior Apartments" (the "Project"), through the refunding of the Refunded Bonds and the Taxable Loan;

WHEREAS, there has been presented to the Authority the following:

(1) A proposed form of Trust Indenture (the "Indenture") to be entered into by the Authority and Wilmington Trust National Association, as trustee (the "Trustee");

(2) A proposed form of Loan Agreement (the "Loan Agreement") to be entered into by the Authority and the Borrower; and

(3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants, (the "Regulatory Agreement") to be entered into by the Authority and the Borrower, and identifying the City as a third-party beneficiary.

WHEREAS, the principal amount of the Tax-Exempt Bonds will not exceed the current outstanding principal balance of the Refunded Bonds, which is expected to be \$16,640,000 as of the date of issuance of the Bonds;

WHEREAS, the Authority hereby finds and declares that this resolution is being adopted pursuant to the powers granted by the Act and the Refunding Law; and

WHEREAS, all conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance and delivery of the Bonds and the implementation of the Program as contemplated by this resolution and the documents referred to herein exist, have happened and have been performed in due time, form and manner as required by the laws of the State of California, including the Act and the Refunding Law, and the Authority now desires to authorize the issuance and delivery of the Bonds, as provided herein.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY as follows:

Section 1. The Authority hereby finds and declares that the above recitals are true and correct.

Section 2. Pursuant to the Act 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 (Heritage Estates Senior Apartments) 2017 Series LL" with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$19,000,000; provided that the principal amount of the Bonds issued as federally tax-exempt obligations will not exceed the current outstanding principal balance of the Refunded Bonds. Any member of the Commission of the Authority or any other person as may be designated

and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (each, an “Authorized Signatory”), each acting alone, is hereby authorized and directed to execute the Bonds for and in behalf of the Authority by manual or facsimile signature, in the form set forth in the Indenture, with such changes, deletions and insertions as may be approved by such Authorized Signatory and legal counsel to the Authority (the “Authority Counsel”), such approvals being conclusively evidenced by the execution and delivery thereof, provided that the final maturity date of the Bonds shall not exceed July 15, 2039. The Bonds, when executed, shall be delivered to or upon the order of the Bond Purchaser.

Section 3. The Indenture, in the form presented to the Authority, is hereby approved. The Authorized Signatories, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Indenture with such changes, additions or deletions as may be approved by such Authorized Signatory and Authority Counsel, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Loan Agreement, in the form presented to the Authority, is hereby approved. The Authorized Signatories, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Loan Agreement with such changes, additions or deletions as may be approved by such Authorized Signatory and Authority Counsel, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Regulatory Agreement, in the form presented to the Authority, is hereby approved. The Authorized Signatories, each acting alone, are hereby authorized for and in behalf of the Authority to execute and deliver the Regulatory Agreement with such changes, additions or deletions as may be approved by such Authorized Signatory and Authority Counsel, such approvals to be conclusively evidenced by the execution and delivery thereof.

Section 6. 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 7. 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 8. All actions heretofore taken by the officers of the Authority with respect to the establishment of the Program and the execution and delivery of the Bonds are hereby approved, confirmed and ratified, and the proper officers of the Authority, including the Authorized Signatories, the Secretary of the Authority and Authority Counsel, are 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 which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Bonds in accordance with this Resolution and resolutions heretofore adopted by the Authority and in order to carry out the Program, including but not limited to those certificates, agreements and other documents described in the documents herein approved and any certificates, agreements or documents as may be necessary to further the purpose hereof or provide additional security for the Bonds, but which shall not create any obligation or liability of the Authority other than with respect to the revenues and assets derived from the proceeds of the Bonds or otherwise under the documents listed above.

Section 9. Each Authorized Signatory, acting alone, is hereby authorized to execute and deliver any future amendments to the documents authorized to be executed and delivered pursuant to this Resolution, without further action of the Authority, for the purposes of (i) adding to the covenants and agreements of the Borrower; (ii) assigning or pledging additional security for the Bonds; (iii) curing any ambiguity, inconsistency or omission or supplement any defective provision of the Indenture, the Loan Agreement, the Regulatory Agreement or the Purchase Agreement; (iv) the addition or deletion of provisions relating to the transfer or sale of the Bonds; and (v) providing for any additional procedures, covenants or agreements necessary to maintain the tax-exempt status of interest on the Bonds; provided such amendments are (1) made pursuant to the terms of such documents, (2) are consistent with such documents, (3) do not require the consent of the holder of the Bonds and (4) do not provide for any additional duties or costs with respect to the Authority.

This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this December 7, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on December 7, 2017.

By _____
Authorized Signatory



Agenda Item No. 6

Agenda Report

DATE: December 7, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Gateway Connectors

PURPOSE: Act as conduit issuer and approval of fee structure for Gateway Connectors project at Los Angeles International Airport.

EXECUTIVE SUMMARY:

In September 2016, Los Angeles World Airports (“LAWA”) shortlisted the Gateway Connectors consortium (“GC”), led by Kiewit Development Company (“KDC”), Skanska Infrastructure Development (“Skanska ID”) and Meridiam Infrastructure North America II (“Meridiam”, together with KDC and Skanska ID, the “Sponsors”) to design, build, finance, operate and maintain the Automated People Mover (the “Project”) at the Los Angeles International Airport (“LAX”). Attachment A contains a more detailed project description.

The Sponsors have requested that CSCDA serve as the conduit issuer for the potential bonds if they are chosen as the consortium to complete the Project. Part of the submission to LAWA will include CSCDA as part of the finance team. The bonds are anticipated to be approximately \$1 billion. If awarded the project, the financing would be brought back to the Commission for review and approval. Orrick, Herrington & Sutcliffe will be acting as counsel to the transaction.

PROJECT ANALYSIS:

About the Project:

LAX is one of the world’s busiest origin & destination airports. In 2016, LAX handled nearly 700,000 aircraft landings and takeoffs and 81 million passengers. LAX is the second busiest airport in the United States, and the fourth busiest in the world. It is anticipated that by 2030, LAX will see over 96 million passengers annually.

Today, LAX is experiencing heavy traffic congestion during peak hours; buses, shuttles and cars competing for limited curb and roadway space; and passengers stuck in crowded and uncomfortable conditions along the curb. In order to address the airport’s ongoing congestion challenge of dealing with over 6,000 vehicles per hour at peak periods, LAWA is procuring the Landside Access Modernization Program (“LAMP”).

The objectives of LAMP include:

- Transform LAX into a world-class destination airport and enhance the passenger experience;
- Relieve traffic congestion in LAX and on area surface streets and roads;
- Connect to transit, reducing private vehicles trips to LAX;
- Create new options for passenger pick-up and drop-off;
- Give passengers a fast and reliable new way to get to their flights; and
- Reduce vehicle emissions and improve air quality.

The LAMP program will include the following:

- The LAX Automated People Mover (“APM”) Project;
- Two Intermodal Transportation Facilities (“ITF”);
- The Consolidated Car Rent-A-Car facility (“ConRAC”);
- A Metro connection; and
- Improvements within LAX and other nearby roadway improvements.

CSCDA Fees:

Due to the unique nature of the financing the Project does not fit within CSCDA’s standard fee schedule. Staff and the Executive Director have consulted with the Chair, Vice Chair and Treasurer for CSCDA, and recommend the following issuance and annual administration fees and respective fee caps for the Project.

The proposed issuance fee will be 5 bps capped at \$200,000, and an annual administration on the outstanding amount will be 1.5 bps capped at \$125,000.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Authorize the Sponsors to reference CSCDA as the potential conduit issuer for the Project;
2. Approve CSCDA fees as follow: Issuance fee will be 5 bps capped at \$200,000, and annual administration on the outstanding amount will be 1.5 bps capped at \$125,000.

ATTACHMENT A

PROJECT DESCRIPTION

- ✓ The Project is the primary LAMP component and a critical part of the airport long awaited modernization. The APM will provide reliable, time-certain access to the airline terminals for passengers, employees and other users.
- ✓ The Project will provide free, 24 hour driverless transportation between the LAX, and new airport landside facilities to the east of the LAX, including to the Metro and the future ConRAC (a c.10 minute trip from the ConRAC to the LAX West Station).
- ✓ Procured as a 30-year Design Build Finance Operate Maintain P3 contract.
- ✓ Importantly the Project will be delivered as a closed loop system within an elevated guideway and no interfaces with road traffic.
- ✓ The Project scope of works includes :
 - Design, construction, operation and maintenance of 2.25 miles of elevated, grade-separated guideway
 - Design, construction, operation and maintenance of five stand-alone stations and installation of APM operating system components within the 6th station , enclosure provided by the ConRAC developer
 - Supply, operation and maintenance of the vehicles (4-car vehicles (50 passengers per car); up to 5,600 passenger /hour/direction; simultaneous operation of up to 9 vehicles)
 - Design and construction of a mezzanine access to the Airport Metro Connector transit station on the 96th Street and design, construction, operation and maintenance of pedestrian walkways
 - Demolition and reconstruction of P2A and P2B garages
 - Design, construction, operation and maintenance of Maintenance & Storage Facility (“M&SF”) and traction power substations
- ✓ The Project construction is expected to last 5 years (with an operation start date by March 2023).
- ✓ The Project benefits from strong political support within Los Angeles as it is a key component of the LAMP to relieve traffic congestion within LAX and surrounding street network. The Project will be a prime asset to the LA’s 2028 Olympic Games.