



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



**AGENDA OF THE  
REGULAR MEETING OF THE  
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

**February 7, 2013**

**10:00 a.m.**

**League of California Cities  
1400 K Street, 3<sup>rd</sup> Floor  
Sacramento, California**

County of Yuba  
915 8th Street, Suite 103  
Marysville, CA 95901

County of Monterey  
168 West Alisal Street  
Salinas, CA 93901

City of Stanton  
7800 Katella Avenue  
Stanton, CA 90680

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the January 24, 2013 Annual Meeting.
- III. Staff Updates.
- IV. Approve Consent Calendar.
- V. Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:
  - a. Gilroy Park Investors, L.P. (Gilroy Park Apartments), City of Gilroy, County of Santa Clara; up to \$13,000,000 in multi-family housing debt obligations.
- VI. Discuss and approve Supplemental Bond Trust Indenture for the American Baptist Homes of the West Series 2010 revenue bonds.

This \_\_\_ page agenda was posted at \_\_\_\_\_ on \_\_\_\_\_, 2013 at \_\_: \_\_ m, Signed  
\_\_\_\_\_. Please fax signed page to (925) 933-8457.

VII. City of Pleasant Hill CFD approval:

Adopt a resolution authorizing the issuance, sale and delivery of not to exceed \$7,000,000 aggregate principal amount of 2013 Revenue Bonds, Series A (Pleasant Hill Downtown Community Facilities District No. 1) AND NOT TO EXCEED \$100,000 aggregate principal amount of 2013 Taxable Revenue Bonds, Series A-T (Pleasant Hill Downtown Community Facilities District No. 1) for the purpose of refinancing the City of Pleasant Hill Pleasant Hill Downtown Community Facilities District No. 1 Refunding Special Tax Bonds Subordinated Series 2002 and providing for the terms and conditions for the issuance of said bonds and approving other actions and matters related thereto.

VIII. Public Comment.

IX. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
CONSENT CALENDAR**

1. Induce the following projects:
  - a. Preservation Partners Development III, LLC (Casa de Cortez Apartments), City of Fallbrook, County of San Diego; issue up to \$5 million in multi-family housing debt obligations.
  - b. Psalms 127, LLC (Naomi Gardens Apartments), City of Arcadia, County of Los Angeles; issue up to \$13 million in multi-family housing debt obligations.
  - c. Steel Properties, LLC (Inglewood Gardens), City of Stockton, County of San Joaquin; issue up to \$8 million in multi-family housing debt obligations.
2. Approve the following invoices for payment:
  - a. David Taussig & Associates Invoice #1212009.
  - b. David Taussig & Associates Invoice #1212090.
3. Approve the Continuing Disclosure Annual Report for the Pooled Tobacco Securitization Program.

Thursday, February 7, 2013.

**Note: Persons requiring disability-related modification or accommodation to participate in this public meeting should contact (925) 933-9229, extension 225.**

**Item II**

Approve the Minutes of the January 24, 2013 Annual Meeting.

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

California State Association of Counties  
1100 K Street, Sacramento, California

January 24, 2013

**MINUTES**

Commission Vice Chair Kevin O'Rourke called the meeting to order at 10:00 a.m.

**I. Roll Call**

Commission members present: Kevin O'Rourke, Terry Schutten, Tim Snellings and Dwight Stenbakken. Alternate Commissioner Ron Holly represented Commissioner Larry Combs. Commissioner Dan Mierzwa participated by conference telephone.

Others present included: James Hamill, Bryan Shumey, Caitlin Lanctot, and Scott Carper, CSCDA staff; Dan Harrison and Perry Stottlemeyer, the League of California Cities; Laura Campbell and Nancy Parrish, CSAC Finance Corporation; Greg Stepanicich, Richards Watson & Gershon; and Mark Paxson, State Treasurer's Office.

**II. Election of Officers**

The commission elected the following officers:

- A. Chair: Larry Combs  
Motion by Schutten; second by Snellings; unanimously approved by roll-call vote.
- B. Vice Chair: Kevin O'Rourke  
Motion by Schutten; second by Stenbakken; unanimously approved by roll-call vote.
- C. Secretary: Dwight Stenbakken  
Motion by Schutten; second by Snellings; unanimously approved by roll-call vote.
- D. Treasurer: Terry Schutten  
Motion by Snellings; second by Stenbakken; unanimously approved by roll-call vote.

**III. Approval of Minutes— January 10, 2013**

The commission approved the minutes for the regular meeting held January 10, 2013.

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

**IV. Staff Updates.** There were none.

**V. Approval of Consent Calendar**

The commission approved by consent the following items:

A. Approval of the following invoices for payment:

1. BLX Invoice #41987-401/011013.
2. BLX Invoice #41987-520/011013.
3. BLX Invoice #41987-597/011013.
4. BLX Invoice #41987-768/011013.
5. BLX Invoice #41987-847/011013.
6. BLX Invoice #41987-916/011013.
7. BLX Invoice #41987-1007/011013.
8. BLX Invoice #41987-1255/011013.
9. BLX Invoice #41987-1400/011013.

B. Approval of the following Agencies as Program Participants:

1. City of San Dimas
2. Town of Colma
3. Arcade Creek Recreation & Park District

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

**VI. Financing Approval—American Baptist Homes of the West**

The commission approved resolutions approving the financing; all necessary actions, the execution and delivery of all necessary documents; and authorized any member or authorized signatory to sign all necessary financing documents for equipment lease financing up to \$10 million for American Baptist Home of the West, a 501(c)(3) corporation

Motion by Mierzwa; second by Snellings; unanimously approved by roll-call vote.

**VII. Special Tax for CFD 2012-02 Manteca Lifestyle Center**

The commission approved waiving the full reading of the ordinance and adopted the ordinance levying a special tax for Community Facilities District 2012-02 Manteca Lifestyle Center.

Motion by Stenbakken; second by Snellings; unanimously approved.

**VIII. Professional Services Review**

The commission appointed an *ad hoc* committee consisting of Larry Combs, Kevin O'Rourke and Ron Holly to establish protocol, review standards, timing and any other

necessary items for review of contracted professional services. The *ad hoc* committee will present recommendations for consideration by the commission at the February 23, 2013 meeting.

Motion by Snellings; second by Stenbakken; unanimously approved by roll-call vote.

#### **IX. 2012 CSCDA Annual Report**

The commission received a report on activity during 2012. Highlights included:

- 1,876 affordable housing units created or preserved,
- 2 charter schools and 5 private K-12 schools financed, and
- 4 healthcare facilities financed with nearly \$1.22 billion in tax exempt bonds.

**X. Public Comments.** There were none.

#### **XI. Adjournment.**

Commission Vice Chair Kevin O'Rourke adjourned the meeting at 10:48 a.m.

Submitted by: Daniel B. Harrison, Assistant to the Secretary

*The next regular meeting of the commission is scheduled for  
Thursday, February 7, at 10:00 a.m.  
in the offices of the League of California Cities at 1400 K Street, Sacramento, CA.*

## Item IV

### Approve Consent Calendar

1. Induce the following projects:
  - a. Preservation Partners Development III, LLC (Casa de Cortez Apartments), City of Fallbrook, County of San Diego; issue up to \$5 million in multi-family housing debt obligations.
  - b. Psalms 127, LLC (Naomi Gardens Apartments), City of Arcadia, County of Los Angeles; issue up to \$13 million in multi-family housing debt obligations.
  - c. Steel Properties, LLC (Inglewood Gardens), City of Stockton, County of San Joaquin; issue up to \$8 million in multi-family housing debt obligations.





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## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2013027**  
Name of Developer: **Preservation Partners Development III, LLC**  
Primary Contact: **Chuck Treach**  
Title: **Development Officer**  
Address: **21515 Hawthorne Blvd, Suite 125  
Torrance, CA 90503**  
Telephone Number: **(310) 802-6681**  
Fax Number: **(310) 802-6680**  
E-mail: **chuck@preservationpartners.org**

### BORROWER DESCRIPTION

Type of Entity: ☐ For-profit Corporation ☐ Non-profit Corporation  
☐ Municipality ☒ Partnership  
☐ Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **TBD**

Date Established: **to be set up**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **15**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **15**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **RED Capital**

Contact: **Nicholas Hamilton**

Address: **3033 5th Ave, Suite 210  
San Diego, CA 92103**

Telephone: **(619) 471-0110**

Fax: **(619) 471-0123**

E-mail: **nahamilton@redcapitalgroup.com**

#### BOND COUNSEL

Firm: **Orrick, Herrington, Sutcliffe, LLP**

Contact: **Justin Cooper**

Address: **405 Howard Street  
San Francisco, CA 94105**

Telephone: **(415) 392-1122**

Fax: **(415) 773-5759**

E-mail: **jcooper@orrick.com**

Application Number: **2013027 - Casa De Cortez**  
Name of Borrower: **Preservation Partners Development III, LLC**

### PROJECT DESCRIPTION

Current Project Name: **Casa De Cortez**  
New Project Name:  
Project Street Address: **528 De Luz Road**  
City: **Fallbrook** State: **CA** Zip Code: **92028**  
County: **San Diego**  
Is Project located in unincorporated part of the County? **Yes**  
Total Number of Units: Market: **0** Restricted: **32** Total Units: **32**  
Lot Size: **.92 acres**  
Amenities: **Tot Lot, BBQ Area, Laundry Facility**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, Stucco, 2 Story, 6 Buildings**

Type of Housing: ☐ New Construction ☒ Family  
☒ Acq/Rehab ☐ Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:

Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext. \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
E-mail: \_\_\_\_\_

### PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **100% - 28 out of 32 units have a Section 8 Project Base Contract**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **10% at 50%ami 90% at 60% ami**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	1	\$756	\$1,000	\$244
1 Bedroom	60	7	\$875	\$1,000	\$125
2 Bedrooms	50	1	\$907	\$1,150	\$243
2 Bedrooms	60	13	\$990	\$1,150	\$160
3 Bedrooms	50	1	\$1,045	\$1,300	\$255
3 Bedrooms	60	9	\$1,045	\$1,300	\$255

Remarks: **28 of the units are covered under a Section 8 project based contract. We will be preserving the affordable housing on this site. It is our intention to receive a 20 year Section 8 project base contract from HUD. All utilities are paid by the landlord. Section 8 rent levels will be requested at market levels.**

## SERVICES PROVIDED

- ## ENVIRONMENT

## WORKFORCE

## GOVERNMENTAL INFORMATION

Page 3 of 5

Application Number: **2013027 - Casa De Cortez**  
 Name of Borrower: **Preservation Partners Development III, LLC**

### FINANCING STRUCTURE

Type of Financing: ☒ Public Sale ☐ Private Placement ☐ Refunding  
 For Refundings only: Will you be applying for State Volume Cap? **No**  
 For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_  
 Maturity: **40 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

Credit Enhancement: ☐ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☒ Freddie Mac  
☐ Bond Insurance ☒ Other (specify): **GNMA**

Name of Credit Enhancement Provider or Private Placement Purchaser: **GNMA**

#### PERMANENT FINANCING:

Credit Enhancement: ☐ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☒ Freddie Mac  
☐ Bond Insurance ☒ Other (specify): **FHA 221 D4 loan**

Name of Credit Enhancement Provider or Private Placement Purchaser: **FHA**

Expected Rating: ☒ Unrated ☐ S & P \_\_\_\_\_  
☐ Moody's \_\_\_\_\_ ☐ Fitch \_\_\_\_\_

Projected State Allocation Pool: ☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

### SOURCES & USES

CONSTRUCTION SOURCES		USES	
Tax-Exempt Bond Proceeds:	<b>\$3,990,000</b>	Land Acquisition:	<b>\$539,280</b>
Taxable Bond Proceeds:		Building Acquisition:	<b>\$2,340,720</b>
Tax Credits:	<b>\$1,748,984</b>	Construction or Remodel:	<b>\$1,762,896</b>
Developer Equity:	<b>\$296,726</b>	Cost of Issuance:	<b>\$416,147</b>
Other Funds(Describe):		Capitalized Interest:	<b>\$84,289</b>
Construction Period NOI	<b>\$155,990</b>	Reserves:	<b>\$159,600</b>
_____	.....	Other Funds(Describe):	
_____	.....	Relocation	<b>\$63,000</b>
_____	.....	Consultants	<b>\$50,000</b>
_____	.....	Other Soft Cost	<b>\$94,950</b>
<b>TOTAL:</b>	<b>\$6,191,700</b>	Developer Fee	<b>\$658,333</b>
		TCAC Fees	<b>\$22,485</b>
		<b>TOTAL:</b>	<b>\$6,191,700</b>

Application Number: **2013027 - Casa De Cortez**

Name of Borrower: **Preservation Partners Development III, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>N/A</b>	Firm: <b>TBD</b>
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
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A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
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\*Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2999 Oak Road, Suite 710  
Walnut Creek, CA 94597



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2013028**  
Name of Developer: **Psalms 127, LLC**  
Primary Contact: **Celia Watson**  
Title: **Managing Member**  
Address: **1171 Hammond Creek Trail  
Bogart, GA 30622**  
Telephone Number: **(706) 433-1880**  
Fax Number: **TBD**  
E-mail: **eebecker@cox.net**

### BORROWER DESCRIPTION

Type of Entity: ☐ For-profit Corporation ☐ Non-profit Corporation  
☐ Municipality ☒ Partnership  
☐ Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **TBD**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **0**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **0**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **Red Capital Markets**

Contact: **Nick Hamilton**

Address: **3033 5th Ave, Suite 210  
San Diego, CA 92103**

Telephone: **(619) 471-0117**

Fax: **(619) 471-0123**

E-mail: **nahamilton@redcapitalgroup.com**

#### BOND COUNSEL

Firm: **Orrick**

Contact: **Justin Cooper**

Address: **405 Howard Street  
San Francisco, CA 94105**

Telephone: **(415) 773-5908**

Fax: **(415) 773-5759**

E-mail: **jcooper@orrick.com**

Application Number: **2013028 - Naomi Gardens**

Name of Borrower: **Psalms 127, LLC**

#### PROJECT DESCRIPTION

Current Project Name: **Naomi Gardens**

New Project Name:

Project Street Address: **655 West Naomi Avenue**

City: **Arcadia** State: **CA** Zip Code: **91007**

County: **Los Angeles**

Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **1** Restricted: **100** Total Units: **101**

Lot Size: **Approx 1 acre**

Amenities: **Range, Refrigerator, AC, Common laundry facility, community room / kitchen, internet access, secured entry, patio open area**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **4 Story, Wood Frame / Stucco Over Concrete Parking, 1 Building**

Type of Housing: ☐ New Construction ☐ Family  
☒ Acq/Rehab ☒ Senior Is this an Assisted Living Facility? **No**

City or county contact information:

Contact Name: **TBD TBD**  
Title: **TBD**  
Phone Number: **TBD**  
Fax Number: **TBD**  
E-mail: **TBD@TBD.com**

#### PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **100%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **10% @ 50% AMI : 90% @ 60% AMI**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	<b>50</b>	<b>10</b>	<b>\$748</b>	<b>\$1,224</b>	<b>\$476</b>
1 Bedroom	<b>60</b>	<b>90</b>	<b>\$904</b>	<b>\$1,224</b>	<b>\$320</b>

Remarks: **Market Rent estimate based on current Section 8 HAP rent, net of utility allowance**

**OTHER PUBLIC BENEFIT****SERVICES PROVIDED**

- ☒ High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- ☐ After school program of an on going nature for the minimum of 10 years.
- ☐ Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- ☐ Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- ☐ Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT****Energy**

Does the facility exceed Title 24 Standards? ☐ Yes ☐ No ☒ N/A

If Yes, by what percent? \_\_\_\_\_%

Does the facility have solar(PV) panels? ☐ Yes ☐ No ☒ N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits? ☐ Yes ☐ No ☒ N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets? ☐ Yes ☐ No ☒ N/A

Water-saving showerheads? ☐ Yes ☐ No ☒ N/A

Drought tolerant landscaping? ☐ Yes ☐ No ☒ N/A

Other, specify: \_\_\_\_\_

**Transportation**

Does the entity provide carpooling or mass-transit subsidies? ☐ Yes ☐ No ☒ N/A

Does the entity maintain a fuel efficient fleet? ☐ Yes ☐ No ☒ N/A

**Waste**

Does the project provide recycling facilities? ☐ Yes ☐ No ☒ N/A

**WORKFORCE****Employment Creation**

Job Type/Description	During Construction	Post Construction
<u>Various (estimate based on 50% of jobs created by 100 unit new const</u>	<u>40</u>	<u>20</u>

**GOVERNMENTAL INFORMATION**

Congressional District #

26

State Senate District #

29

State Assembly District #

44



Application Number: **2013028 - Naomi Gardens**

Name of Borrower: **Psalms 127, LLC**

### FINANCING STRUCTURE

Type of Financing: ☒ Public Sale ☐ Private Placement ☐ Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **35 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

Credit Enhancement: ☐ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☒ Other (specify): **FHA**

Name of Credit Enhancement Provider or Private Placement Purchaser: **Red Mortgage Capital LLC as FHA / MAP Lender**

#### PERMANENT FINANCING:

Credit Enhancement: ☒ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☐ Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

Expected Rating: ☐ Unrated ☒ S & P **AA+**  
☐ Moody's \_\_\_\_\_ ☐ Fitch \_\_\_\_\_

Projected State Allocation Pool: ☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$9,045,902</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$1,330,651</b>
Developer Equity:	<b>\$799,270</b>
Other Funds(Describe):	
Seller Carryback	<b>\$6,194,510</b>
Other Deferred costs	<b>\$705,269</b>
_____	.....
_____	.....
_____	.....
<b>TOTAL:</b>	<b>\$18,075,602</b>

#### USES

Land Acquisition:	<b>\$2,525,000</b>
Building Acquisition:	<b>\$7,575,000</b>
Construction or Remodel:	<b>\$2,829,500</b>
Cost of Issuance:	<b>\$292,012</b>
Capitalized Interest:	<b>\$430,976</b>
Reserves:	<b>\$958,950</b>
Other Funds(Describe):	
Legal & Accounting	<b>\$250,000</b>
Contractor Fees	<b>\$250,000</b>
Delvelper Fee	<b>\$1,730,000</b>
Design & Engineering	<b>\$152,650</b>
Other Fees and soft costs	<b>\$1,081,514</b>
<b>TOTAL:</b>	<b>\$18,075,602</b>

Application Number: **2013028 - Naomi Gardens**

Name of Borrower: **Psalms 127, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>N/A</b>	Firm: <b>TBD</b>
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
-------------------	-----------------------------------

A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
---	---

\*Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2999 Oak Road, Suite 710  
Walnut Creek, CA 94597



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2013032**  
Name of Developer: **Steele Properties LLC**  
Primary Contact: **Jennifer Cloud**  
Title: **Project Manager**  
Address: **6795 E Tennessee Ave, Suite 5th floor  
Denver, CO 80224**  
Telephone Number: **(303) 226-9120**  
Fax Number: **(303) 322-2320**  
E-mail: **jcloud@steelellc.com**

### BORROWER DESCRIPTION

Type of Entity: ☐ For-profit Corporation ☐ Non-profit Corporation  
☐ Municipality ☒ Partnership  
☐ Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **CHC Inglewood LP, a California limited partnership**

Date Established: **2/01/2005**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **18**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **18**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **Merchant Capital, L.L.C.**

Contact: **John Rucker**

Address: **Lakeview Center, Suite 400  
Montgomery, AL 36117**

Telephone: **(334) 834-5100**

Fax: **(334) 269-0902**

E-mail: **john.rucker@merchantcapital.com**

#### BOND COUNSEL

Firm: **Kutak Rock LLP**

Contact: **Toger Swanson**

Address: **1650 Farnam Street  
Omaha, CA 68102**

Telephone: **(402) 346-6000**

Fax: **(402) 346-1148**

E-mail: **toger.swanson@kutakrock.com**

Application Number: **2013032 - Inglewood Gardens**

Name of Borrower: **Steele Properties LLC**

#### PROJECT DESCRIPTION

Current Project Name: **Inglewood Gardens**

New Project Name:

Project Street Address: **6433 Inglewood Avenue**

City: **Stockton** State: **CA** Zip Code: **95207**

County: **San Joaquin County**

Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **21** Restricted: **63** Total Units: **84**

Lot Size: **2.9 Acres**

Amenities: **Property amenities include ample off-street parking, including one covered parking space per unit (carport), two on-site laundry rooms, a meeting room, and secured entrances into each building. The site also features a fence around 3/4 of the property.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Inglewood Gardens Is A Garden-style Property Built In 1979 Featuring 3 Wood Frame, Two-story Residential Buildings.**

Type of Housing: ☐ New Construction ☒ Family  
☒ Acq/Rehab ☐ Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:

Contact Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Ext. \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

#### PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **75%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **40% at 60% of AMI and 75% at 80% of AMI**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
Studio	60	5	\$690	\$775	\$85
Studio	80	5	\$690	\$775	\$85
1 Bedroom	60	6	\$775	\$870	\$95
1 Bedroom	60	15	\$805	\$905	\$100
1 Bedroom	80	13	\$805	\$905	\$100
1 Bedroom	80	5	\$775	\$870	\$95
2 Bedrooms	60	8	\$870	\$970	\$100
2 Bedrooms	80	6	\$870	\$970	\$100

Remarks: **This is a Project Based Section 8 property and the restricted rent shown above is the combined Section 8 subsidy plus resident's portion of the rent. Resident's portion of the rent will be**

**OTHER PUBLIC BENEFIT****SERVICES PROVIDED**

- ☐ High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- ☐ After school program of an on going nature for the minimum of 10 years.
- ☐ Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- ☐ Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- ☐ Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT****Energy**Does the facility exceed Title 24 Standards? ☐ Yes ☒ No ☐ N/A

If Yes, by what percent? \_\_\_\_\_%

Does the facility have solar(PV) panels? ☐ Yes ☒ No ☐ N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits? ☐ Yes ☒ No ☐ N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets? ☐ Yes ☒ No ☐ N/AWater-saving showerheads? ☐ Yes ☒ No ☐ N/ADrought tolerant landscaping? ☐ Yes ☒ No ☐ N/A

Other, specify: \_\_\_\_\_

**Transportation**Does the entity provide carpooling or mass-transit subsidies? ☐ Yes ☒ No ☐ N/ADoes the entity maintain a fuel efficient fleet? ☐ Yes ☒ No ☐ N/A**Waste**Does the project provide recycling facilities? ☐ Yes ☒ No ☐ N/A**WORKFORCE****Employment Creation**

Job Type/Description	During Construction	Post Construction
None	0	0

**GOVERNMENTAL INFORMATION**

Congressional District #

9

State Senate District #

5

State Assembly District #

13

Application Number: **2013032 - Inglewood Gardens**

Name of Borrower: **Steele Properties LLC**

### FINANCING STRUCTURE

Type of Financing: ☒ Public Sale ☐ Private Placement ☐ Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **35 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

Credit Enhancement: ☒ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☐ Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

#### PERMANENT FINANCING:

Credit Enhancement: ☒ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☐ Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

Expected Rating: ☐ Unrated ☒ S & P **A**  
☐ Moody's \_\_\_\_\_ ☐ Fitch \_\_\_\_\_

Projected State Allocation Pool: ☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding?: **No**

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$5,587,150</b>
Taxable Bond Proceeds:	
Tax Credits:	
Developer Equity:	
Other Funds(Describe):	
_____	.....
_____	.....
_____	.....
_____	.....
_____	.....
<b>TOTAL:</b>	<b>\$5,587,150</b>

#### USES

Land Acquisition:	
Building Acquisition:	<b>\$4,900,000</b>
Construction or Remodel:	<b>\$50,400</b>
Cost of Issuance:	<b>\$245,266</b>
Capitalized Interest:	
Reserves:	<b>\$162,827</b>
Other Funds(Describe):	
Third party report costs	<b>\$45,200</b>
Legal fees	<b>\$37,500</b>
Property tax and insurance impounds	<b>\$23,500</b>
Brokerage fees	<b>\$78,347</b>
Title, recording and misc.	<b>\$44,110</b>
<b>TOTAL:</b>	<b>\$5,587,150</b>

Application Number: **2013032 - Inglewood Gardens**

Name of Borrower: **Steele Properties LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>N/A</b>	Firm: <b>TBD</b>
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
-------------------	-----------------------------------

A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
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\*Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2999 Oak Road, Suite 710  
Walnut Creek, CA 94597

Item IV

Approve Consent Calendar

2. Approve the following invoices for payment:
  - a. David Taussig & Associates Invoice #1212009.
  - b. David Taussig & Associates Invoice #1212090.



# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000, Newport Beach, CA 92660

Project No: 12-10012.000

Invoice No: 1212009

December 31, 2012

James Hamill  
Calif. Statewide Community Development Authority  
2033 No. Main Street #700  
Walnut Creek, CA 94596

Project 12-10012.000 CSCDA/CFD Otay Mesa Sewer Project

Professional Services through December 31, 2012

Dear Mr. Hamill:

This invoice is submitted for professional consulting services in association with formation of a CFD for Otay Mesa Sewer project. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services	Hours	Rate	Amount
Managing Director			
Roess, Andrea			
12-03-12 Discuss feasibility study	.25	225.00	56.25
12-10-12 Review City comments	.25	225.00	56.25
12-11-12 Conf call with John and RJ, discuss with Nehal	1.25	225.00	281.25
12-13-12 Review feasibility info from RJ	.25	225.00	56.25
12-17-12 Review RMA, call with RJ, coord with Nehal	.75	225.00	168.75
12-18-12 Review RMA, review prepay scenarios	.75	225.00	168.75
12-19-12 Review RMA, fair share example, and prepay calcs	1.00	225.00	225.00
12-20-12 Review John's comments	.25	225.00	56.25
12-21-12 Review revised RMA language	.25	225.00	56.25
12-27-12 Review revised docs	.25	225.00	56.25
Manager			
Thumar, Nehal			
12-03-12 Coordinated with Andrea re: feasibility study	.25	200.00	50.00
12-17-12 Preparing RMA	2.50	200.00	500.00
12-18-12 Preparing RMA; preparing prepayment scenarios	3.75	200.00	750.00
12-19-12 Preparing RMA; preparing info for RJ and John	2.75	200.00	550.00
12-20-12 Preparing RMA	.50	200.00	100.00

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000, Newport Beach, CA 92660

Project	12-10012.000	CSCDA/CFD Otay Mesa Sewer Project	Invoice 1212009
12-21-12	Revising RMA; emailed to RJ and John	.25 200.00	50.00
12-25-12	Revising RMA per RJs comments	.50 200.00	100.00
<b>Totals</b>		<b>15.75</b>	<b>3,281.25</b>

**Total this Invoice \$3,281.25**

## Outstanding Invoices

Number	Date	Balance
1203207	03-31-12	2,388.75
1204005	04-30-12	3,060.55
1205044	05-31-12	2,407.09
1206030	06-30-12	2,173.80
1209012	09-30-12	4,131.25
1210042	10-31-12	4,817.65
1211014	11-30-12	2,322.95
<b>Total</b>		<b>21,302.04</b>

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000, Newport Beach, CA 92660

Project No: 11-00023.000  
Invoice No: 1212090  
December 31, 2012

James Hamill  
Calif. Statewide Community Development Authority  
2033 No. Main Street #700  
Walnut Creek, CA 94596

Project 11-00023.000 CSCDA/Fancher Creek Town Center

Professional Services through December 31, 2012

Dear Mr. Hamill:

This invoice is submitted for professional special tax consulting services in association with the formation of a CFD for the Fancher Creek project. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services	Hours	Rate	Amount
President			
Taussig, David			
12-03-12 Revisions to RMA, two conference calls, calls with various parties, review revised POS	4.50	285.00	1,282.50
12-04-12 Phonecalls on Fancher Creek	1.00	285.00	285.00
12-05-12 All hands conference call, work on schedule revisions	1.50	285.00	427.50
12-07-12 All hands conference call, review latest revised POS	.50	285.00	142.50
Senior Associate			
Wekwete, Kudakwashe			
12-03-12 Call with group to discuss RMA changes. Review of updates to RMA. Conversation with David regarding updates to RMA. Conversation with Nathan regarding cost of issuance.	2.25	180.00	405.00
12-04-12 Conversation with Nathan regarding project billing and cost of issuance.	.25	180.00	45.00
12-05-12 Call with group to discuss status of CFD bond issuance. Conversation with Nathan and David regarding bond issuance schedule.	1.50	180.00	270.00
12-06-12 Review of CFD documents for 12/7 call.	.50	180.00	90.00
12-07-12 Call with group to discuss next steps in bond issuance. Followup conversation with Nathan.	.75	180.00	135.00

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000, Newport Beach, CA 92660

Project	11-00023.000	CSCDA/Fancher Creek Town Center	Invoice 1212090
12-11-12	Review of updated bond analysis. Conversation with Nathan.	.50 180.00	90.00
Perez, Nathan			
12-03-12	Attention to multiple work-group conference calls regarding CFD No. 2012- 01 and new RMAs, emails and work on COI and deposit accounting (at Developer's request).	2.75 180.00	495.00
12-04-12	Attention to COI tabulations and emails, distribution to work-group, follow up emails.	2.50 180.00	450.00
12-05-12	Attention to work-group conference call.	.50 180.00	90.00
12-06-12	Attention to more updates to COI table, emails with work-group.	1.00 180.00	180.00
12-07-12	Attention to work-group conference call.	.50 180.00	90.00
12-10-12	Attention to updates to Debt Coverage Table following review of new S&Y Bond Math, external distribution.	1.00 180.00	180.00
	<b>Totals</b>	<b>21.50</b>	<b>4,657.50</b>

**Total this Invoice \$4,657.50**

## Outstanding Invoices

Number	Date	Balance
1208108	08-31-12	25,765.20
1209098	09-30-12	9,515.13
1210049	10-31-12	18,936.88
1211039	11-30-12	23,873.70
<b>Total</b>		<b>78,090.91</b>

## Item IV

### Approve Consent Calendar

3. Approve the Continuing Disclosure Annual Report for the Pooled Tobacco Securitization Program.

**CALIFORNIA STATEWIDE FINANCING AUTHORITY  
TOBACCO SETTLEMENT ASSET-BACKED BONDS  
(POOLED TOBACCO SECURITIZATION PROGRAM)**

**CONTINUING DISCLOSURE ANNUAL REPORT  
OF THE  
CALIFORNIA STATEWIDE FINANCING AUTHORITY  
FOR THE  
FISCAL YEAR ENDED JUNE 30, 2012**

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**INDEX TO DOCUMENTS**

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1. Continuing Disclosure Annual Report of the California Statewide Financing Authority for the Fiscal Year Ended June 30, 2012.
2. Certificate of the California Statewide Financing Authority.
3. Confirmation of Dissemination of Continuing Disclosure Annual Report.
4. Confirmation of Dissemination of Audited Financial Statements.

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**CALIFORNIA STATEWIDE FINANCING AUTHORITY  
TOBACCO SETTLEMENT ASSET-BACKED BONDS  
(POOLED TOBACCO SECURITIZATION PROGRAM)**

**CONTINUING DISCLOSURE ANNUAL REPORT  
OF THE  
CALIFORNIA STATEWIDE FINANCING AUTHORITY  
FOR THE  
FISCAL YEAR ENDED JUNE 30, 2012**

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**CONTINUING DISCLOSURE ANNUAL REPORT  
OF THE  
CALIFORNIA STATEWIDE FINANCING AUTHORITY  
FOR THE  
FISCAL YEAR ENDED JUNE 30, 2012**

**TABLE OF CONTENTS**

- I. INTRODUCTION
- II. RATIO OF TOTAL FISCAL YEAR TSR RECEIPTS TO THE PRINCIPAL AND INTEREST PAID ON ALL SERIES OF OUTSTANDING BONDS FOR THE FISCAL YEAR 2012



## I. INTRODUCTION

Pursuant to the following Continuing Disclosure Certificates (the "Disclosure Certificates") executed in connection with the below-referenced issuance, the California Statewide Financing Authority (the "Authority") hereby provides its continuing disclosure annual report for the fiscal year ended June 30, 2012 (the "Annual Report").

- Continuing Disclosure Certificate (2002A), dated August 1, 2002
- Continuing Disclosure Certificate (2002B), dated August 1, 2002
- Continuing Disclosure Certificate (2006), dated April 1, 2006

### Bond Issues

This Annual Report is being provided in connection with the following bond issues:

- California Statewide Financing Authority Tobacco Settlement Asset-Backed Bonds, Series 2002 (Pooled Tobacco Securitization Program) consisting of Series 2002A and Series 2002B (the "2002 Bonds"); and
- California Statewide Financing Authority Tobacco Settlement Asset-Backed Bonds, Series 2006 (Pooled Tobacco Securitization Program) consisting of Series 2006A Turbo Capital Appreciation Bonds, Series 2006B Turbo Capital Appreciation Bonds, Series 2006C Turbo Capital Appreciation Bonds and Series 2006D Turbo Capital Appreciation Bonds (the "2006 Bonds").

Each maturity of the Bonds is identified by the corresponding CUSIP Number set forth below and contains the current rating of each maturity as of the date hereof:

<u>Maturity Date</u>	<u>Series 2002A CUSIP</u>	<u>Series 2002B CUSIP</u>	<u>Series 2006A CUSIP</u>	<u>Series 2006B CUSIP</u>	<u>Series 2006C CUSIP</u>	<u>Series 2006D CUSIP</u>
May 1, 2013	130923BA2	130923AJ4				
May 1, 2014	130923BB0	130923AK1				
May 1, 2015	130923BC8	130923AL9				
May 1, 2016	130923BD6	130923AM7				
May 1, 2017	130923BE4	130923AN5				
May 1, 2029	130923BF1	130923AP0				
May 1, 2037	130923BG9	130923AQ8				
May 1, 2043	130923BH7	130923AR6				
June 1, 2046			130923BM6	130923BN4		
June 1, 2055					130923BP9	130923BQ7

Note: The CUSIP Numbers above are provided for the convenience of Bondholders. The Authority is not responsible for the accuracy or completeness of such numbers.

### Annual Report and Audited Financial Statements

The Authority's Annual Report contains certain financial and operating data of the Authority for the fiscal year ended June 30, 2012. In addition, a copy of the audited financial statements of the Authority for the fiscal year ended June 30, 2012 has been posted on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") at <http://emma.msrb.org/>. Please note that this Annual Report should be read in conjunction with the Authority's audited financial statements for the fiscal year ended June 30, 2012.

### **Other Matters**

This Annual Report is provided solely pursuant to the Disclosure Certificates. The filing of this Annual Report does not constitute or imply any representation (i) that all of the information provided is material to investors, (ii) regarding any other financial, operating or other information about the Authority or the Bonds, or (iii) that no changes, circumstances or events have occurred since the end of the fiscal year to which this Annual Report relates (other than as contained in this Annual Report), or any other date specified with respect to any of the information contained in this Annual Report, or that no other information exists, which may have a bearing on the security for the Bonds, or an investor's decision to buy, sell, or hold the Bonds. The information contained in this Annual Report has been obtained from sources which are believed to be reliable. No statement in this Annual Report should be construed as a prediction or representation about future financial performance of the Authority.

Dated: February 7, 2013

CALIFORNIA STATEWIDE FINANCING AUTHORITY

## II. RATIO OF TOTAL FISCAL YEAR TSR RECEIPTS TO THE PRINCIPAL AND INTEREST PAID ON ALL SERIES OF OUTSTANDING BONDS DURING THE FISCAL YEAR 2012

Bond Series	TSR Receipts	Debt Service Payments due November 1, 2011				Debt Service Payments due May 1, 2012				Total Debt Service During Fiscal Year	Coverage Ratio w/out Turbo	Coverage Ratio with Turbo
		Scheduled Principal	Turbo Principal <sup>(1)</sup>	Interest	Total	Scheduled Principal	Turbo Principal <sup>(1)</sup>	Interest	Total			
2002A	\$6,284,557.84	\$0	\$190,000	\$2,535,804.40	\$2,725,804.40	\$1,040,000	\$190,000	\$2,530,460.65	\$3,760,460.65	\$6,486,265.05	1.029 x	0.969 x
2002B	\$5,890,412.14	\$0	\$190,000	\$2,509,999.32	\$2,699,999.32	\$1,030,000	\$185,000	\$2,504,665.57	\$3,719,655.57	\$6,419,654.89	0.974 x	0.918 x

(1) Turbo Redemptions on November 1, 2011 and May 1, 2012 were paid from the Series 2002 Term Bond maturing May 1, 2029.

**CERTIFICATE OF THE  
CALIFORNIA STATEWIDE FINANCING AUTHORITY**

The undersigned hereby states and certifies that:

1. I am a Member of the Commission of the California Statewide Financing Authority (the "Authority") and, as such, am familiar with the facts herein certified, and am authorized to certify the same on behalf of the Authority. All capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Trust Indentures, dated as of July 1, 2002 and April 1, 2006, between the Authority and Wells Fargo Bank, National Association (the "Trustee"), as trustee.

2. This Certificate is being provided in connection with the Continuing Disclosure Annual Report of the Authority for the Fiscal Year Ended June 30, 2012 (the "Annual Report") being delivered on the date hereof by the Authority pursuant to those certain Continuing Disclosure Certificates dated August 1, 2002 and April 1, 2006 (the "Disclosure Certificates") entered into in connection with the following bonds:

- \$196,545,000 California Statewide Financing Authority Tobacco Settlement Asset-Backed Bonds, Series 2002 (Pooled Tobacco Securitization Program) consisting of \$98,770,000 Series 2002A and \$97,775,000 Series 2002B (the "2002 Bonds"); and
- \$61,750,538.25 California Statewide Financing Authority Tobacco Settlement Asset-Backed Bonds, Series 2006 (Pooled Tobacco Securitization Program) consisting of \$25,566,106.50 Series 2006A Turbo Capital Appreciation Bonds, \$6,466,113.75 Series 2006B Turbo Capital Appreciation Bonds, \$18,913,518.00 Series 2006C Turbo Capital Appreciation Bonds and \$10,804,800.00 Series 2006D Turbo Capital Appreciation Bonds (the "2006 Bonds").

3. The Authority has delivered the audited financial statements of the Authority for the fiscal year ended June 30, 2012, a copy of which has been posted on the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system ("EMMA") at <http://emma.msrb.org/>. Since June 30, 2012, the Authority is not aware of any material adverse change in the financial position or results of operation of the Authority which is not described in the Annual Report.

4. As of the date hereof (other than provided in prior notices and reports), there have been: (a) no principal and interest payment delinquencies with respect to the Bonds; (b) no non-payment related defaults; (c) no unscheduled draws on debt service reserves reflecting financial difficulties; (d) no unscheduled draws on credit enhancements reflecting financial difficulties; (e) no substitution of credit or liquidity providers, or their failure to perform; (f) no adverse tax opinions or events affecting the tax-exempt status of the Bonds; (g) no modifications to the rights of bondholders; (h) no Bond calls (other than as described in this Annual Report and prior Annual Reports); (i) no defeasances of any Bonds; (j) no rating changes (other than as described in this Annual Report and prior Annual Reports); and (k) no releases, substitutions or sales of property securing repayment of the Bonds.

5. The statements and information regarding the Authority contained in the Annual Report are true, correct and complete in all material respects, and as of the date hereof the Annual Report does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Dated: February 7, 2013

By: \_\_\_\_\_

CALIFORNIA STATEWIDE FINANCING AUTHORITY  
Authorized Signatory of the Authority

## Item V

Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

- a. Gilroy Park Investors, L.P. (Gilroy Park Apartments), City of Gilroy, County of Santa Clara; up to \$13,000,000 in multi-family housing debt obligations.

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## SUMMARY AND APPROVALS

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<b>DATE:</b>	FEBRUARY 7, 2013
<b>APPLICANT:</b>	GILROY PARK INVESTORS, L.P.
<b>AMOUNT:</b>	UP TO \$13,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS
<b>PURPOSE:</b>	FINANCE THE ACQUISITION AND REHABILITATION OF THE GILROY PARK APARTMENTS, LOCATED IN GILROY, CA
<b>CSCDA PROGRAM:</b>	HOUSING

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### Background:

The proposed project, Gilroy Park Apartments (the “Project”), is a 73-unit multi-family property located at 260 Farrell Ave in Gilroy, California. The Project application was filed on September 21, 2012 and induced on October 25, 2012.

Gilroy Park Investors, L.P. (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$13,000,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will provide 12 one-bedroom units, 40 two-bedroom units, 20 three-bedroom units, and 1 four-bedroom unit to low-income families in Gilroy.

The Project consists of one 19 two-story residential apartment building complex with a single story leasing / management office building with central laundry room and maintenance shop. Also on the site are 55 vehicle garages and carports for 51 vehicles, basketball court, in-ground swimming pool and a children’s playground area. All units have utility closets with washer and dryer hook ups. Patios are provided at ground-floor units and balconies at upper units.

The Borrower has previously constructed or rehabilitated 10 multifamily housing properties in California. This is their first project with CSCDA.

### Public Benefit:

- Project Affordability
  - 100% of the Project’s units will be income restricted:
    - 23 units reserved for tenants whose income is at or below 50% AMI
    - 50 units reserved for tenants whose income is at or below 60% AMI
    - One manager unit
  - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within Public Transit Corridor
  - The Project is located within ½ mile of a park or recreational facility

- The Project is located within ½ miles of groceries or other essential shopping needs
- The Project is located within ½ miles of a medical facility serving seniors or a senior center
- The Project is located within ½ mile of a public library
- Economic Benefits
  - Based upon \$12,632,891 Project costs using a 1.8 multiplier the Project produces \$22,739,203 total economic activity, and at 2.1 jobs per unit produces approximately 153 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

#### Agency Approvals:

**TEFRA Hearing:** November 5, 2012, City of Gilroy. Received Unanimous approval.  
**CDLAC Approval:** December 12, 2012.

#### Estimated Sources and Uses:

##### Sources:

Tax-Exempt Bond Proceeds	\$10,200,000	80.74%
Tax Credit Equity	\$2,158,411	17.09%
Partnership Funds	<u>\$274,481</u>	<u>2.17%</u>
Total Sources	\$12,632,891	100.00%

##### Uses:

Purchase and Acquisition Costs	\$7,500,000	59.36%
Hard Construction Costs	\$2,287,026.72	18.10%
Developer Fee	\$1,392,478.74	11.02%
Contractor Overhead	320,183.81	2.53%
Relocation	\$10,000.00	0.08%
Cost of Issuance	\$283,958.41	2.26%
Capitalized Interest	\$257,480.62	2.04%
Other Soft Costs	<u>\$519,763.06</u>	<u>4.11%</u>
Total Uses	\$12,632,891	100%

#### Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Los Angeles
- Private Placement Lender: Citibank, N.A.

#### Financing Structure:

The construction bonds will have a term of 24 months and will carry a variable interest rate of approximately 2.68%. The Bonds will then convert to the permanent phase for 30 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 3.40%.

**Policy Compliance:**

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

**Financing Approval:**

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of Bonds by the City of Gilroy, and conformance to the CSCDA Issuance Policies, the Commission shall approve the Resolution as submitted to the Commission, which:

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

**Attachments:**

1. Original application
2. City of Gilroy TEFRA Resolution
3. CDLAC Approval.





*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2012078**  
Name of Developer: **CBM RJE, Inc.**  
Primary Contact: **Cameo Townzen**  
Title: **Development Coordinator**  
Address: **1010 Racquet Club Drive, Suite 103  
Auburn, CA 95603**  
Telephone Number: **(530) 745-3243**  
Fax Number: **(530) 888-7931**  
E-mail: **cameot@cbmgroup.net**

### BORROWER DESCRIPTION

Type of Entity: ☐ For-profit Corporation ☐ Non-profit Corporation  
☐ Municipality ☒ Partnership  
☐ Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **Gilroy Park Investors, a California Limited Partnership**

Date Established: **9/20/2012**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **10**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **10**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

#### BOND COUNSEL

Firm: **TBD**

Firm: **TBD**

Contact:

Contact:

Address:

Address:

Telephone:

Telephone:

Fax:

Fax:

E-mail:

E-mail:

Application Number: **2012078 - Gilroy Park Apartments**

Name of Borrower: **CBM RJE, Inc.**

### PROJECT DESCRIPTION

Current Project Name: **Gilroy Park Apartments**

New Project Name:

Project Street Address: **260 Farrell Avenue**

City: **Gilroy** State: **CA** Zip Code: **95020**

County: **Santa Clara**

Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **0** Restricted: **74** Total Units: **74**

Lot Size: **4.89 +/- acres**

Amenities: **POOL, TOT LOT**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **18 Residential Buildings: 2 Story, Garden Style Walk Up Flats. 1 Residential Building: 2 Story Townhomes all Residential Units Have Either A Balcony Or Patio 1 Lmo Building 1 Pool Equipment/bathroom Building all Buildings Are Wood Frame, Stucco, Comp Roof.**

Type of Housing: ☐ New Construction ☒ Family  
☒ Acq/Rehab ☐ Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:

Contact Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Ext. \_\_\_\_\_

Fax Number: \_\_\_\_\_

E-mail: \_\_\_\_\_

### PUBLIC BENEFIT

Percentage of Units in Low Income Housing: **100%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **50% and 60%**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	4	\$948	\$1,545	\$597
1 Bedroom	60	8	\$1,100	\$1,545	\$445
2 Bedrooms	50	12	\$1,134	\$1,629	\$495
2 Bedrooms	60	28	\$1,200	\$1,629	\$429
3 Bedrooms	50	6	\$1,308	\$1,802	\$494
3 Bedrooms	60	14	\$1,365	\$1,802	\$437
4 Bedrooms	50	1	\$1,448	\$2,114	\$666
4 Bedrooms	60	1	\$1,550	\$2,114	\$564

Remarks: **4 BEDROOM, 60% UNIT WILL BE THE NON-REVENUE MANAGER UNIT**

**OTHER PUBLIC BENEFIT****SERVICES PROVIDED**

- ☐ High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- ☐ After school program of an on going nature for the minimum of 10 years.
- ☐ Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- ☐ Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- ☐ Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT****Energy**Does the facility exceed Title 24 Standards? ☐ Yes ☒ No ☐ N/A

If Yes, by what percent? \_\_\_\_\_%

Does the facility have solar(PV) panels? ☐ Yes ☒ No ☐ N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits? ☐ Yes ☒ No ☐ N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets? ☒ Yes ☐ No ☐ N/AWater-saving showerheads? ☒ Yes ☐ No ☐ N/ADrought tolerant landscaping? ☐ Yes ☒ No ☐ N/A

Other, specify: \_\_\_\_\_

**Transportation**Does the entity provide carpooling or mass-transit subsidies? ☐ Yes ☒ No ☐ N/ADoes the entity maintain a fuel efficient fleet? ☐ Yes ☒ No ☐ N/A**Waste**Does the project provide recycling facilities? ☐ Yes ☒ No ☐ N/A**WORKFORCE****Employment Creation**

Job Type/Description	During Construction	Post Construction
None	0	0

**GOVERNMENTAL INFORMATION**

Congressional District #	State Senate District #	State Assembly District #
15	13	28

Application Number: **2012078 - Gilroy Park Apartments**

Name of Borrower: **CBM RJE, Inc.**

### FINANCING STRUCTURE

Type of Financing: ☐ Public Sale ☒ Private Placement ☐ Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **18 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

Credit Enhancement: ☒ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☐ Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

#### PERMANENT FINANCING:

Credit Enhancement: ☒ None ☐ Letter of Credit  
☐ FNMA(Fannie Mae) ☐ Freddie Mac  
☐ Bond Insurance ☐ Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **N/A**

Expected Rating: ☒ Unrated ☐ S & P \_\_\_\_\_  
☐ Moody's \_\_\_\_\_ ☐ Fitch \_\_\_\_\_

Projected State Allocation Pool: ☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$10,200,000</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$2,632,893</b>
Developer Equity:	
Other Funds(Describe):	
DDF	<b>\$585,000</b>
OPERATING INTEREST	<b>\$342,283</b>
_____	_____
_____	_____
_____	_____
<b>TOTAL:</b>	<b>\$13,760,176</b>

#### USES

Land Acquisition:	<b>\$1,450,000</b>
Building Acquisition:	<b>\$6,050,000</b>
Construction or Remodel:	<b>\$1,896,460</b>
Cost of Issuance:	<b>\$315,060</b>
Capitalized Interest:	<b>\$325,283</b>
Reserves:	<b>\$2,151,928</b>
Other Funds(Describe):	
DEVELOPER FEE	<b>\$1,282,617</b>
LEGAL & RECORDING	<b>\$15,000</b>
THIRD PARTY & CTCAC	<b>\$105,828</b>
RE TAXES / INSURANCE	<b>\$137,000</b>
PERMITS FEES RELOCATION	<b>\$31,000</b>
<b>TOTAL:</b>	<b>\$13,760,176</b>

Application Number: **2012078 - Gilroy Park Apartments**

Name of Borrower: **CBM RJE, Inc.**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>N/A</b>	Firm: <b>TBD</b>
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail:	E-mail:

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
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A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
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\*Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2999 Oak Road, Suite 710  
Walnut Creek, CA 94597

**RESOLUTION NO. 2012-45****A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
GILROY APPROVING THE ISSUANCE BY THE  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY OF MULTIFAMILY  
HOUSING REVENUE BONDS FOR THE GILROY PARK  
APARTMENTS**

**WHEREAS**, the California Statewide Communities Development Authority (the “Authority”) is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the “Agreement”), among certain local agencies throughout the State of California, including the City of Gilroy (the “City”), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

**WHEREAS**, Gilroy Park Investors, a California Limited Partnership or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the “Bonds”) in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$12,000,000 in outstanding aggregate principal amount, to finance the acquisition and rehabilitation of a 74-unit multifamily rental housing project located at 260 Farrell Avenue, Gilroy, California, generally known as Gilroy Park Apartments (the “Project”) and operated by CBM Group, Inc.; and

**WHEREAS**, the Bonds or a portion thereof will be “private activity bonds” for purposes of the Internal Revenue Code of 1986 (the “Code”); and

**WHEREAS**, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the “applicable elected representative” of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having

jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

**WHEREAS**, the members of this City Council (“City Council”) are the applicable elected representatives of the City; and

**WHEREAS**, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

**WHEREAS**, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

**WHEREAS**, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the “Refunding Bonds”), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

**WHEREAS**, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GILROY AS FOLLOWS:**

**Section 1.** The above recitals are true and correct.

**Section 2.** The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

**Section 3.** The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

**Section 4.** The City Clerk shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

Justin Cooper, Esq.  
 Orrick, Herrington & Sutcliffe LLP  
 405 Howard Street  
 San Francisco, California 94105

**Section 5.** This resolution shall take effect immediately upon its passage.

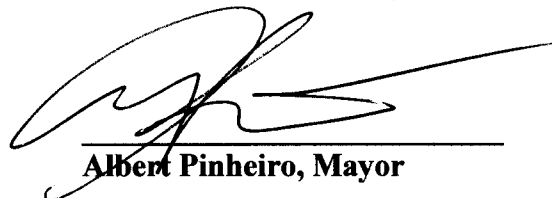
**PASSED AND ADOPTED** by the City Council of the City of Gilroy at a regular meeting of said Council held on the 5th day of November, 2012, by the following roll call vote:

**AYES: COUNCILMEMBERS: ARELLANO, BRACCO, DILLON, LEROE-MUÑOZ, TUCKER, WOODWARD and PINHEIRO**

**NOES: COUNCILMEMBERS: NONE**

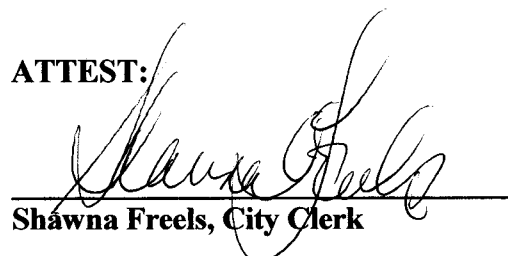
**ABSENT: COUNCILMEMBERS: NONE**

**APPROVED:**



Albert Pinheiro, Mayor

**ATTEST:**



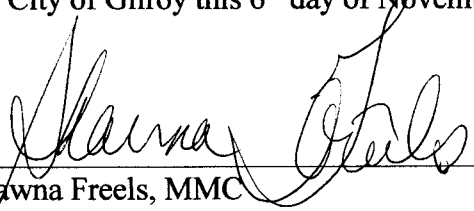
Shawna Freels, City Clerk

**RESOLUTION NO. 2012-45**



I, SHAWNA FREELS, City Clerk of the City of Gilroy, do hereby certify that the attached Resolution No. 2012-45 is an original resolution, or true and correct copy of a city resolution, duly adopted by the Council of the City of Gilroy at a regular meeting of said Council held on the 5<sup>th</sup> day of November, 2012, at which meeting a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of the City of Gilroy this 6<sup>th</sup> day of November, 2012.

  
\_\_\_\_\_  
Shawna Freels, MMC  
City Clerk of the City of Gilroy

(Seal)

**RESOLUTION NO. 12-126**  
**(QUALIFIED RESIDENTIAL RENTAL PROJECT)**  
**EXHIBIT A**

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 12-141
3. Project Sponsor: Gilroy Park Investors, LP (The Beneficial Housing Foundation and CBM RJE, Inc.)
4. Project Management Co.: CBM Group, Inc.
5. Project Name: Gilroy Park Apartments
6. Type of Project: Acquisition and Rehabilitation/Family
7. Location: Gilroy, CA
8. Private Placement Purchaser: Citibank, N.A.
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 73 plus 1 manager unit
11. Total Number of Restricted Rental Units: 73
12. The term of the income and rental restrictions for the Project will be at least 55 years.
13. The Project will utilize Gross Rents as defined in Section 5170 of the Committee's Regulations.  
**Applicable**
14. Income and Rental Restrictions:  
For the entire term of the income and rental restrictions, the Project will have:  
  
At least 23 Qualified Residential units rented or held vacant for rental for persons or families whose income is at 50% or below of the Area Median Income.  
  
At least 50 Qualified Residential units rented or held vacant for rental for persons or families whose income is at 60% or below of the Area Median Income.
15. For acquisition and rehabilitation projects, a minimum of \$10,000 in hard construction costs will be expended for each Project unit.  
**Applicable**
16. A minimum of \$0,000 of public funds will be expended for the Project.  
**Not Applicable**

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing.  
**Not Applicable**
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least 21 three-bedroom or larger units.  
**Applicable**
19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit.  
**Not Applicable**
20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school programs of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. The programs shall include, but are not limited to: tutoring, mentoring, homework club, and art and recreation activities to be provided weekdays throughout the school year for at least 10 hours per week.  
**Not Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents instructor-led educational, health and wellness, or skill building classes. The classes shall include, but are not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation and smoking cessation. Classes shall be provided at a minimum of 84 hours per year (drop-in computer labs, monitoring and technical assistance shall not qualify) and be located within 1/4 mile of the Project.  
**Not Applicable**
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project.  
**Not Applicable**
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents health and wellness services and programs within 1/4 mile of the Project. Such services and programs shall provide individualized support for tenants (not group classes) but need to be provided by licensed individuals or organizations. The services shall include, but are not limited to: visiting nurses programs, intergenerational visiting programs, and senior companion programs. Services shall be provided for a minimum of 100 hours per year.  
**Not Applicable**
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. The responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or enrichment activities for tenants (such as holiday events, tenant council, etc.)  
**Not Applicable**
25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals, if available, throughout the Project's useful life.  
**Not Applicable**
26. All projects that receive points for being a Federally Assisted At-Risk Project based on an expiring Low Income Housing Tax Credit Regulatory Agreement or Tax-Exempt Bond Regulatory Agreement shall have a plan in place to re-certify the incomes of the existing tenants and shall not cause involuntary displacement of any tenant whose income may exceed the Project's income limits.  
**Not Applicable**

27. Applicants shall meet the multiple sustainable building standards utilizing landscaping and construction materials which are compatible with the neighborhood in which the proposed project is to be located, and that the architectural design and construction materials will provide for low maintenance and durability, as well as be suited to the environmental conditions to which the project will be subjected:

**Applicable**

Section Waived:

<input type="checkbox"/>	Energy Efficiency
<input type="checkbox"/>	CALGreen Compliance
<input type="checkbox"/>	Landscaping
<input type="checkbox"/>	Roofs
<input type="checkbox"/>	Exterior Doors
<input type="checkbox"/>	Appliances
<input type="checkbox"/>	Window Coverings
<input type="checkbox"/>	Water Heater
<input type="checkbox"/>	Floor Coverings
<input type="checkbox"/>	Paint
<input type="checkbox"/>	Insulation

28. The project commits to becoming certified under any one of the following programs upon completion:

- |   |                       |
|---|-----------------------|
| a. Leadership in Energy & Environmental Design (LEED) | <b>Not Applicable</b> |
| b. Green Communities                                  | <b>Not Applicable</b> |
| c. GreenPoint Rated Multifamily Guidelines            | <b>Not Applicable</b> |

29. The project is a Rehabilitation Project reducing energy use on a per square foot basis by 25% of the California Building Code by:

- |          |                       |
|----------|-----------------------|
| a. 17.5% | <b>Not Applicable</b> |
| b. 20%   | <b>Not Applicable</b> |
| c. 25%   | <b>Not Applicable</b> |

30. The Project will exceed the minimum energy efficiency certification requirements for New Construction/ Adaptive Reuse:

- |                            |                       |
|----------------------------|-----------------------|
| a. LEED for Homes (Silver) | <b>Not Applicable</b> |
| b. LEED for Homes (Gold)   | <b>Not Applicable</b> |
| c. Green Point Rated (100) | <b>Not Applicable</b> |
| d. Green Point Rated (125) | <b>Not Applicable</b> |

31. The project is a Home Energy Rating System (HERS II) Rehabilitation Project that commits to improve energy efficiency above the current modeled energy consumption of the building(s) by:

- |        |                       |
|--------|-----------------------|
| a. 15% | <b>Applicable</b>     |
| b. 20% | <b>Not Applicable</b> |
| c. 25% | <b>Not Applicable</b> |
| d. 30% | <b>Not Applicable</b> |

32. The project is a Rehabilitation Project that commits to developing, and/or managing the Project with the following Photovoltaic generation or solar energy:

- |   |                       |
|---|-----------------------|
| a. Photovoltaic generation that offsets tenants loads               | <b>Not Applicable</b> |
| b. Photovoltaic generation that offsets 50% of common area load     | <b>Not Applicable</b> |
| c. Solar hot water for all tenants who have individual water meters | <b>Not Applicable</b> |

33. The project will implement sustainable building management practices that include: 1) development of a percent-specific maintenance manual including replacement specifications and operating information on all energy and green building features; 2) Certification of building management staff in sustainable building operations per *BPI Multifamily Building Operator or equivalent training program*; and 3) *Undertaking formal building systems* commissioning, retro-commissioning or re-commissioning as appropriate (continuous commissioning is not required):

**Not Applicable**

34. The project will sub-meter centralized hot water systems for all tenants:

**Not Applicable**

**RESOLUTION NO. 13H-\_\_**

**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 \$13,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS GILROY PARK 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**, Gilroy Park Investors, 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 (Gilroy Park Apartments Project) 2013 Series E (the “Note”) to assist in the financing of the rehabilitation and development of a 74-unit multifamily housing rental development located in the City of Gilroy, California, and known as Gilroy Park Apartments (the “Project”);

**WHEREAS**, on December 12, 2012, the Authority received an allocation in the amount of \$10,200,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

**WHEREAS**, the City of Gilroy (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 \$13,000,000, 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 between the Funding Lender and the Authority;

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

(3) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into between the Authority 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 (Gilroy Park Apartments Project) 2013 Series E” 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 \$13,000,000; 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. 11R-18 of the Authority, adopted on September 28, 2011) (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 February 1, 2058), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

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



create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

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

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**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this February 7, 2013.

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 February 7, 2013.

By \_\_\_\_\_  
Authorized Signatory

## Item VI

Discuss and approve Supplemental Bond Trust Indenture for the American Baptist Homes of the West Series 2010 revenue bonds.

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## SUMMARY AND APPROVALS

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**DATE:** FEBRUARY 7, 2013

**PURPOSE:** DISCUSS AND APPROVE SUPPLEMENTAL BOND TRUST INDENTURE FOR THE AMERICAN BAPTIST HOMES OF THE WEST SERIES 2010 REVENUE BONDS.

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Background:

On February 24, 2010 CSCDA issued the Series 2010 Bonds for the American Baptist Homes of The West (“ABHOW”) Project totaling \$106,580,000. The issuance financed the rehabilitation of certain facilities located in City of Bakersfield, City of Fresno, City of Los Altos, Town of Los Gatos, City of Oakland, City of Redlands and the City of Santa Barbara.

Pursuant to Section 901(h) of the Bond Indenture, CSCDA and the Bond Trustee may, without the consent of, or notice to, any of the Bondholders, enter into supplemental indentures in any way that the Bond Trustee has determined does not materially adversely affect the rights or interests of any Bondholder.

At the time the Bond Indenture was executed, CSCDA’s policies required that bonds rated BBB+ or lower be issued in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. In addition, at the time the Bond Indenture was executed, CSCDA’s policies limited the sale of bonds rated BBB+ or lower to Qualified Institutional Buyers. CSCDA’s policies have changed since the execution of the Bond Indenture, and the restrictions on authorized denominations and transfers are now limited to bonds rated below BBB-.

At the request of bondholders ABHOW hereby requests that the Bond Trustee amend the provisions of the Bond Indenture, pursuant to Section 901(h) thereof, to reflect the current policies of CSCDA with respect to authorized denominations and restrictions on transfer. The requests for such amendments to the provisions of the Bond Indenture improve liquidity of the Series 2010 Bonds in the secondary market and thereby benefit investors.

Staff has reviewed the requested amendments with Bond Counsel and Issuer Counsel and the changes do not expose CSCDA to any additional risk or liability.

Approval:

Based upon the request by ABHOW and review by Bond Counsel and Issuer Counsel staff recommends the approval of a resolution approving the Supplemental Bond Trust Indenture.

**RESOLUTION NO. \_\_NP-\_\_**

**CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A  
SUPPLEMENTAL BOND TRUST INDENTURE, SUPPLEMENTING AND AMENDING  
A BOND TRUST INDENTURE PREVIOUSLY DELIVERED BY THE AUTHORITY  
WITH RESPECT TO THE AUTHORITY'S REVENUE BONDS, SERIES 2010  
(AMERICAN BAPTIST HOMES OF THE WEST),  
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 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, 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 Authority has, pursuant to the Act, previously issued its Revenue Bonds, Series 2010 (American Baptist Homes of the West) (the "Series 2010 Bonds"), the proceeds of which Series 2010 Bonds were loaned to American Baptist Homes of the West (the "Corporation"), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986;

WHEREAS, in connection with the issuance of the Series 2010 Bonds, the Authority executed and delivered that certain Bond Trust Indenture dated as of February 1, 2010 (the "Bond Indenture") between the Authority and U.S. Bank National Association (the "Bond Trustee");

WHEREAS, the Corporation has requested that the Authority and the Bond Trustee amend the provisions of the Bond Indenture to reflect the current policies of the Authority with respect to authorized denominations and restrictions on transfer;

WHEREAS, such amendments to the Bond Indenture will be set forth in that certain First Supplemental Bond Trust Indenture (the "First Supplemental Bond Indenture") between the Authority and the Bond Trustee; and

WHEREAS, the proposed form of the First Supplemental Bond Indenture has been made available to the Commissioners of the Authority;

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

**Section 1.** The proposed form of the First Supplemental 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 First Supplemental 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 2.** 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, 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 3.** 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 the documents approved hereby are hereby ratified, confirmed and approved.

**Section 4.** This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 7th day of February, 2013.

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 February 7, 2013.

By: \_\_\_\_\_

Authorized Signatory  
California Statewide Communities  
Development Authority

## Item VII

City of Pleasant Hill CFD approval:

Adopt a resolution authorizing the issuance, sale and delivery of not to exceed \$7,000,000 aggregate principal amount of 2013 Revenue Bonds, Series A (Pleasant Hill Downtown Community Facilities District No. 1) AND NOT TO EXCEED \$100,000 aggregate principal amount of 2013 Taxable Revenue Bonds, Series A-T (Pleasant Hill Downtown Community Facilities District No. 1) for the purpose of refinancing the City of Pleasant Hill Pleasant Hill Downtown Community Facilities District No. 1 Refunding Special Tax Bonds Subordinated Series 2002 and providing for the terms and conditions for the issuance of said bonds and approving other actions and matters related thereto.



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## SUMMARY AND APPROVALS

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**REQUEST:** DISCUSS AND APPROVE THE ISSUANCE OF APPROXIMATELY  
\$6,190,000 2013 REVENUE BONDS, SERIES A and  
\$65,000 2013 TAXABLE REVENUE BONDS, SERIES A-T FOR THE  
CITY OF PLEASANT HILL

**DATE:** FEBRUARY 7, 2013

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### **Background:**

CSCDA has received a request from the City of Pleasant Hill (See Attachment 1) to issue \$6,190,000 2013 Revenue Bonds, Series A, and \$65,000 2013 Taxable Revenue Bonds, Series A-T, totaling \$6,255,000 (collectively, the "Bonds") to assist in the refinancing of one of two outstanding bond issues that funded development of certain public improvements in Downtown Pleasant Hill – namely, the 2002 Subordinated Bonds of the Pleasant Hill Downtown Community Facilities District No. 1 (the "2002 Subordinated Bonds").

In 1998 the City of Pleasant Hill established the Pleasant Hill Downtown Community Facilities District No. 1 (the "District"), as authorized by California's "Mello-Roos" Public Financing Act. The District encompasses the retail commercial portion of the Pleasant Hill Downtown redevelopment project. The purpose of the District was to help finance certain public improvements of benefit to the Downtown redevelopment project, including streets, utilities and the parking garage. The City issued \$7,470,000 (original principal amount) of Special Tax Bonds, Series 1998A (the "Senior Bonds") and \$6,615,000 (original principal amount) of Special Tax Notes, Subordinated Series 1998B (the "Subordinated Notes") and spent the proceeds on construction of the public improvements. (See Attachment 2)

In 2002, the City issued \$7,290,000 (original principal amount) of Downtown Community Facilities District No. 1 Refunding Special Tax Bonds, Subordinated Series 2002 (the "2002 Subordinated Bonds") to refund the Subordinated Notes. The 2002 Subordinated Bonds are secured by both the Special Taxes and by Net Tax Increment pursuant to a DDA with the original property owner.

In order to accomplish this pledge of Net Tax Increment, the City, the Pleasant Hill Redevelopment Agency and the developer's successor, as owner of the retail commercial property within the District (the "Property Owner"), entered into agreements (the "Net Tax Increment Pledge Agreements") that assigned the Net Tax Increment that otherwise would have been paid to the Property Owner under a DDA, to the fiscal agent for payment of debt service on the 2002 Subordinated Bonds.

Under these agreements, Net Tax Increment not needed to pay debt service on the 2002 Subordinated Bonds is still to be paid to the Property Owner, or its successor in interest, as provided in a DDA. Since the annual amount of the Net Tax Increment currently exceeds annual debt service on the 2002 Subordinated Bonds, a primary benefit of a refinancing of the 2002 Subordinated Bonds is to increase the flow of Net Tax Increment after debt service to the Property Owner.

**Discussion:**

A traditional refinancing of the 2002 Subordinated Bonds, in which the City issues refunding bonds, would require amendments to the Net Tax Increment Pledge Agreements. Given the dissolution of the Pleasant Hill Redevelopment Agency as a result of AB 1X26 and legal questions that would arise regarding the nature and validity of the pledge of Net Tax Increment by the dissolved Agency in a refunding, an alternative approach is being proposed to refinance the 2002 Subordinated Bonds.

The Fiscal Agent Agreement (the “2002 Agreement”) pursuant to which the 2002 Subordinated Bonds were issued provides that once Bonds are called for redemption, they can be purchased in-lieu-of redemption. The City has determined to utilize this provision and to then sell the 2002 Subordinated Bonds to CSCDA. CSCDA will issue its own revenue bonds (the “2013 CSCDA Bonds”), secured solely by the payments made on the 2002 Subordinated Bonds. The 2013 CSCDA Bonds will bear interest at current market rates, which will be lower than the interest rates that have been in effect on the 2002 Subordinated Bonds. CSCDA will direct the Trustee for the Authority Bonds to purchase the 2002 Subordinated Bonds on March 1, 2013. The Fiscal Agent for the 2002 Subordinated Bonds will use the moneys received from the CSCDA Bonds, together with funds on hand, to pay the purchase in lieu of redemption price of the 2002 Subordinated bonds to the owners thereof.

The 2002 Agreement will be amended in connection with the sale of the 2002 Subordinated Bonds to the CSCDA to clarify some provisions in the 2002 Agreement, including adding a provision that the 2002 Subordinated Bonds purchased in-lieu-of redemption may be kept outstanding and not cancelled, and to lower the interest rates on the 2002 Subordinated Bonds to reflect the interest rates on the 2013 CSCDA Revenue Bonds. It is through this lowering of the interest rates on the 2002 Subordinated Bonds that the savings resulting from this refinancing will accrue.

***None of the amendments to the 2002 Agreement will in any manner affect the pledge of the Net Tax Increment to the payment of debt service on the 2002 Subordinated Bonds or the Net Tax Increment Pledge Agreements, as the 2002 Subordinated bonds remain outstanding (with new lower rates) and the Net Tax Increment Pledge Agreements are not being amended or revised in any way.***

**Estimated Sources and Uses<sup>1</sup>:**

Par Amount of Series A Bonds	\$6,190,000.00
Par Amount of Series A-T Bonds	65,000.00
Total Par Amount of Bonds	\$6,255,000.00
Net Original Issue Premium (Discount)	13,660.55
Subtotal Purchase Price of Bonds	\$6,268,660.55
Series 2002 Reserve Fund	515,693.75
<b>Total Sources of Funds</b>	<b>\$6,784,354.30</b>

***Uses of Funds***

Purchase Local Obligations	\$5,920,000.00
Reserve Fund	456,963.47
Cost of Issuance	332,932.50
Underwriter's Discount (2)	71,932.50
Bond Rounding Factor	2,525.83
<b>Total Uses of Funds</b>	<b>\$6,784,354.30</b>

**Financing Structure:**

The City of Pleasant Hill City Council is expected to approve the sale of the 2002 Subordinated Bonds to CSCDA on February 6, 2013. The 2002 Subordinated Bonds will be the security for revenue bonds issued by CSCDA. The District has a 6.7-to-1 value to lien ratio which takes into account the 2002 Subordinated Bonds and the Senior Bonds. The Bonds will not be rated. The final maturity of the 2002 Subordinated Bonds will remain 2032 and has not been extended. The debt service savings are estimated to be approximately \$1.2 million through this refunding over the next 19 years (through 2032), which represents 9.7% present value savings, and such savings will be passed along to the property owner. The financing will comply with CSCDA's policies for the issuance of Infrastructure Revenue Refunding Bonds.

**Finance Team:**

- Bond Counsel: Jones Hall, APLC, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Underwriters: Westhoff, Cone & Holmstedt and Alamo Capital
- Trustee: US Bank, San Francisco
- Special Tax Consultant: NBS, San Francisco

**Approvals:**

Based upon the approvals by the City of Pleasant Hill and adherence to CSCDA's issuance policies staff submits for approval the following:

1. Approve the financing of the 2013 Revenue Bonds, Series A and 2013 Taxable Revenue Bonds, Series A-T for the City of Pleasant Hill.
2. Authorize any Member or Authorized Signatory to execute such documents.

## Attachment 1



## City of Pleasant Hill

January 29, 2013

Mr. James F. Hamill  
Program Manager  
CSCDA  
2999 Oak Road, Suite 710  
Walnut Creek, California 94597

**Re: Financing Consideration of City of Pleasant Hill's Pleasant Hill Downtown  
Community Facilities District No. 1 2013 Revenue Bonds**

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Dear Mr. Hamill:

In order to facilitate the refinancing of the City of Pleasant Hill's Pleasant Hill Downtown Community Facilities District No. 1 Refunding Special Tax Bonds, Subordinated Series 2002 Bonds, the City is in need of a Conduit Issuer. After a presentation by the Finance Team to the City Council last night, the City Council directed staff to proceed with the refinancing. We expect to bring the documentation necessary to approve the refinancing to the City Council for action on Monday, February 4.

We would appreciate the California Statewide Community Development Authority's ("CSCDA") assistance as the Conduit Issuer for our refinancing. In order to meet the next scheduled Redemption Date of the outstanding bonds, March 1, we need to close the refinancing by no later than February 28. We understand that CSCDA will have its next regularly scheduled meeting on February 7. If possible, we would appreciate your assistance in scheduling action to approve our refinancing at your February 7 meeting.

You should have received an Application presenting a summary of the transaction. It also includes contact information for the Financing Team. Thank you for your consideration and understanding of the short time frame that we face. Please don't hesitate to contact me with any questions.

Sincerely,



June Catalano  
City Manager

Attachment 2



CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
RESOLUTION NO.- \_\_\_\_

RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$7,000,000 AGGREGATE PRINCIPAL AMOUNT OF 2013 REVENUE BONDS, SERIES A (PLEASANT HILL DOWNTOWN COMMUNITY FACILITIES DISTRICT NO. 1) AND NOT TO EXCEED \$100,000 AGGREGATE PRINCIPAL AMOUNT OF 2013 TAXABLE REVENUE BONDS, SERIES A-T (PLEASANT HILL DOWNTOWN COMMUNITY FACILITIES DISTRICT NO. 1) FOR THE PURPOSE OF REFINANCING THE CITY OF PLEASANT HILL PLEASANT HILL DOWNTOWN COMMUNITY FACILITIES DISTRICT NO.1 REFUNDING SPECIAL TAX BONDS SUBORDINATED SERIES 2002 AND PROVIDING FOR THE TERMS AND CONDITIONS FOR THE ISSUANCE OF SAID BONDS AND APPROVING OTHER ACTIONS AND MATTERS RELATING THERETO

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"); and

WHEREAS, the City of Pleasant Hill is a general law city and municipal corporation organized and existing under the Constitution and laws of the State of California (the "City"); and

WHEREAS, the City is a member of the Authority; and

WHEREAS, the Authority is empowered under the provisions of Article 4, Chapter 5, Division 7, Title 1 of the California Government Code (the "Law") to issue its bonds for the purpose of purchasing various local obligations issued by certain local agencies, including the City and the Authority itself; and

WHEREAS, the City has heretofore issued, sold and delivered its Pleasant Hill Downtown Community Facilities District No. 1 Refunding Special Tax Bonds, Subordinated Series 2002 (the "2002 City Bonds") in the initial aggregate principal amount of \$7,920,000 pursuant to a Fiscal Agent Agreement dated as of November 1, 2002 (the "Agreement") between the City and the Fiscal Agent to obtain money to refinance the City's \$6,615,000 Pleasant Hill Downtown Community Facilities District No. 1, Special Tax Notes, Subordinated Series 1998B; and

WHEREAS, the City desires to refinance the 2002 City Bonds in order to achieve debt service savings and has called the 2002 City Bonds for redemption pursuant to Section 2.03(A)(ii) of the Agreement subject to the fulfillment of certain conditions, including but not limited to the sale and issuance of the Authority Bonds (as defined herein); and

WHEREAS, in lieu of retiring and cancelling the 2002 City Bonds upon their redemption, the City intends to purchase the 2002 City Bonds in lieu of redemption pursuant to Section 2.03(C) of the Agreement; and

WHEREAS, the City, upon its purchase of the 2002 City Bonds, will sell the 2002 City Bonds to the California Statewide Communities Authority Development (the



“Authority”) pursuant to a bond purchase agreement (the “Authority-City Bond Purchase Agreement”), and the Authority is proposing to issue its 2013 Revenue Bonds, Series A (Pleasant Hill Downtown Community Facilities District No. 1) (the “Series A Bonds”) in the aggregate principal amount of not to exceed \$7,000,000 and its 2013 Taxable Revenue Bonds, Series A-T (Pleasant Hill Downtown Community Facilities District No. 1) (the “Taxable Series A-T Bonds” and, together with the Series A Bonds, the “Authority Bonds”) in the aggregate principal amount of not to exceed \$100,000 in order to obtain the funds to purchase the 2002 City Bonds from the City; and

WHEREAS, the 2002 City Bonds are payable from the revenues set forth in the 2002 Fiscal Agent Agreement, and the revenues derived from the payment of principal of and interest on the 2002 City Bonds, together with amounts set aside from the proceeds of the Authority Bonds, will be sufficient in time and amount to pay the principal of and interest on the Authority Bonds as they come due; and

WHEREAS, in furtherance of implementing the financing, there has been made available to the Commission for consideration and approval forms of the following:

(1) A proposed form of Indenture of Trust (the “Indenture”) to be entered into by the Authority and U.S. Bank National Association, as trustee (the “Trustee”);

(2) A proposed form of Bond Purchase Agreement relating to the Authority’s purchase of the 2002 City Bonds (the “Authority-City Bond Purchase Agreement”) to be entered into by the Authority and the City;

(3) A proposed form of Purchase Contract (the “Purchase Contract”) relating to the Bonds to be entered into by the Authority, the City and Westhoff, Cone & Holmstedt and Alamo Capital, as underwriters (collectively, the “Underwriter”); and

(4) A proposed form of Official Statement (the “Official Statement”) to be used by the Underwriter in connection with the sale of the Bonds;

WHEREAS, being fully advised in the matter of the proposed refinancing program, this Commission wishes to proceed with implementation of said refinancing 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 authorized hereby 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, as required by the Law, the City has determined that the issuance of the Authority Bonds by the Authority and the acquisition of the 2002 City Bonds 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:

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

2. Pursuant to the Law and the Indenture, the issuance of the Series A Bonds, in an aggregate principal amount not to exceed \$7,000,000, and the issuance of the Taxable Series A-T Bonds in an aggregate principal amount of not to exceed \$100,000, is hereby authorized. The maximum term of any maturity of the Authority Bonds shall not extend beyond the last maturity of any of the 2002 City Bonds. 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, as made available to the Commissioners. 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. 11R-18 of the Authority, adopted on September 28, 2011 (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.

3. The form and substance of the Indenture is hereby approved. The Chair of the Authority or any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 11R-18 of the Authority, adopted on September 28, 2011 (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 Indenture in substantially said form, with such changes therein as any member of the Commission of the Authority may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

4. The form and substance of the Authority-City 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 Authority-City Bond Purchase Agreement in substantially said form, with such changes therein as any member of the Commission of the Authority may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

5. The form and substance of the Purchase Contract 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 Purchase Contract in substantially said form, with such changes therein as any member of the Commission of the Authority may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided (i) that the average interest rate on the Authority Bonds shall not exceed 5.25% as provided in the Purchase Contract, (ii) that the underwriter's discount (exclusive of original issue discount) specified in the Purchase Contract shall not exceed 1.75% of the aggregate principal amount of the Authority Bonds, and (iii) the reduction of debt service on the 2002 City Bonds resulting from the transactions described herein shall be at least three percent (3%) on a net present value basis.

6. The proposed form of Preliminary Official Statement, 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 the Official Statement, in substantially said form, with such changes and insertions 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.

Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to "deem final" the Preliminary Official Statement with respect to the information relating specifically to the Authority for the purpose of Rule 15c2-12 of the Securities and Exchange Commission, and the underwriter of the Authority Bonds 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 Authority Bonds.

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, to do any and all things and to execute and deliver any and all documents, including any agency agreement, 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 and to obtain a policy of bond insurance and/or a rating for any series of the Authority Bonds, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

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.

9. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 7th day of February, 2013.

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 February 7, 2013.

By: \_\_\_\_\_  
Authorized Signatory  
California Statewide Communities  
Development Authority