



Building Communities, Investing in Local Government Since 1988

Founding Co-Sponsors:



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

March 1, 2012

10:00 a.m.

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

Teleconference Locations

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

City of Woodland
300 First Street
Woodland, CA 95695

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the February 2, 2012 Regular 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. Canyon Crest Family Apartments, L.P. (Canyon Crest Apartments), City of Fresno, County of Fresno; up to \$7 million in multi-family housing debt obligations. (Caitlin)

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2012 at __: __ m,
Signed _____. Please fax signed page to (925) 933-8457.

- b. Heritage Commons, L.P. (Heritage Commons Apartments), City of Dixon, County of Solano; up to \$9 million in multi-family housing debt obligations. (Caitlin)
 - c. Viewpoint Educational Foundation, City of Calabasas, County of Los Angeles; up to \$40 million in 501(c)3 non-profit revenue bonds. (Caitlin)
- VI. Discuss and approve CDLAC Annual Applicant Public Benefits and Ongoing Compliance Self-Certification procedures. (Caitlin)
- VII. Discuss and approve compliance monitoring fee for affordable housing projects when the qualified project period has expired. (Jon)
- VIII. Discuss and approve exception to CSCDA annual fee policy for San Sevine Villas. (Jon)
- IX. Discuss and approve proposed revisions to CSCDA fee schedule for nonprofit borrowers. (Jon)
- X. Public Comment.
- XI. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Induce the following projects:
 - a. St. Anton Capital, LLC (SOCO Santa Fe Apartments), City of Fullerton, County of Orange; issue up to \$32 million in multi-family housing debt obligations.
2. Approve the City of Rancho Mirage as a Program Participant.

Thursday, March 1, 2012

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 February 2, 2012 Regular Meeting

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

League of California Cities
1400 K Street, Sacramento, California

February 2, 2012

MINUTES

Commission Chair Larry Combs called the meeting to order at 10:05 a.m.

I. Roll Call

Commission members present: Larry Combs and Steve Keil. Commission member participating by conference telephone: Russ Branson. Alternate commissioners participating by conference telephone: Dan Mierzwa representing commissioner Tim Snellings.

Others present included: James Hamill of California Communities; Dan Harrison of the League of California Cities; and a representative of the public. Others participating by conference telephone: Greg Stepanicich of Richards Watson & Gershon; Kevin Juhring of California Communities; and Chris Lynch and John Ansell of Jones Hall.

II. Approval of Minutes—January 19, 2012 Annual Meeting

The commission approved the minutes for the annual meeting held January 19, 2012.

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

III. Staff Updates

Commissioners will receive information in the next meeting on redevelopment.

IV. Approval of Consent Calendar

The commission approved by consent the inducement of the following projects:

- A. The Related Companies of California, LLC (National City WI TOD Project Phase I), City of National City, County of San Diego; issue up to \$25 million in multi-family housing debt obligations.

- B. The Related Companies of California, LLC (National City WI TOD Project Phase II), City of National City, County of San Diego; issue up to \$20 million in multi-family housing debt obligations.

Motion by Keil; second by Branson; unanimously approved by roll-call vote.

V. Financing Approvals

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 the following projects

- A. Hampstead Mono Hilltop Partners, L.P. (Mono Hilltop Manor Apartments), City of Fresno, County of Fresno; up to \$6 million in multi-family housing debt obligations.
- B. Hampstead Wasco Arms Partners, L.P. (Wasco Arms Apartments), City of Wasco, County of Kern; up to \$6 million in multi-family housing debt obligations.
- C. Shady Lane Partners, L.P. (Shady Lane Apartments), City of Anderson, County of Shasta; up to \$2 million in multi-family housing debt obligations.
- D. 508 Dublin Manor Ct., L.P. (Eucalyptus Village II), unincorporated County of Kern; up to \$8 million in multi-family housing debt obligations.

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

VI. Catholic Secondary Education—Diocese of San Diego: Amendments

The commission approved the resolution including the following actions:

- A. Approved the removal of Wells Fargo Bank, National Association, as Trustee and appointment of Union Bank, N.A., as successor Trustee;
- B. Approved the termination of the Existing Credit Facility and all document amendments;
- C. Approved all necessary actions and documents for the substitution of the Existing Credit Facility with the Alternate Credit Facility, including approval of the First Supplemental Indenture and First Supplemental Loan Agreement relating to the bonds; and
- D. Authorized any member of the commission or authorized signatory to sign all necessary documents

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

VII. CaliforniaFirst Program

To restart the CaliforniaFirst Program and provide financing for the installation of qualified improvements on nonresidential properties and residential properties of five or more units, the commission approved Modifications Resolutions for each of the fourteen Programs, including the following actions:

- A. Ratified the provisions of the Resolution of Intention, Resolution Confirming Report and the Local Bond Resolution approved on March 10, 2010.
- B. Authorized an authorized signatory, in consultation with counsel, to initiate and prosecute judicial validation proceedings with respect to the JPA Bonds and the related legal documents, the Local Obligation Revenue Bonds and the related legal documents, and all related matters pursuant to Code of Civil Procedure Section 860. (Orrick, Herrington & Sutcliffe will provide litigation services for validation.)
- C. Rescinded the Post-FHFA Resolution adopted on August 4, 2010, only so that it will no longer preclude owners of residential property with five or more units from obtaining financing for the installation of qualified improvements through the CaliforniaFirst Program.
- D. Adopted the Amended and Restated Program Report.

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

VIII. New CSCDA Logo

The commission approved a new logo for CSCDA.

Motion by Keil; second by Branson; unanimously approved by roll-call vote.

IX. Donation in Memory of Brent Wallace

The commission approved a charitable donation of \$1,000 in the memory of former commission member Brent Wallace.

Motion by Combs; second by Keil; unanimously approved by roll-call vote.

X. Public Comments. There were none.

XI. Adjournment

Commission Chair Larry Combs adjourned the meeting at 10:30 a.m.

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

The commission meeting scheduled for February 16, 2012, has been cancelled.

*The next meeting of the commission is scheduled for
Thursday, March 1, at 10:00 a.m.
in the League Office at 1400 K Street, Sacramento, CA.*

Item IV

Approve Consent Calendar

1. Induce the following projects:
 - a. St. Anton Capital, LLC (SOCO Santa Fe Apartments), City of Fullerton, County of Orange; issue up to \$32 million in multi-family housing debt obligations



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2011106**
Name of Developer: **St. Anton Capital, LLC**
Primary Contact: **Trisha Malone**
Title: **Project Manager**
Address: **1801 I Street, Suite 200
Sacramento, CA 95811**
Telephone Number: **(916) 400-2073**
Fax Number: **(916) 444-9843**
E-mail: **t1m@antonllc.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: **TBD**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **25**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **24**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe**

Contact: **Thomas Downey**

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

Telephone: **(415) 773-5965**

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

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

Application Number: **2011106 - SOCO Santa Fe**

Name of Borrower: **St. Anton Capital, LLC**

PROJECT DESCRIPTION

Current Project Name: **SOCO Santa Fe**

New Project Name:

Project Street Address: **250 W. Santa Fe Avenue**

City: **Fullerton** State: **CA** Zip Code: **92832**

County: **Orange**

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

Total Number of Units: Market: **0** Restricted: **148** Total Units: **148**

Lot Size: **2.41 acres**

Amenities: **Clubhouse includes a computer room, gym, full kitchen, lounge and classroom. Outdoor amenities include a swimming pool, exterior fireplace with patio, two BBQ areas, fire pit and courtyard seating.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame With Concrete Parking Structure.**

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

City or county contact information:

Contact Name: **Charles Kovac**
Title: **303 W. Commonwealth Avenue**
Phone Number: **(714) 738-2858**
Fax Number: **(714) 738-6843**
E-mail: **charlesK@ci.fullerton.ca.us**

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	3	\$830	\$1,360	\$530
1 Bedroom	60	21	\$1,005	\$1,360	\$355
1 Bedroom	60	4	\$1,005	\$1,370	\$365
1 Bedroom	60	19	\$1,005	\$1,375	\$370
1 Bedroom	50	2	\$830	\$1,375	\$545
1 Bedroom	60	4	\$1,005	\$1,390	\$385
1 Bedroom	60	5	\$1,005	\$1,425	\$420
1 Bedroom	50	1	\$830	\$1,425	\$595
2 Bedrooms	60	22	\$1,205	\$1,700	\$495
2 Bedrooms	50	2	\$996	\$1,700	\$704

Application Number: **2011106 - SOCO Santa Fe**
Name of Borrower: **St. Anton Capital, LLC**

PUBLIC BENEFIT(continued)

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
2 Bedrooms	60	19	\$1,205	\$1,815	\$610
2 Bedrooms	50	2	\$996	\$1,815	\$819
2 Bedrooms	60	5	\$1,205	\$1,820	\$615
2 Bedrooms	50	1	\$996	\$1,820	\$824
2 Bedrooms	60	1	\$996	\$1,815	\$819
3 Bedrooms	50	4	\$1,129	\$2,300	\$1,171
3 Bedrooms	60	33	\$1,370	\$2,300	\$930
Remarks: one manager's unit- 2 bedroom					

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? **15%**

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
None	0	0

GOVERNMENTAL INFORMATION

Congressional District #	State Senate District #	State Assembly District #
	34	72

Application Number: **2011106 - SOCO Santa Fe**

Name of Borrower: **St. Anton Capital, 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: **30 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

CONSTRUCTION FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **To Be Determined**

PERMANENT FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **To be determined**

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:	\$28,000,000
Taxable Bond Proceeds:	
Tax Credits:	\$6,500,000
Developer Equity:	
Other Funds(Describe):	
Sub Agency Loan	\$5,750,000
NOI during lease up	\$1,062,488
_____
_____
_____
TOTAL:	\$41,312,488

USES

Land Acquisition:	\$7,242,000
Building Acquisition:	
Construction or Remodel:	\$25,707,040
Cost of Issuance:	\$124,386
Capitalized Interest:	\$2,004,627
Reserves:	\$481,342
Other Funds(Describe):	
Construction Financing	\$310,000
Permanent Financing	\$157,540
Government Impact Fees	\$2,960,000
Soft Costs	\$2,325,553
_____
TOTAL:	\$41,312,488

Application Number: **2011106 - SOCO Santa Fe**
Name of Borrower: **St. Anton Capital, LLC**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR	REBATE ANALYST
Firm: N/A	Firm: TBD
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®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596

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. Canyon Crest Family Apartments, L.P. (Canyon Crest Apartments), City of Fresno, County of Fresno; up to \$7 million in multi-family housing debt obligations

SUMMARY AND RECOMMENDATIONS

DATE: MARCH 1, 2012

APPLICANT: CANYON CREST FAMILY APARTMENTS, L.P./ROEM DEVELOPMENT CORPORATION

AMOUNT: UP TO \$7,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

PURPOSE: FINANCE THE ACQUISITION AND REHABILITATION OF CANYON CREST APARTMENTS LOCATED AT 3011-3057 EAST PLATT AVENUE IN FRESNO, CA

CSCDA PROGRAM: HOUSING

Background:

The proposed project, Canyon Crest Apartments (The “Project”), is a 118-unit building located in Fresno, California. The Project application was filed on September 27, 2011 and induced on October 12, 2011.

Summary:

Canyon Crest Apartments, L.P. (The “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$7,000,000 in order to finance the acquisition and rehabilitation of the Project. The Project will provide 86 one-bedroom and 32 two-bedroom affordable units to families in the City of Fresno.

The Project is composed of eighteen 2-story apartment buildings and a single story office building spread out over nearly 5 acres. On-site amenities include two swimming pools, a children’s playground and two laundry rooms. Originally constructed in 1965, the Project is currently in fair to poor overall condition and in need of rehabilitation.

The Project was purchased out of foreclosure by the use of NSP funds from the City of Fresno. The scope of the rehabilitation includes replacing cabinets, countertops, windows, flooring, roofs, appliances, fixtures, bathtub refinishing, landscape repairs and some ADA compliance installations.

The Borrower has previously constructed or rehabilitated 18 multi-family and senior housing properties, including 1 project financed through CSCDA. The Borrower also currently has three additional applications pending with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project's units will be income restricted:
 - 71 units reserved for tenants whose income is at or below 50% AMI
 - 46 units reserved for tenants whose income is at or below 60% AMI
 - 1 manager's 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 ¼ mile of a public transit corridor
 - The Project is located within ½ mile of a park or recreational facility
 - The Project is located within ½ mile of a grocery store
 - The Project is located within ½ mile of a k-12 public school
 - The Project will offer an after school program for tenants
 - The Project will offer educational classes to tenants
 - The Project will contract with a bona fide service coordinator/social worker
- Economic Benefits
 - Based upon \$11,964,993 Project costs using a 1.8 multiplier the Project produces \$21,536,987 total economic activity, and at 2.1 jobs per unit produces approximately 248 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: October 27, 2011, City of Fresno, unanimous approval

CDLAC Approval: December 14, 2011

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	\$6,180,000	51.65%
Low Income Housing Tax-Credits	\$1,171,228	9.79%
NSP Funds	\$2,772,253	23.17%
Lease Up Income	\$269,918	2.26%
Deferred Reserve Funding	\$181,390	1.52%
Deferred Developer Fee	<u>\$1,390,204</u>	<u>11.62%</u>
Total Sources	\$11,964,993	100.00%

Uses:

Acquisition Cost	\$5,210,000	43.54%
Rehabilitation Costs	\$3,487,103	29.14%
Architect & Engineering Fees	\$35,000	0.29%
Relocation	\$120,000	1.00%
Developer Fee	\$1,407,043	11.76%
Capitalized Reserves	\$181,390	1.52%

Legal Fees	\$145,000	1.21%
Permanent Financing	\$25,000	0.21%
Construction Period Expenses	\$621,997	5.20%
Contingency Costs	\$459,483	3.84%
Other Soft Costs (Marketing, Etc.)	<u>\$272,977</u>	<u>2.28%</u>
Total Uses	\$11,964,993	100.00%

Finance Team:

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

Financing Structure:

During the construction phase the bonds will mature in no more than 24 months and bear a variable interest rate. The bonds will then be converted to the permanent phase for 35 years and bear a fixed interest rate. The projected true interest cost of the bonds under current market conditions is 5.75%. The bonds will be privately placed with Citibank, N.A.

By using \$6,180,000 in CSCDA bonds the Project is able to leverage an additional \$5,784,993 in other resources, for a ratio of 1.06 to 1.

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 Fresno, 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 Fresno TEFRA Resolution

3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2011083**
Name of Developer: **ROEM Apartment Communities, LLC**
Primary Contact: **Jonathan Emami**
Title: **Vice President**
Address: **1650 Lafayette Street
Santa Clara, CA 95050**
Telephone Number: **(408) 984-5600**
Fax Number: **(408) 984-3111**
E-mail: **jemami@roemcorp.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: **TBD**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **12**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **12**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **Citibank, N.A.**

Contact: **Jay Abeywardena**

Address: **325 E. Hillcrest Drive, Suite 160
Thousand Oaks, CA 91360**

Telephone: **(805) 557-0930 Ext. 223**

Fax: **(805) 557-0924**

E-mail: **jay.m.abeywardena@citi.com**

BOND COUNSEL

Firm: **Orrick Herrington & Sutcliffe LLP**

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: **2011083 - Canyon Crest Apartments**

Name of Borrower: **ROEM Apartment Communities, LLC**

PROJECT DESCRIPTION

Current Project Name: **Canyon Crest Apartments**

New Project Name: **TBD**

Project Street Address: **3033 E. Platt Ave**

City: **Fresno** State: **CA** Zip Code: **93721**

County: **Fresno**

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

Total Number of Units: Market: **0** Restricted: **118** Total Units: **118**

Lot Size: **4.54**

Amenities: **2 swimming pools, security gate, carports, open space**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, Stucco, 2 Story, 17 Buildings, Flat Roofs**

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

City or county contact information:

Contact Name: **Debra Barletta**
Title: **Redevelopment Agency of the City of Fresno**
Phone Number: **(559) 621-7624**
Fax Number: **(559) 621-7624**
E-mail: **debra.barletta@fresno.gov**

PUBLIC BENEFIT

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

Percentage of Area Median Income(AMI) for Low Income Housing Units: **71 units at 50% AMI and 46 units at 60% AMI**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	52	\$487	\$695	\$208
1 Bedroom	60	34	\$595	\$695	\$100
2 Bedrooms	50	19	\$589	\$800	\$211
2 Bedrooms	60	13	\$718	\$800	\$82

Remarks: **Market Study is being prepared to verify Market Rate Rent in the Area. Property is currently a affordable property under the NSP program with the city of Fresno. Also one of the 2 bedroom units will be used for the onsite Manager as their 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/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
TBD	0	0

GOVERNMENTAL INFORMATION

Congressional District #	State Senate District #	State Assembly District #
19	16	31

Application Number: **2011083 - Canyon Crest Apartments**

Name of Borrower: **ROEM Apartment Communities, 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): **TBD**

Name of Credit Enhancement Provider or Private Placement Purchaser: **Citi Bank**

PERMANENT FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **Citi Bank**

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:	\$6,180,000
Taxable Bond Proceeds:	
Tax Credits:	\$1,248,449
Developer Equity:	\$1,232,138
Other Funds(Describe):	
Deferred Reserve Funding	\$179,318
Lease Up Income	\$200,925
City of Fresno - NSP Loan	\$2,772,253
_____	_____
_____	_____
TOTAL:	\$11,813,083

USES

Land Acquisition:	\$260,502
Building Acquisition:	\$4,949,547
Construction or Remodel:	\$3,485,866
Cost of Issuance:	\$464,001
Capitalized Interest:	\$354,865
Reserves:	\$384,318
Other Funds(Describe):	
Soft Cost	\$524,410
Developer Fee	\$1,389,574
_____	_____
_____	_____
TOTAL:	\$11,813,083

Application Number: **2011083 - Canyon Crest Apartments**
Name of Borrower: **ROEM Apartment Communities, LLC**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR	REBATE ANALYST
Firm: N/A	Firm: TBD
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®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596



RESOLUTION NO. 2011-217

**A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO,
CALIFORNIA APPROVING THE ISSUANCE BY THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS
IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED
\$7 MILLION FOR THE CANYON CREST 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 Fresno (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 low income residential rental housing projects; and

WHEREAS, a to-be formed limited partnership (the "Borrower") whose general partner will have as its sole member ROEM Development Corporation, 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 issued from time to time, and at no time to exceed \$7 million in outstanding aggregate principal amount, for the purpose of, among other things: (a) to finance the acquisition and rehabilitation of a 118-unit multifamily low income residential rental housing project, commonly known as "the Canyon Crest Apartments", (the "Project"), located at 3033 East Platt Avenue, Fresno, California and owned by the Borrower and operated by FPI Management Inc.; and (b) fund a debt service reserve fund, if deemed necessary and advisable by the Authority, and (c) pay certain costs of issuing the Bonds; 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

Adopted	10/27/11
Approved	11/7/11
Effective	11/7/11

Certified Copy
City Clerk's Office

Date 11/8/11

2011-217



WHEREAS, the Council of the City of Fresno (the "Council") is the elected legislative body of the City and is one of the applicable elected representatives required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 9 the Agreement, among certain local agencies, including 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 the date specified in such notice; and

WHEREAS, pursuant to Section 147(f) of the Code, the Council, following notice duly given, has held a public hearing regarding the issuance of the Bonds, in which interested persons were provided an opportunity 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, the Council now desires to approve the issuance of the Bonds by the Authority and the approval is intended to constitute the approval required by Section 147(f) of the Code and Section 9 of the Agreement;

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

Section 1. The Council accepts the above recitals as true and correct.

Section 2. The Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the Council that this Resolution constitutes approval of the issuance of the Bonds by the Authority, for the purposes of: (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is to be located, in accordance with said Section 147(f), 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.

Certified Copy
City Clerk's Office

Date

fw
11/8/11



Section 4. Neither the City nor its staff have reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regards to any State of California statutory requirements, and adoption of this Resolution shall not obligate, without further formal action on the part of the Council: (i) the City to provide financing to the Applicant for the acquisition, refurbishment and development of the Project or to issue the Bonds for purposes of financing; or (ii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.

Section 5. The Bonds will not constitute indebtedness or obligation, or a pledge of the faith and credit of the City. The Bonds will be limited obligations of the Authority, payable solely from revenues of the Project.

Section 6. Notwithstanding any other provision of this Resolution, neither the Council, nor the City or any of its officials or employees, represents, warrants, or guarantees that the Bonds qualify as "private activity bonds" pursuant to Sections 141 or 147(f) of the Code.

Section 7. 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
405 Howard Street
San Francisco, CA 94105

Section 8. This Resolution shall take effect upon the date of its final passage.

* * * * *

Certified Copy *SW*
City Clerk's Office
Date *11/8/11*



STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno at a regular meeting held on the 27th day of October, 2011.

AYES: Baines, Olivier, Quintero, Westerlund, Xiong, Brand

NOES: None

ABSENT: Borgeas

ASBTAIN: None

Mayor Approval: _____ November 7, 2011

Mayor Approval /No Return: _____ N/A, 2011

Mayor Veto: _____ N/A, 2011

Council Override Vote: _____ N/A, 2011

REBECCA E. KLISCH

City Clerk

BY: _____

Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: _____

Mark Gleason, Deputy

Certified Copy
City Clerk's Office

Date

11/8/11

October 27, 2011

Council Adoption: 10/27/11

Mayor Approval:

Mayor Veto:

Override Request:

TO: MAYOR ASHLEY SWEARENGIN

RECEIVED

FROM: REBECCA E. KLISCH, CMC
City Clerk

2011 NOV -7 PM 4:02
CITY CLERK, FRESNO CA

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 10/27/11, Council adopted the attached Resolution No. 2011-217 entitled **TEFRA re: multifamily hsg rev bonds not to exceed 7 million, Canyon Crest Apartments**, Item No. **10:15 A.M. #2**, by the following vote:

Ayes	:	Baines, Olivier, Quintero, Westerlund, Xiong, Brand
Noes	:	None
Absent	:	Borgeas,
Abstain	:	None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk's office on or before November 7, 2011. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk's office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor's signed approval.

Thank you.

APPROVED:

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)


Ashley Swearengin, Mayor

Date: 11/7/11

COUNCIL OVERRIDE ACTION:

Date: _____

Ayes	:
Noes	:
Absent	:
Abstain	:

Certified Copy 
City Clerk's Office
Date: 11/8/11

RESOLUTION NO. 11-155
(QUALIFIED RESIDENTIAL RENTAL PROJECT)
EXHIBIT A

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 11-160
3. Project Sponsor: Canyon Crest Family Apartments, L.P. (ROEM Development Corporation and Pacific Housing, Inc.)
4. Project Management Co.: FPI Management, Inc.
5. Project Name: Canyon Crest Family Apartments
6. Type of Project: Acquisition and Rehabilitation/Family
7. Location: Fresno, 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: 117 plus 1 manager unit
11. Total Number of Restricted Rental Units: 117
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 71 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 46 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 \$2,772,253 of public funds will be expended for the Project. **Applicable**

RESOLUTION NO. 11-155

Exhibit A

Page 2 of 3

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 three-bedroom or larger units. **Not 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 program 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. **Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents educational classes on-site or there must be educational classes available to Project residents within 1/4 mile of the Project. **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 contracts for services on-site or such service must be available to the Project residents within 1/4 mile of the Project. **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. **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. The project is a Rehabilitation Project reducing energy use on a per square foot basis by 25% as calculated using a methodology approved by the California Energy Commission. **Not Applicable**
28. The project commits to becoming certified under any one of the following programs upon completion: Leadership in Energy & Environmental Design (LEED); Green Communities; or the GreenPoint Rated Multifamily Guidelines. **Not Applicable**
29. The Project will incorporate the following energy efficient items:
 - a. Energy Star rated ceiling fans in all bedrooms and living rooms; or use of a whole house fan; or use of an economizer cycle on mechanically cooled HVAC systems. **Not Applicable**
 - b. Water-saving fixtures or flow restrictors in the kitchen (2 gpm or less) and bathrooms (1.5 gpm or less). **Not Applicable**

RESOLUTION NO. 11-155

Exhibit A

Page 3 of 3

- c. At least one High Efficiency Toilet (1.3 gallons per flush) or dual flush toilets per unit.
Not Applicable
- d. Material for all cabinets, countertops and shelving that is free of added formaldehyde or fully sealed on all six (6) sides by laminates and/or a low-VOC primer or sealant (150 grams per liter or less).
Not Applicable
- e. Interior paint with no volatile organic compounds. (5 grams per liter or less).
Not Applicable
- f. CRI Green-label, low-VOC carpeting and pad and low-VOC adhesives 25 grams per liter or less.
Not Applicable
- g. Bathroom fans in all bathrooms that exhaust to the outdoors and are equipped with a humidistat sensor or timer. **Not Applicable**
- h. Formaldehyde-free insulation. **Not Applicable**
- i. At least one of the following recycled materials at the designated levels: a) cast-in-place concrete (20% flyash); b) carpet (25%); c) road base, fill or landscape amendments (30%).
Not Applicable
- j. Design the elements to retain, infiltrate and/or treat on-site the first one-half (1/2) inch of rainfall in a 24-hour period. **Not Applicable**
- k. Inclusion of a construction indoor air quality management plan that requires the following: a) protection of construction materials from water damage during construction; b) capping of ducts during construction; c) cleaning of ducts upon completion of construction; and d) for rehabilitation Projects, implementation of a dust control plan that prevents particulates from migrating into occupied areas. **Not Applicable**
- l. The following design features in at least half of the Project's units: accessible routes of travel to the dwelling units with accessible 34" minimum clear-opening-width entry and interior doors with lever hardware and 42" minimum width hallways; accessible full bathroom on primary floor with 30" x 60" clearance parallel to the entry to 60" wide accessible showers with grab bars, anti-scald valves and lever faucet/shower handles, and reinforcement applied to walls around toilet for future grab bar installations; accessible kitchen with 30" x 48" clearance parallel to and centered on front of all major fixtures and appliances. **Not Applicable**
- m. Inclusion of no-smoking buildings or sections of buildings. To be eligible for an award pursuant to this subdivision, the no-smoking sections must consist of at least half the units within the building, and those units must be contiguous. **Not Applicable**
- n. An allocation of Historic Tax Credits as defined under 26 U.S.C. section 47(a).
Not Applicable
- o. For rehabilitation Projects not subject to Title 24 Standards, use of florescent light fixtures for at least 75% of light fixtures or comparable energy saving lighting for the Project's total lighting (including community rooms and any common space) throughout the compliance period.
Not Applicable

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:

- b. Heritage Commons, L.P. (Heritage Commons Apartments), City of Dixon, County of Solano; up to \$9 million in multi-family housing debt obligations

SUMMARY AND RECOMMENDATIONS

DATE: MARCH 1, 2012

APPLICANT: HERITAGE COMMONS, L.P./NEIGHBORHOOD PARTNERS, LLC

AMOUNT: UP TO \$9,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

PURPOSE: FINANCE THE ACQUISITION AND CONSTRUCTION OF HERITAGE COMMONS APARTMENTS LOCATED AT 191 HERITAGE LANE IN DIXON, CA

CSCDA PROGRAM: HOUSING

Background:

The proposed project, Heritage Commons Apartments (The “Project”), is a 60-unit new construction project located in Dixon, California. The Project application was filed on May 25, 2011 and induced on June 8, 2011.

Summary:

Heritage Commons, L.P. (The “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$9,000,000 for the purpose of financing the acquisition and construction of the Project. The Project will provide 59 housing units designated for very low income seniors in the City of Dixon.

The Project will include 6 three-story buildings and a two-story community building. There will be 59 one bedroom flats and a two bedroom manager’s unit. Each ground floor unit will have an outdoor patio area and all of the units will have an outdoor sitting area at their front door. The community building will provide a large meeting room and kitchen, a computer area, a manager’s office, a services coordinator’s office, and a maintenance room. In addition, the community building will have a resident operated convenience store, sitting area with a fireplace, and two laundry rooms. There will be an outdoor patio area for socializing, a large covered porch, and green open space with a garden.

The Project is the first phase in a 120 unit senior housing complex in the City of Dixon. The Project will be constructed on a 2.5 acre site that is close to a senior center, parks, public transportation, medical services and shopping.

Construction is expected to begin in the Spring of 2012 and be completed by the Summer of 2013.

This is the first housing project that CSCDA has worked on with the Borrower.

Public Benefit:

- Project Affordability
 - 100% of the Project's units will be income restricted:
 - 7 units reserved for tenants whose income is at or below 11% AMI
 - 14 units reserved for tenants whose income is at or below 30% AMI
 - 9 units reserved for tenants whose income is at or below 40% AMI
 - 29 units reserved for tenants whose income is at or below 50% AMI
 - 1 manager's 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 ¼ mile of a public transit corridor
 - The Project is located within ½ mile of a park or recreational facility
 - The Project will contract with a bona fide service coordinator/social worker
- Economic Benefits
 - Based upon \$12,760,000 in Project costs using a 1.8 multiplier the Project produces \$22,968,000 in total economic activity, and at 2.1 jobs per unit produces approximately 126 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: June 28, 2011, City of Dixon, unanimous approval

CDLAC Approval: September 28, 2011

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	\$7,000,000	54.86%
Low Income Housing Tax-Credits	\$755,000	5.92%
HCD HOME	\$2,638,332	20.68%
City of Dixon RDA	\$343,000	2.69%
First Northern Bank AHP	\$1,000,000	7.84%
Costs Deferred to Permanent Phase	<u>\$1,023,668</u>	<u>8.02%</u>
Total Sources	\$12,760,000	100.00%

Uses:

Land Cost	\$86,155	0.68%
New Construction	\$7,487,000	58.68%
Architect & Engineering Fees	\$466,000	3.65%
Construction Interest & Fees	\$547,100	4.29%
Developer Fee	\$1,200,000	9.40%
Financing Costs	\$160,000	1.25%
Permanent Financing	\$55,203	0.43%

Impact Fees	\$1,634,000	12.81%
Total Reserves	\$186,168	1.46%
Appraisal	\$390,500	3.06%
Other Soft Costs (Marketing, Etc.)	<u>\$547,874</u>	<u>4.29%</u>
Total Uses	\$12,760,000	100.00%

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Lender: Wells Fargo Bank, N.A.

Financing Structure:

The bonds will mature in no more than 24 months and bear a variable interest rate. The bonds will be privately placed with Wells Fargo Bank.

By using \$7,000,000 in CSCDA bonds the Project is able to leverage an additional \$5,760,000 in other resources, for a ratio of 1.22 to 1.

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 Dixon, 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 Dixon TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2011040**
Name of Developer: **Neighborhood Partners, LLC**
Primary Contact: **Luke Watkins**
Title: **Principal**
Address: **2745 Portage Bay East
Davis, CA 95616**
Telephone Number: **(530) 400-2927**
Fax Number: **(530) 756-1899**
E-mail: **lukewatkins@sbcglobal.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: **12/1/2011**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **7**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **7**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail: **donotsend@tbd.com**

BOND COUNSEL

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

Contact: **Justin Cooper**

Address: **400 Capitol Mall, Suite 3000
Sacramento, CA 95814**

Telephone: **(916) 447-9200**

Fax: **(916) 329-4900**

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

Application Number: **2011040 - Heritage Commons**

Name of Borrower: **Neighborhood Partners, LLC**

PROJECT DESCRIPTION

Current Project Name: **Heritage Commons**

New Project Name:

Project Street Address: **191 Heritage Lane--NE Corner of South 1st St. & Valley Glen Dr.**

City: **Dixon** State: **CA** Zip Code: **95620**

County: **Solano**

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

Total Number of Units: Market: **0** Restricted: **59** Total Units: **59**

Lot Size: **2.5 acres**

Amenities: **senior housing with a community building**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **3 Story Wood Frame**

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

City or county contact information:

Contact Name: **Mark Heckey**
Title: **Economic Development Director**
Phone Number: **(707) 678-7000**
Fax Number: **(707) 678-0960**
E-mail: **mheckey@ci.dixon.ca.us**

PUBLIC BENEFIT

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

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

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	30	21	\$382	\$800	\$418
1 Bedroom	40	12	\$531	\$800	\$269
1 Bedroom	50	26	\$680	\$800	\$120

Remarks:

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? **15%**

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

If Yes, what is the size in kWh? **10**

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>resident manager</u>	<u>0</u>	<u>1</u>
<u>maintenance worker</u>	<u>0</u>	<u>1</u>
<u>various construction trades</u>	<u>100</u>	<u>0</u>

GOVERNMENTAL INFORMATION

Congressional District #

10

State Senate District #

5

State Assembly District #

8

Application Number: **2011040 - Heritage Commons**

Name of Borrower: **Neighborhood Partners, 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: **2 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:	\$7,000,000
Taxable Bond Proceeds:	
Tax Credits:	\$1,145,000
Developer Equity:	
Other Funds(Describe):	
HCD HOME	\$2,000,000
AHP (First Northern Bank)	\$1,000,000
City of Dixon Redevelopment Agency	\$343,000
_____
_____
TOTAL:	\$11,488,000

USES

Land Acquisition:	\$3,155
Building Acquisition:	
Construction or Remodel:	\$7,244,100
Cost of Issuance:	\$100,000
Capitalized Interest:	\$350,000
Reserves:	
Other Funds(Describe):	
Various Soft Costs	\$1,740,745
Government Permit and Impact Fees	\$2,050,000
_____
_____
TOTAL:	\$11,488,000

Application Number: **2011040 - Heritage Commons**

Name of Borrower: **Neighborhood Partners, LLC**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR	REBATE ANALYST
Firm: N/A	Firm: TBD
Contact:	Contact:
Address:	Address:
Telephone:	Telephone:
Fax:	Fax:
E-mail: donotsend@n-a.com	E-mail: donotsend@tbd.com

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®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596

RESOLUTION NO. 11-087

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DIXON
APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY
HOUSING REVENUE BONDS FOR THE HERITAGE COMMONS
APARTMENTS PROJECT**

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 Dixon (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, Heritage Commons, L.P., a 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 \$9,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 59-unit senior multifamily rental housing project located at 191 Heritage Lane, at the northeast corner of South 1st Street and Valley Glen Drive, Dixon, California, generally known as Heritage Commons Apartments Project (the "Project") and operated by The John Stewart Company; 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 (this "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 DIXON 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.

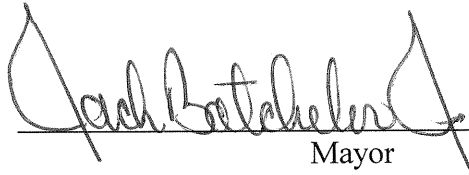
RESOLUTION NO.: 11-087
DATE: JUN 28 2011

ADOPTED by the City Council of the City of Dixon at a regular meeting of said Council held on the [28]th day of [June], 2011, by the following vote:

AYES: Besneatte, Bogue, Ceremello, Fuller, Batchelor

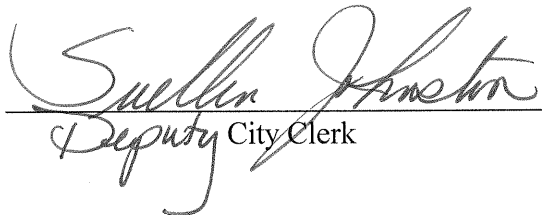
NOES: None

ABSENT: None



Mayor

ATTEST:



Deputy City Clerk

RESOLUTION NO.: 11-087

DATE: JUN 28 2011

RESOLUTION NO. 11-103
(QUALIFIED RESIDENTIAL RENTAL PROJECT)
EXHIBIT A

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 11-138
3. Project Sponsor: Heritage Commons, L.P. (Davis Senior Housing Communities, Inc.; Neighborhood Partners, LLC; The John Stewart Company)
4. Project Management Co.: The John Stewart Company
5. Project Name: Heritage Commons Apartments
6. Type of Project: New Construction/Senior Citizens
7. Location: Dixon, CA
8. Private Placement Purchaser: Wells Fargo Bank, N.A.
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
Applicable
10. Total Number of Units: 59 plus 1 manager unit
11. Total Number of Restricted Rental Units: 59
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.
Not Applicable
14. Income and Rental Restrictions:
For the entire term of the income and rental restrictions, the Project will have:

At least 59 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.
15. For acquisition and rehabilitation projects, a minimum of \$10,000 in hard construction costs will be expended for each Project unit. **Not Applicable**
16. A minimum of \$7,343,000 of public funds will be expended for the Project. **Applicable**

RESOLUTION NO. 11-103

Exhibit A

Page 2 of 3

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 three-bedroom or larger units. **Not 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 program 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. **Not Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents educational classes on-site or there must be educational classes available to Project residents 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 contracts for services on-site or such service must be available to the Project residents within 1/4 mile of the Project. **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. **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. The project is a New Construction or Adaptive Reuse Project exceeding Title 24 Energy Standards by at least 10%. **Not Applicable**
28. The project commits to becoming certified under any one of the following programs upon completion: Leadership in Energy & Environmental Design (LEED); Green Communities; or the GreenPoint Rated Multifamily Guidelines. **Not Applicable**
29. The Project will incorporate the following energy efficient items:
 - a. Energy Star rated ceiling fans in all bedrooms and living rooms; or use of a whole house fan; or use of an economizer cycle on mechanically cooled HVAC systems. **Not Applicable**
 - b. Water-saving fixtures or flow restrictors in the kitchen (2 gpm or less) and bathrooms (1.5 gpm or less). **Not Applicable**

RESOLUTION NO. 11-103

Exhibit A

Page 3 of 3

- c. At least one High Efficiency Toilet (1.3 gallons per flush) or dual flush toilets per unit.
Not Applicable
- d. Material for all cabinets, countertops and shelving that is free of added formaldehyde or fully sealed on all six (6) sides by laminates and/or a low-VOC primer or sealant (150 grams per liter or less).
Not Applicable
- e. Interior paint with no volatile organic compounds. (5 grams per liter or less).
Not Applicable
- f. CRI Green-label, low-VOC carpeting and pad and low-VOC adhesives 25 grams per liter or less.
Not Applicable
- g. Bathroom fans in all bathrooms that exhaust to the outdoors and are equipped with a humidistat sensor or timer. **Not Applicable**
- h. Formaldehyde-free insulation. **Not Applicable**
- i. At least one of the following recycled materials at the designated levels: a) cast-in-place concrete (20% flyash); b) carpet (25%); c) road base, fill or landscape amendments (30%).
Not Applicable
- j. Design the elements to retain, infiltrate and/or treat on-site the first one-half (1/2) inch of rainfall in a 24-hour period. **Not Applicable**
- k. Inclusion of a construction indoor air quality management plan that requires the following: a) protection of construction materials from water damage during construction; b) capping of ducts during construction; c) cleaning of ducts upon completion of construction; and d) for rehabilitation Projects, implementation of a dust control plan that prevents particulates from migrating into occupied areas. **Not Applicable**
- l. The following design features in at least half of the Project's units: accessible routes of travel to the dwelling units with accessible 34" minimum clear-opening-width entry and interior doors with lever hardware and 42" minimum width hallways; accessible full bathroom on primary floor with 30" x 60" clearance parallel to the entry to 60" wide accessible showers with grab bars, anti-scald valves and lever faucet/shower handles, and reinforcement applied to walls around toilet for future grab bar installations; accessible kitchen with 30" x 48" clearance parallel to and centered on front of all major fixtures and appliances. **Not Applicable**
- m. Inclusion of no-smoking buildings or sections of buildings. To be eligible for an award pursuant to this subdivision, the no-smoking sections must consist of at least half the units within the building, and those units must be contiguous. **Not Applicable**
- n. An allocation of Historic Tax Credits as defined under 26 U.S.C. section 47(a).
Not Applicable
- o. For rehabilitation Projects not subject to Title 24 Standards, use of florescent light fixtures for at least 75% of light fixtures or comparable energy saving lighting for the Project's total lighting (including community rooms and any common space) throughout the compliance period.
Not Applicable

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:

- c. Viewpoint Educational Foundation, City of Calabasas, County of Los Angeles; up to \$40 million in 501(c)3 non-profit revenue bonds

SUMMARY AND RECOMMENDATIONS

DATE:	MARCH 1, 2012
APPLICANT:	VIEWPOINT EDUCATIONAL FOUNDATION
AMOUNT:	UP TO \$40 MILLION OF NONPROFIT REVENUE AND REFUNDING BONDS
PURPOSE:	FINANCE CAPITAL IMPROVEMENT AND REFINANCE EXISTING DEBT
PRIMARY ACTIVITY:	K THROUGH 12TH GRADE EDUCATION
LEGAL STRUCTURE:	501(C)(3) CORPORATION

Background:

Viewpoint School (“Viewpoint”) is a nondenominational, nonprofit, college-preparatory day school that was founded in Calabasas, California in 1961. Four divisions constitute the school: Primary School (K-2), Lower School (3-5), Middle School (6-8), and Upper School (9-12). Viewpoint offers a challenging academic program emphasizing excellence and achievement and providing individualized attention.

In 2004, CSCDA issued \$16,000,000 in revenue bonds (“Series 2004 Bonds”) on behalf of Viewpoint to refund their First Mortgage Bonds, 1999 Series, and payoff an existing promissory note to Meadow Oaks School, Inc., the proceeds of which were used to purchase Meadow Oaks School. In addition, bond proceeds were used to fund a portion of the construction of new facilities, rehabilitation of the campus, fund a reserve fund and pay costs of issuance.

In 2008, CSCDA issued \$20,000,000 in revenue bonds (“Series 2008 Bonds”) to refund the Series 2004 Bonds and finance the acquisition, design, approval, construction and development of certain educational facilities, furnishings and equipment located on the school’s campus.

Viewpoint has requested that CSCDA issue up to \$40,000,000, the proceeds of which will be used to refinance the Series 2004 Bonds and Series 2008 Bonds. The remaining funds will be used for capital improvements to finance the acquisition, design, approval, construction, renovation, installation and development of facilities at the campus, including: one or more new elementary school buildings and related facilities, new campus support services facilities, enhanced and/or expanded infrastructure and parking improvements to certain athletic facilities including the west campus softball field, the west campus pool and Rasmussen Family pavilion, and miscellaneous enhancements, repairs, refurbishment and improvements to existing facilities and infrastructure. Additionally, bond proceeds will be used to pay various costs of issuance and other related costs with respect to the obligations.

By refinancing the Series 2004 Bonds and Series 2008 Bonds, Viewpoint is expected to achieve 8% present value savings, or over \$3,000,000 of cash flow savings over the life of the 2012 Bonds.

Viewpoint's application was filed on January 18, 2012. Previously the commission approved bond issuances for Viewpoint in 2004 and 2008 for \$16,000,000 and \$20,000,000, respectively.

Agency Approvals:

A TEFRA hearing was held at the Calabasas City Council meeting on February 22, 2012 where the financing was unanimously approved.

Estimated Sources and Uses:

Sources:

First Republic Loan	\$ 40,000,000.00
Series 2004 Debt Service Reserve Fund	\$ 1,073,362.50
Debt Service Fund	<u>\$ 126,911.30</u>
Total Sources	\$ 41,200,273.80

Uses:

Cost of Escrow Securities	\$ 34,872,498.81
New Money Project Proceeds	\$ 5,905,572.49
Origination Fees	\$ 222,202.50
Cost of Issuance	<u>\$ 200,000.00</u>
Total Uses	\$ 41,200,273.80

Finance Team:

- Bond Counsel: Hawkins Delafield & Wood, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Bank: First Republic Bank, San Francisco

Financing Structure:

The unrated bonds will mature in no more than 30 years and bear interest at a fixed rate. The projected true interest cost of the bonds under current market conditions 3.95%. The bonds will be privately placed with First Republic Bank. The proposed issuance is in accordance with the Authority's issuance guidelines.

Recommendations:

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, the Commission shall approve the Resolution as submitted to the Commission, which:

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

Attachment 1

Policy Compliance:

K-12 Public Benefit Requirements:

Viewpoint must be able to demonstrate that the community will receive a public benefit as a result of the financing and refinancing of Viewpoint's facilities, including, but not limited to, one or more of the following:

- **Community Outreach:** The Applicant undertakes community outreach programs providing educational, cultural or philanthropic benefits to the community.
- **Public Access to Facilities:** The Applicant permits public access to its athletic fields, recreational facilities or other school facilities.
- **Financial Assistance:** The Applicant provides a reasonable amount of financial assistance to its students.

Public Benefit:

Viewpoint seeks to instill a spirit of community service in all students through age-appropriate activities on campus. Students have sponsored and participated in activities that have supported such organizations as the West Valley Food Pantry, Haiti Relief, Book Ends, St. Jude's Cancer Research, Saving the Rainforest and Coral Reef, Habitat for Humanity, Guide Dogs of America, and Children Helping Poor and Homeless People. The Primary School contributes annually to their Pennies for a Purpose Project which supports UNICEF and School on Wheels, a program that provides one-on-one tutoring for homeless children in Los Angeles.

The school and its students benefit tremendously from the dynamic parent leadership of the Multicultural Committee of the VSSA (Viewpoint's parent association). The VSSA Multicultural Committee recognizes, celebrates, and supports the cultural diversity of Viewpoint School, and strives to develop an understanding and appreciation of different cultures. The Committee sponsors activities designed to enrich educational programs, enhance cultural awareness, foster ethnic diversity, and advocate for the successful recruitment and retention of historically underrepresented students.

Tuition Costs:

Annual tuition for non-scholarship students is \$24,600 for the Primary School, \$25,400 for the Lower School, \$27,200 for the Middle School, and \$29,100 for the Upper School.

Attachments:

1. Original application



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

APPLICANT INFORMATION

Application Number: **2012006**

Name of Borrower: **Viewpoint Educational Foundation**

Primary Contact: **Chad Tew**

Title: **Treasurer and Chief Financial Officer**

Street Address: **23620 Mulholland Highway** Suite: _____

City: **Calabasas** State: **CA** Zip Code: **91302**

Telephone Number: **(818) 591-6500**

Fax Number: **(818) 591-1991**

E-mail: **ctew@viewpoint.org**

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

Date Organized: **1961**

PROJECT INFORMATION

Type of Project: ☐ Small Issue Public Benefit Project

Health Care: ☐ Continuing Care ☐ Clinic ☐ Hospital ☐ Assisted Living
☐ Skilled Nursing ☐ Other (specify): _____

Education: ☒ K-12 ☐ Colleges/Universities

Other: ☐ Museum/Cultural ☐ Other (specify): _____

Project/Facility Name: **Viewpoint School**

Street Address: **23620 Mulholland Highway**

City: **Calabasas** State: **CA** Zip Code: **91302**

County: **Los Angeles**

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

Has the city or county in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Contact Name: **Gary Lysik**

Title: **Chief Financial Officer, City of Calabasas**

Phone Number: **(818) 224-1600**

Fax Number: _____

E-mail: **glysik@cityofcalabasas.com**



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

FINANCING INFORMATION

Principal Amount: **\$40,000,000**
Tax-exempt Amount: **\$40,000,000**
Taxable Amount: **\$0**

Proposed Closing Date: **03/15/2012**

Maturity: **30 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

Type of Offering: ☐ Public Offering ☒ Private Placement
Denominations: **one single bond**

Type of Financing: ☐ Acquisition of Existing Facility ☒ New Construction
☒ Refunding

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 _____

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **First Republic Bank**

Contact: **Dirk ten Grotenhuis**

Address: **111 Pine Street
San Francisco, CA 94111**

Telephone: **(415) 262-2428**

Fax: **(415) 262-2428**

E-mail: **dteng@firstrepublic.com**

BOND COUNSEL

Firm: **Hawkins Delafield & Wood LLP**

Contact: **Sean Tierney**

Address: **One Embarcadero Center, Suite 3820
San Francisco, CA 94111**

Telephone: **(415) 486-4209**

Fax: **(415) 397-1513**

E-mail: **stierney@hawkins.com**



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

PRINCIPAL FINANCE TEAM INFORMATION (continued)

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

ADDITIONAL INFORMATION REQUIRED

Please provide the following information as additional attachments:

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

- | | |
|---|---|
| A | \$5,000 non-refundable* issuance fee deposit payable to "California Communities." |
| B | Detailed Applicant History. |
| C | Description of project or each facility to be financed or refinanced. |
| D | Comprehensive summary of project public benefits. |
| E | Address of each facility to be financed or refinanced. |
| F | Evidence of credit enhancement or intent to purchase bonds. |
| G | List of outstanding tax-exempt debt. |
| H | Financial statements for last complete fiscal year. |
| I | Project Costs (Sources and Uses of Proceeds). |
| J | Interested Parties List. |

*Refundable only if financing not approved. Small Issue Program issuance fee deposit is \$2,500.

MAILING ADDRESS

California Communities®
2033 N. Main St., Suite 700
Walnut Creek, CA 94596



501(c)(3) Nonprofit Bond Application Attachment D

Application: **2012006 - Viewpoint Educational Foundation**
Borrower: **Viewpoint Educational Foundation**
Facility #1: **Viewpoint School**

PUBLIC BENEFITS

FOR HEALTH CARE FACILITY ONLY

New Beds: Accute: 0 Emergency: 0 Other: 0
SB 1953(Hospital Facilities Seismic Safety Act) Compliance? No
Non-Reimbursed Community Benefits:
Traditional Charity Care: \$0
Unpaid Costs of Medicare: \$0
Unpaid Costs of Medi-Cal: \$0
Non-billed Community Outreach: \$0
Other: \$0

FOR PRIVATE SCHOOL FACILITY ONLY

Use of Bond Proceeds
No. of Classrooms: 15
No. of Libraries: 0
No. of Athletic Fields: 1
No. of Administrative Facilities: 5
playground, parking, infrastructure 0

Tuition Assistance: K-8 9-12
Current Tuition: 27200 29100
Total Tuition Assistance Provided: 1260750 1959100
% of students receiving at least 50% tuition assistance: 3.1 5.8

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

Application Number: **2012006 - Viewpoint Educational Foundation**
Name of Borrower: **Viewpoint Educational Foundation**
Facility/Project #1: **Viewpoint School**

PUBLIC BENEFITS (continued)

WORKFORCE

Employment Creation

Job Type/Description

None

During
Construction
0

Post
Construction
0

GOVERNMENTAL INFORMATION

Congressional District #

State Senate District #

23

State Assembly District #

41

Item VI

Discuss and approve CDLAC Annual Applicant Public Benefits and Ongoing Compliance Self-Certification procedures; and,

Item VII

Discuss and approve compliance monitoring fee for affordable housing projects when the qualified project period has expired

SUMMARY AND RECOMMENDATIONS

REQUEST: DISCUSS AND APPROVE POLICY FOR SUBMITTING CDLAC ANNUAL APPLICANT PUBLIC BENEFITS AND ONGOING COMPLIANCE SELF-CERTIFICATION AND DISCUSS AND APPROVE COMPLIANCE MONITORING FEE FOR AFFORDABLE HOUSING PROJECTS WHEN THE QUALIFIED PROJECT PERIOD HAS EXPIRED

DATE: MARCH 1, 2012

Agenda Items VI & VII

Background:

In October 2011 the California Debt Limit Allocation Committee (“CDLAC”) approved additional reporting requirements for all projects that were awarded allocation and are currently within an existing bond regulatory period and/or compliance period. The Issuer is required to complete and submit the Applicant Self Certification form (attached as Exhibit A), certifying whether or not the Project meets the terms and conditions of the Project’s CDLAC Resolution. The Applicant Self-Certification must be submitted by the Issuer to CDLAC no later than March 1st of each year; however, for calendar year 2012 only, Issuers may submit Applicant Self-Certification forms for all pre-2011 bond issuances no later than the extended deadline of September 1, 2012 (Self-Certifications for 2011 issuances are still due March 1, 2012).

Staff proposes filling out the form by obtaining a self-certification from each Project Sponsor to certify that the Project meets the requirements stipulated in the CDLAC Resolution. In the event that the terms and conditions are not met, staff will work with CDLAC and the Project Sponsor to correct noncompliance.

CDLAC currently requires that all regulatory periods for projects receiving bond allocation be for a minimum of 55 years. Pursuant to CDLAC’s new regulation 5144, CSCDA will be required to facilitate the ongoing compliance certification process throughout the term of the 55 year Regulatory Agreement. Staff recommends that the Commission institute a nominal annual compliance monitoring fee of \$1,000 per housing project which will become effective when bonds have been repaid and the project is beyond the term of the federal compliance period.

Recommendation:

Approve the proposed policy to submit the CDLAC Annual Applicant Public Benefits and Ongoing Compliance Self-Certification and approve the proposed \$1000 annual compliance monitoring fee.

Exhibit A

Annual Applicant Public Benefits and Ongoing Compliance Self-Certification

ACKNOWLEDGMENT: The California Debt Limit Allocation Committee (“CDLAC” or “Committee”) does not expect to hold an Applicant (Issuer) responsible for conditions they are not aware of; only for the Applicant to confirm their understanding of the status of the project based upon their own post-issuance compliance procedures. CDLAC will not review the Applicant’s procedures, and in good faith, will assume that the Applicant has in-place procedures they judge to adequately satisfy their post-issuance responsibilities as defined under the Internal Revenue Code and CDLAC Regulations. An Applicant is free to request project information from the Project Sponsor and rely on that information if they believe it satisfies their own compliance procedures and responsibilities. That information can then serve as the basis for the Applicant’s response to the questions within this certification.

INSTRUCTIONS: Per the CDLAC Regulations, all Projects within an existing bond regulatory period and/or CDLAC compliance period shall be monitored for compliance with the terms and conditions of the Committee Resolution by the Applicant (Issuer). The Applicant shall complete and submit the Annual Applicant Public Benefits and On-going Compliance Self Certification provided on the CDLAC website; certifying whether or not the Project meets the terms and conditions of the Committee Resolution. The self certification must be submitted by the Applicant to CDLAC no later than March 1 of each year (or at such other time as defined in the CDLAC Regulations or requested by the Committee).

ALL APPLICANTS: Applicant/Issuer Certification of Delivery of Public Benefits

Applicant/Issuer Name:

Project Name:

Application Number (s):

Resolution Number(s):

Property address:

Project Completion Date *(if the depreciable assets and/or project have not yet been placed in operation, please only respond to question 1 and mark “N/A” for all other questions):*

1. To the best of your knowledge, have there been any changes to the ownership entity, principles or property management of the project since the bonds were issued, or since the last certification was provided?
(If so please attach a request to revise the resolution noting all pertinent information regarding the change)
2. To the best of your knowledge, has there been a change of use for the project?

Exhibit A

3. To the best of your knowledge, has the project satisfied all of the requirements memorialized in the Exhibit A of the Committee Resolution (i.e. qualifying project completion, qualifying depreciable asset purchase, qualifying loan originations, the use of public funds, QRRP manager units, QRRP income rent restrictions, QRRP sustainable building methods, etc.; as applicable), and thus achieving all public benefit requirements (excluding QRRP service amenities) as presented to the Committee? *(If there is more than one resolution for this project the most recent resolution will supersede all previous resolutions)*
 - a) As Issuer for the subject project, were you able to confirm to the satisfaction of your current requirements that the defined public benefits were conveyed at the completion of the purchase of the depreciable assets and/or development of the subject project?
 - b) If the public benefits have been confirmed, what evidence to the satisfaction of your current requirements was received (i.e. invoices, contracts, agreements, rent rolls, on-site audits, etc.)?
 - c) When was the evidence provided to the Issuer, or a site visit completed, to confirm the public benefits?
 - d) If all of your compliance requirements were not met, what corrective action was taken to bring the project into compliance? Is the project currently in compliance?

Exhibit A

INDUSTRIAL DEVELOPMENT BOND AND RECOVERY ZONE BOND APPLICANTS ONLY:

Applicant/Issuer Certification of Post-Issuance Compliance (if applicable)

(Note: Once the job creation/retention goals have been achieved, no additional reporting for this section is required by CDLAC in the subsequent annual certifications.)

1. As captured in Exhibit A of the Committee Resolution, the Applicant or Project Sponsor reasonably expects a certain minimum number of new and/or retained jobs associated with the project within two (2) years following the completion of that project:

Please provide the following information:

_____ Number of Existing Jobs Originally Anticipated to be Retained

_____ Number of New Jobs Originally Anticipated to be Created

Is the project complete?

_____ **No. STOP HERE** (no additional reporting on this section is necessary until project completion).

_____ **Yes.** Please Complete the Following Information:

- a) What evidence was provided to confirm that the above listed jobs were retained and/or provided and that the project achieved the job creation/retention goals noted in Exhibit A of the Committee Resolution?
- b) Did the evidence received or observed meet your standards for compliance with the applicable job creation/retention goals?

QRRP APPLICANTS ONLY: Applicant/Issuer Certification of Ongoing Compliance

(Please attach the completed project sponsor certification form as provided in the Committee Resolution)

1. As captured in Exhibit A of the resolution, the QRRP project has committed to and is currently providing the following service amenities for a minimum of ten years, on a regular and ongoing basis, which are provided free of charge (with the exception of day care services):

Exhibit A

Please check the services that apply or write N/A where appropriate:

_____ After-school Programs

_____ Educational, health and wellness, or skill building classes

_____ Health and Wellness services and programs (not group classes)

_____ Licensed Childcare provided for a minimum of 20 hours per week (Monday-Friday)

_____ Bona-Fide Service Coordinator/ Social Worker

a) For this reporting period, what evidence (i.e. MOU's, contracts, schedules, calendars, flyers, sign-up sheets, etc.) was provided to the satisfaction of your current requirements to confirm that the above listed services are being provided and have met the requirements of Exhibit A of the Resolution?

b) If all compliance requirements were not met, what corrective action has been taken thus far?

Signature of Officer

Date

Printed Name of Officer

Title of Officer

Phone number

Item VIII

Discuss and approve exception to CSCDA annual fee policy for San Sevaine Villas

SUMMARY AND RECOMMENDATIONS

DATE: MARCH 1, 2012

PURPOSE: DISCUSS AND APPROVE EXCEPTION TO CSCDA ANNUAL FEE POLICY FOR SAN SEVAINE VILLAS

CSCDA PROGRAM: HOUSING

Background:

On July 10, 2009, CSCDA issued \$30,000,000 in Multifamily Housing Revenue Bonds to Northtown Housing Development Corporation (the “Borrower”) for the acquisition and construction of a project in the City of Rancho Cucamonga known as San Sevaime Villas (the “Project”).

CSCDA’s current issuance policy provides that housing developers are eligible for a one-time reduction in annual administration fees based on conversion from construction to permanent financing within two years of the bond issuance date.

The Project converted from its construction financing to permanent loan on December 28, 2011 which is approximately five and half months beyond the two year limit for conversion under existing CSCDA policy. The Borrower has requested that CSCDA grant an exception due to the fact that it took the Borrower longer to achieve the lease-up requirements for the permanent loan.

Recommendations:

Staff recommends that the Commission grant the Borrower a policy exception enabling the Borrower to pay future annual administrative fees calculated at its permanent loan at the time of conversion.

Item IX

Discuss and approve proposed revisions to CSCDA fee schedule for nonprofit borrowers

SUMMARY AND RECOMMENDATIONS

DATE: MARCH 1, 2012

REQUEST: DISCUSS AND APPROVE PROPOSED REVISIONS TO CSCDA FEE SCHEDULE
FOR NONPROFIT BORROWERS

Background/Discussion:

On December 7, 2011, the Commission approved certain revisions to CSCDA's annual fee schedule for housing developers in order to provide greater incentives to loyal borrowers.

CSCDA's current fee schedule rewards loyal nonprofit borrowers by providing a tiered annual fee schedule based upon such borrower's historical aggregate bond issuance through CSCDA. Specifically, the current annual administrative fees assessed to borrowers in the 501(c)(3) nonprofit bond program are as follows:

Up to First \$100 million: 0.03%
Amount in excess of \$100 million and less than \$1 billion: 0.02%
Amount in excess of \$1 billion: 0.015%

The existing tiered fee schedule has already rewarded a number of CSCDA's larger healthcare system borrowers. However, CSCDA also issues bonds for many smaller nonprofit organizations that provide charter and private school education, local healthcare facilities and other public benefits to communities throughout California. Some of these borrowers have brought multiple transactions through CSCDA but due to their smaller size, have not qualified for the lower annual fees assessed once a borrower has reached \$100 million in aggregate issuances.

Staff proposes that the Commission consider a change to its 501(c)(3) nonprofit bond program's annual administrative fee schedule in order to better recognize and incentivize repeat nonprofit borrowers.

Recommendation:

Staff recommends that the Commission approve and adopt the following:

501(c)(3) Nonprofit Bond Program Annual Administrative Fees:

- Up to first \$100 million on first issuance: 0.03%
- Amount in excess of \$100 million on first issuance or any subsequent issuance: 0.02%
- Amount in excess of \$1 billion aggregate issuance: 0.015%

Subsequent issuances include refundings of existing CSCDA bonds and new project financings for the same Borrower.