



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



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

March 20, 2014

10:00 a.m.

**California State Association of Counties
1100 K Street, 3rd Floor
Sacramento, California**

Butte County
7 County Center Drive
Oroville, CA 95965

County of Monterey
168 West Alisal Street
Salinas, CA 93901

709 Portwalk Place
Redwood City, CA 94065

27788 Hidden Trail Road
Laguna Hills, CA 92653

- I. Call the Roll (alternates designate which member they are representing).
- II. Consideration of the Minutes of the March 6, 2014 Regular Meeting & Special Meeting.
- III. Staff Updates.
- IV. Consideration of the Consent Calendar.
- V. Consideration of 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:

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2014 at __: __ m,
Signed _____. Please fax signed page to (925) 933-8457.

- a. Huntington Villa Yorba Preservation L.P. (Huntington Villa Yorba Apartments), City of Huntington Beach, County of Orange; up to \$31 million in multi-family housing revenue bonds. (Staff: Scott Carper)
- VI. Conduct proceedings with respect to the Statewide Community Infrastructure Program (SCIP), Assessment District 14-02 Chula Vista, (Hearing to be held at 10am or shortly thereafter): (Staff: Scott Carper)
 - a. Open Assessment District Public Hearing
 - b. Close the Public Hearing for Chula Vista
- VII. Consideration of the following resolutions related to the upcoming Statewide Community Infrastructure Program (SCIP) Project: (Staff: Scott Carper)
 - a. A resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, and confirming unpaid assessment amounts (City of Chula Vista).
 - b. A resolution providing for the issuance of a series of SCIP limited obligation improvement bonds and approving a trust agreement (City of Chula Vista).
 - c. A resolution providing for the issuance of SCIP revenue bonds and approving a trust agreement, bond purchase agreement, continuing disclosure agreement, and preliminary official statement.
 - d. A resolution abandoning proceedings for two previously formed assessment districts (City of Morgan Hill and City of San Diego).
- VIII. Consideration of Agreement for Services (Residential) Between CSCDA and Renewable Funding for the California FIRST program. (Staff: Cathy Bando)
- IX. Consideration of 2013/2014 Budget. (Staff: Cathy Bando)
- X. Update from Ad Hoc Committee on review of CSCDA P3 Asset Ownership Program. (Ad Hoc Committee / Cathy Bando)
- XI. Public Comment
- XII. Adjourn



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Consideration of the following invoice for payment:
 - a. David Taussig & Associates Invoice #1401111(Orinda Wilder CFD)
2. Induce the following projects:
 - a. ROEM Development Corporation (Charlotte Drive Apartments), City of San Jose, County of Santa Clara; issue up to \$38 million in multi-family housing debt obligations.
 - b. ROEM Development Corporation (Lexington Apartments), City of San Jose, County of Santa Clara; issue up to \$26 million in multi-family housing debt obligations.
 - c. Jefferson Cunningham Community Partners, LP (Jefferson Townhomes & Cunningham Village), City of Los Angeles, County of Los Angeles; issue up to \$15 million in multi-family housing debt obligations.
 - d. Affirmed Housing Group, Inc. (Indio Desert Palms), City of Indio, County of Riverside; issue up to \$15 million of multi-family housing debt obligations.

Thursday, March 20, 2014

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

Item II

Consideration of the Minutes of the March 6, 2014 Regular Meeting & Special Meeting.

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

League of California Cities
1400 K Street, Sacramento, California

March 6, 2014

MINUTES

Commission chair Larry Combs called the meeting to order at 10:04 am.

I. Roll Call

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

CSCDA Executive Director, Catherine Bando was also present.

Others present included: Norman Coppinger and Perry Stottlemeyer, League of California Cities; Caitlin Lanctot, HB Capital; Laura Labanieh Campbell and Nancy Parrish, CSAC Finance Corporation; Mimi Frusha and Cisco DeVries, Renewable Funding; and Mark Paxson, State Treasurer's Office. Scott Carper, HB Capital; Roger Davis, Orrick, Herrington & Sutcliffe; Greg Stepanicich, Richards Watson & Gershon; and Cliff Staton, Renewable Funding participated by conference telephone.

II. Approval of minutes—February 20, 2014

The commission approved the minutes for the regular meeting held February 20, 2014.

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

III. Staff updates

Item VI will be continued until Special Meeting, immediately following this meeting. Catherine indicated she met with staff, and they're working on a budget that should be available for the next meeting on March 20.

IV. Approval of consent calendar

1. Induce the following project:

- a. Glad Tidings Community Development Corporation (Faith Manor Apartments), City of Hayward, County of Alameda; issue up to \$10 million in multi-family housing debt obligations.

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

V. Consideration of revised Issuance Policy

Catherine explained the small stylistic changes to the Issuance Policy, such as change of “California Communities” to “CSCDA,” added the Executive Director to the review process, changed the ratings requirement to one rating agency rather than the previous two agencies, and added credit requirements for land secured financings, and made it clear that checks are payable to CSCDA rather than CSAC Finance Corporation because CSCDA now has its own checking account.

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

VI. Review and discuss CSCDA PACE Program

Continued until Special Meeting, immediately following today’s Regular Meeting.

VII. Public Comment

None.

XI. Adjournment

Commission chair Larry Combs adjourned the meeting at 10:09 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The next regular meeting of the commission is scheduled for
Thursday, March 20, at 10:00 a.m.
in CSAC’s office at 1100 K Street, Sacramento, California.*

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

League of California Cities
1400 K Street, Sacramento, California

March 6, 2014

MINUTES

Commission chair Larry Combs called the meeting to order at 10:09 am.

I. Roll Call

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

CSCDA Executive Director, Catherine Bando was also present.

Others present included: Norman Coppinger and Perry Stottlemeyer, League of California Cities; Caitlin Lanctot, HB Capital; Laura Labanieh Campbell and Nancy Parrish, CSAC Finance Corporation; Mimi Frusha and Cisco DeVries, Renewable Funding; and Mark Paxson, State Treasurer's Office. Scott Carper, HB Capital; Roger Davis, Orrick, Herrington & Sutcliffe; Greg Stepanicich, Richards Watson & Gershon; and Cliff Staton, Renewable Funding participated by conference telephone.

II. Consideration of Resolution Rescinding Resolution No. 10H-29 to allow for residential properties through the CaliforniaFIRST program

Introduction of this topic by Catherine Bando, as she explained this is essentially a continuation of the presentation during the Annual Meeting and Workshop two weeks ago. There will be a presentation by Cisco DeVries of Renewable Funding, followed by Q & A, and then discussion relating to the resolution to rescind Resolution No. 10H-29, which would effectively allow CSCDA to participate in the residential PACE program.

Cisco DeVries explained the status of the residential PACE program, including the current market and that FHFA (regulator of the PACE program) now has a new Director, and the newly adopted and funded reserve program. FHFA has reviewed the reserve program, but has not commented officially. Off the record, they have indicated they support the program conceptually, but have not officially approved any component of how the program will work. There are residential programs in other states, such as Connecticut, Florida and Vermont, with the Vermont program working in some ways similar to the reserve program in California. FHFA has approved the program in Vermont, so Renewable Funding is hopeful that FHFA will also approve California's program.

Cisco DeVries then fielded questions from Commissioners O'Rourke and Snellings.

Commissioner Mierzwa indicated he would support rescinding the resolution if we first write a letter to FHFA to ensure CSCDA would not be burdening non-borrowers, in accordance with underwriting guidelines.

Motion to approve the rescission by Snellings; second by O'Rourke; approved by majority roll-call vote (six ayes, one no -- Mierzwa dissenting).

Motion to write a letter to FHFA by O'Rourke; second by Holly; unanimously approved by roll-call vote.

III. Public Comment

None.

IV. Adjournment

Commission chair Larry Combs adjourned the meeting at 10:46 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

Item IV.

Approve Consent Calendar

1. Consideration of the following invoice for payment:
 - a. David Taussig & Associates Invoice #1401111(Orinda Wilder CFD)
2. Induce the following projects:
 - a. ROEM Development Corporation (Charlotte Drive Apartments), City of San Jose, County of Santa Clara; issue up to \$38 million in multi-family housing debt obligations.
 - b. ROEM Development Corporation (Lexington Apartments), City of San Jose, County of Santa Clara; issue up to \$26 million in multi-family housing debt obligations.
 - c. Jefferson Cunningham Community Partners, LP (Jefferson Townhomes & Cunningham Village), City of Los Angeles, County of Los Angeles; issue up to \$15 million in multi-family housing debt obligations.
 - d. Affirmed Housing Group, Inc. (Indio Desert Palms), City of Indio, County of Riverside; issue up to \$15 million of multi-family housing debt obligations.

DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

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

Phone: 949-955-1500 • Fax: 949-955-1590

James Hamill
Calif. Statewide Community Development
Authority
2999 Oak Road, Suite 710
Walnut Creek, CA 94596

January 31, 2014

Invoice No: 1401111

Project 13-11980.000 CSCDA/Orinda Wilder Project-Admin

Dear Mr. Hamill:

This invoice is submitted for professional consulting services in association with the special tax administration of California Statewide Communities Development Authority CFD No. 2007-01 (Orinda Wilder Project) for fiscal year 2013-14. Please remit invoice payment payable to David Taussig and Associates, Inc.

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

Professional Services through January 31, 2014

Professional Services	Hours	Rate	Amount
Vice President			
Morgan, Shayne			
1/7/2014 Answered property owner phone calls, corres with M. Ashby on request for prepayment notice.	.38	185.00	70.30
1/8/2014 Downloaded and reviewed November & December account statements and transactions.	.37	185.00	68.45
1/10/2014 Answered property owner phone calls, reviewed status of redemption with prepayment proceeds, assembling materials for continuing disclosure annual report.	1.25	185.00	231.25
1/13/2014 Reviewed indenture and other financing documents relating to extraordinary redemption of bonds, prepared 3/1/14 redemption schedule, memo to R. Schneider.	4.00	185.00	740.00
1/14/2014 Researched then corres with R. Schneider on reserve credit issues.	.50	185.00	92.50
1/17/2014 Assembled applicable project information and data, began assembling continuing disclosure annual report.	3.50	185.00	647.50
1/20/2014 Prepared prepayment notice for APN 273-310-006-5, corres with property owner, continued work on continuing disclosure annual report.	2.25	185.00	416.25

DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

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

Phone: 949-955-1500 • Fax: 949-955-1590

Project	13-11980.000	CSCDA/Orinda Wilder Project-Admin	Invoice	1401111
1/23/2014	Finalized and distributed prepayment notice for APN 273-310-006-5, answered property owner phone calls, discussed with escrow agent.	1.75	185.00	323.75
1/24/2014	Corres with R. Schneider on redemption from special tax prepayment proceeds, continued work on continuing disclosure annual report.	1.50	185.00	277.50
1/27/2014	Reviewed first installment payments, reviewed fiscal year property tax payments on prepaid parcels.	.37	185.00	68.45
1/30/2014	Finalized and disseminated continuing disclosure annual report.	1.75	185.00	323.75
Totals		17.62		3,259.70
Additional Fees				
Out-of-pocket Expenses				97.79
Total Additional Fees				97.79
Total this Invoice				\$3,357.49

Outstanding Invoices

Number	Date	Balance
1311069	11/30/2013	594.52
1312173	12/31/2013	333.46
Total		927.98

Applicant Information

Primary Contact E-mail: mpilarczyk@roemcorp.com

Name of Developer: **ROEM Development Corporation**

TIN or EIN: **77-0223174**

Primary Contact

First Name: **Mark**

Last Name: **Pilarczyk**

Title: **Acquisition Manager**

Address:

Street: **1650 Lafayette Street**

Suite:

City: **Santa Clara**

State: **California**

Zip: **95050**

Phone: **408-984-5600**

Ext: **30**

Fax:

Email: **mpilarczyk@roemcorp.com**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **TBD**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☐ Partnership

☒ Other (specify): **LLC**

☐ Will you be applying for State Volume Cap?

Date Organized: **TBD**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **22**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **22**

Primary Billing Contact

Organization: **ROEM Development Corporation**

First Name: **Mark**

Last Name: **Pilarczyk**

Title: **Acquisition Manager**

Address

Street: **1650 Lafayette Street**

Suite:

City: **Santa Clara**

State: **California**

Zip: **95050**

Phone: **408-984-5600**

Ext: **30**

Fax:

Email: **mpilarczyk@roemcorp.com**

Project Information

Project Information

Project Name: **Charlotte Drive**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **CSCDA**

Facility Bond Amount: \$32,500,000.00

Project Address:

Street: **Charlotte Drive**

City: **San Jose**

State: **California**

Zip: **95123**

County: **Santa Clara County**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **0**

Restricted: **200**

Total: **200**

Lot size: **3.24 acres**

Amenities:

Fitness area(gym), community room, computer lounge, leasing office, courtyard/activity space

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

wrap style construction with Type I 4-story garage surrounded by 4-story Type V wood frame residential, all within one building

Type of Housing:

☒ New Construction

☐ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency: **City of San Jose Planning Department**

First Name: John

Last Name: Baty

Title: Senior Planner

Phone: 408-535-7894

Ext:

Fax:

Email: John.Baty@SanJoseCA.gov

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 60

Total Number of Management Units: 2

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	60	50	1,147.00	2,000.00	853.00
2.	1 Bedroom	50	32	956.00	2,000.00	1,044.00
3.	2 Bedrooms	60	81	1,377.00	2,600.00	1,223.00
4.	2 Bedrooms	50	35	1,147.00	2,600.00	1,453.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
19	13	29

Financing Information

Financing Information

Maturity **18** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: CITI Community Capital

Permanent Financing:

☐ Credit Enhancement

☐ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: CITI Community Capital

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$32,500,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$8,675,774.00</u>
Developer Equity:	<u>\$2,500,000.00</u>
Other Funds (Describe):	
Deferred Reserve Funding	<u>\$598,114.00</u>
Deferred Contractor Fee	<u>\$957,752.00</u>
Lease Up Income	<u>\$938,672.00</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$46,170,312.00</u>

Uses:

Land Acquisition:	<u>\$100.00</u>
Building Acquisition:	<u>\$</u>
Construction or Remodel:	<u>\$36,203,043.00</u>
Cost of Issuance:	<u>\$228,125.00</u>
Capitalized Interest:	<u>\$1,338,974.00</u>
Reserves:	<u>\$598,114.00</u>
Other Uses (Describe):	
Soft Costs (architect & Eng, permits, fees, etc)	<u>\$7,801,956.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Uses:	<u>\$46,170,312.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick

Primary Contact

First Name: Justin

Last Name: **Cooper**

Title: **Partner**

Address:

Street: **405 Howard Street**

Suite:

City: **San Francisco**

State: **California**

Zip: **94105**

Phone: **415-773-5908**

Ext:

Fax: **415-773-5759**

Email: **jcooper@orrick.com**

Bank/Underwriter/Bond Purchaser

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Applicant Information

Primary Contact E-mail: mpilarczyk@roemcorp.com

Name of Developer: **ROEM Development Corporation**

TIN or EIN: **77-0223174**

Primary Contact

First Name: **Mark**

Last Name: **Pilarczyk**

Title: **Acquisition Manager**

Address:

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Suite:

City: **Santa Clara**

State: **California**

Zip: **95050**

Phone: **408-984-5600**

Ext: **30**

Fax:

Email: **mpilarczyk@roemcorp.com**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **TBD**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☐ Partnership

☒ Other (specify): **LLC**

☐ Will you be applying for State Volume Cap?

Date Organized: **TBD**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **22**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **22**

Primary Billing Contact

Organization: **ROEM Development Corporation**

First Name: **Mark**

Last Name: **Pilarczyk**

Title: **Acquisition Manager**

Address

Street: **1650 Lafayette Street**

Suite:

City: **Santa Clara**

State: **California**

Zip: **95050**

Phone: **408-984-5600**

Ext: **30**

Fax:

Email: **mpilarczyk@roemcorp.com**

Project Information

Project Information

Project Name: **Lexington Apartments**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **CITI Community Capital**

Facility Bond Amount: **\$22,000,000.00**

Project Address:

Street: **Lexington Avenue**

City: **San Jose**

State: **California**

Zip: **95123**

County: **Santa Clara County**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **0**

Restricted: **134**

Total: **134**

Lot size: **1.75 acres**

Amenities:

Gym, leasing office, computer room, community room, courtyard/outdoor amenity area

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

Type I concrete wrap style parking garage that is 5-stories tall surrounded by Type III Modified wood framing
5-story residential units, all within one building.

Type of Housing:

☒ New Construction

☐ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency: **City of San Jose Planning Department**

First Name: John

Last Name: Baty

Title: Senior Planner

Phone: 408-535-7894

Ext:

Fax:

Email: John.Baty@SanJoseCA.gov

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 60

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	60	48	1,147.00	2,000.00	853.00
2.	1 Bedroom	50	26	956.00	2,000.00	1,044.00
3.	2 Bedrooms	60	37	1,377.00	2,600.00	1,223.00
4.	2 Bedrooms	50	22	1,147.00	2,600.00	1,453.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
19	13	29

Financing Information

Financing Information

Maturity **18** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: CITI Community Capital

Permanent Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: CITI Community Capital

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$22,000,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$4,973,014.00</u>
Developer Equity:	<u>\$2,500,000.00</u>
Other Funds (Describe):	
Deferred Reserve Funding	<u>\$390,134.00</u>
Affordable Fee Contribution (private)	<u>\$2,000,000.00</u>
Lease Up Income	<u>\$604,529.00</u>
Deferred Contractor Fee	<u>\$659,923.00</u>
	<u>\$</u>
Total Sources:	<u>\$33,127,600.00</u>

Uses:

Land Acquisition:	<u>\$100.00</u>
Building Acquisition:	<u>\$</u>
Construction or Remodel:	<u>\$24,945,072.00</u>
Cost of Issuance:	<u>\$198,200.00</u>
Capitalized Interest:	<u>\$927,774.00</u>
Reserves:	<u>\$390,134.00</u>
Other Uses (Describe):	
Other Soft Costs (design, fees, legal, etc.)	<u>\$6,666,320.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Uses:	<u>\$33,127,600.00</u>

Financing Team Information

Bond Counsel

Firm Name: ORRICK

Primary Contact

First Name: Justin

Last Name: Cooper

Title: Partner

Address:

Street: 405 Howard Street

Suite:

City: San Francisco

State: California

Zip: 94105

Phone: 415-773-5908

Ext:

Fax: 415-773-5759

Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Applicant Information

Primary Contact E-mail: sgellis@wncinc.com

Name of Developer: **Community Preservation Partners**

TIN or EIN: **870724333**

Primary Contact

First Name: **Seth**

Last Name: **Gellis**

Title: **Sr. Project Manager**

Address:

Street: **17782 Sky Park Circle**

City: **Irvine**

State: **California**

Suite:

Zip: **92604**

Phone: **949-236-8280**

Ext:

Fax:

Email: **sgellis@wncinc.com**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **Jefferson Cunningham Community Partners, LP**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☒ Partnership

☐ Other (specify)

☐ Will you be applying for State Volume Cap?

Date Organized: **12/12/2013**

No. of Multi-Family Housing Projects Completed in the Last 10 Years:

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years:

Primary Billing Contact

Organization: **Community Preservation Partners**

First Name: **Seth**

Last Name: **Gellis**

Title: **Sr. Project Manager**

Address

Street: **17782 Sky Park Circle**

City: **Irvine**

State: **California**

Suite:

Zip: **92604**

Phone: **949-236-8280**

Ext:

Fax:

Email: **sgellis@wncinc.com**

Project Information

Project Information

Project Name: **Jefferson Cunningham Community Partners, LP**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **Jefferson Townhomes**

Facility Bond Amount: **\$5,770,000.00**

Project Address:

Street: **1693-1741 W. Jefferson Blvd**

City: **Los Angeles**

State: **California**

Zip: **90018**

County: **Los Angeles**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **0**

Restricted: **30**

Total: **30**

Lot size: **63598**

Amenities:

1. Kitchen Range/Oven W/ Hood-Fan
2. Refrigerators
3. Vinyl flooring in Kitchen and Bath
4. Vertical Blinds
5. Air Conditioner
6. Gated Community
7. Laundry Room

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

Wood Frame townhome style

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 29

Percentage of Area Median Income(AMI) for Low Income Housing Units: 60

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	2 Bedrooms	60	20	1,060.00	1,500.00	440.00
2.	2 Bedrooms	50	9	10,606.00	1,500.00	440.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:

37

State Senate District #:

26

State Assembly District #:

59

Facility #2

Facility Name: **Cunningham Village**

Facility Bond Amount: **\$5,770,000.00**

Project Address:

Street: **2300 Victoria Ave**

City: **Los Angeles**

State: **California**

Zip: **90016**

County: **Los Angeles**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market:

Restricted: **35**

Total: **35**

Lot size: **54014**

Amenities:

1. Kitchen Range/Oven W/ Hood-Fan
2. Refrigerators
3. Vinyl flooring in Kitchen and Bath
4. Vertical Blinds
5. Air Conditioner
6. Gated Community
7. Laundry Room

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

Type 5 wood frame construction, townhome style

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 60

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	2 Bedrooms	60	5	1,060.00	1,400.00	340.00
2.	2 Bedrooms	60	15	1,060.00	1,400.00	340.00
3.	3 Bedrooms	60	2	1,236.00	1,800.00	564.00
4.	4 Bedrooms	60	2	1,367.00	2,000.00	633.00

5.	2 Bedrooms	50	4	879.00	1,400.00	521.00
6.	3 Bedrooms	50	3	1,020.00	1,800.00	780.00
7.	4 Bedrooms	50	3	1,127.00	2,000.00	873.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
37	26	54

Financing Information

Financing Information

Maturity **18** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser:

Permanent Financing:

☐ Credit Enhancement

☐ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser:

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$11,540,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$6,332,319.00</u>
Developer Equity:	<u>\$954,886.00</u>
Other Funds (Describe):	
Cap Interest	<u>\$585,000.00</u>
NOI	<u>\$1,097,654.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$20,509,859.00</u>

Uses:

Land Acquisition:	<u>\$</u>
Building Acquisition:	<u>\$12,200,000.00</u>
Construction or Remodel:	<u>\$3,301,158.00</u>
Cost of Issuance:	<u>\$639,450.00</u>
Capitalized Interest:	<u>\$585,000.00</u>
Reserves:	<u>\$252,000.00</u>
Other Uses (Describe):	
Third Party Reports	<u>\$152,223.00</u>
Tax Credit	<u>\$39,720.00</u>
Interim Interest	<u>\$478,088.00</u>
Other Costs	<u>\$382,500.00</u>
Developer Fee	<u>\$2,479,720.00</u>
Total Uses:	<u>\$20,509,859.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick, Herrington & Sutcliffe LLP

Primary Contact

First Name: Tom

Last Name: Downey

Title: Counsel

Address:

Street: 405 Howard Street

Suite:

City: San Francisco

State: California

Zip: 94105

Phone: 4157735965

Ext:

Fax: 4157735965

Email: tdowney@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name: Citibank

Primary Contact

First Name: Mike

Last Name: Hemmens

Title: Director

Address:

Street: 325 E. Hillcrest Drive, Suite 160

Suite:

City: Thousand Oaks

State: California

Zip: 91360

Phone: (805) 557-0933

Ext:

Fax:

Email: mike.hemmens@citi.com

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Applicant Information

Primary Contact E-mail: james@affirmedhousing.com

Name of Developer: **Affirmed Housing Group**

TIN or EIN: **26-0812994**

Primary Contact

First Name: **Jimmy**

Last Name: **Silverwood**

Title: **Assistant Project Manager**

Address:

Street: **13520 Evening Creek Drive North**

Suite: **160**

City: **San Diego**

State: **California**

Zip: **92128**

Phone: **858-386-5178**

Ext:

Fax: **858-679-9076**

Email: james@affirmedhousing.com

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **Affirmed Housing Group Inc.**

Type of Entity:

☒ For-profit Corporation

☐ Non-profit Corporation

☐ Partnership

☐ Other (specify)

☐ Will you be applying for State Volume Cap?

Date Organized: 08.09.2007

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **19**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **19**

Primary Billing Contact

Organization: **Affirmed Housing Group, Inc.**

First Name: **Helen**

Last Name: **Crisafi**

Title: **Controller**

Address

Street: **13520 Evening Creek Drive North**

Suite: **160**

City: **San Diego**

State: **California**

Zip: **92128**

Phone: **858-386-5173**

Ext:

Fax: **858-679-9076**

Email: hcrisafi@affirmedhousing.com

Project Information

Project Information

Project Name: **Indio Desert Palms**

New Project Name(optional): **TBD..**

Facility Information

Facility #1

Facility Name: **Indio Desert Palms**

Facility Bond Amount: \$9,600,000.00

Project Address:

Street: **46575 Clintion Street**

City: **Indio**

State: **California**

Zip: **92201**

County: **Riverside County**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **2**

Restricted: **142**

Total: **144**

Lot size: **9.5 acres**

Amenities:

2 tot lots, barbecue areas, pool area, 1 swing area, community room (currently being utilized as one of the units), laundry buildings (3 in total).

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

Wood frame, pitched concrete tile roofs, 2 story walk-up garden style, surface parking, 14 residential buildings.

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency: **City of Indio**

First Name: **Jesus**

Last Name: **Gomez**

Title: **Housing Programs Manager**

Phone: **(760) 541-4260**

Ext:

Fax:

Email: **jgomez@indio.org**

Public Benefit Info:

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: **2**

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	2 Bedrooms	50	3	683.00	862.00	
2.	2 Bedrooms	60	4	820.00	862.00	
3.	3 Bedrooms	50	15	789.00	1,151.00	
4.	3 Bedrooms	60	64	947.00	1,151.00	
5.	4 Bedrooms	50	11	881.00	1,281.00	

6.	4 Bedrooms	60	45	1,057.00	1,281.00	
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Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
36	40	56

Financing Information

Financing Information

Maturity **35** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☐ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD-Private Placement Purchaser

Permanent Financing:

☐ Credit Enhancement

☐ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD-Private Placement Purchaser

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$9,600,000.00</u>
Taxable Bond Proceeds:	<u>\$1,309,117.00</u>
Tax Credits:	<u>\$6,061,339.00</u>
Developer Equity:	<u>\$1,120,814.00</u>
Other Funds (Describe):	
Solar Credits	<u>\$330,480.00</u>
Net Operating Income Year 1	<u>\$748,800.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$19,170,550.00</u>

Uses:

Land Acquisition:	<u>\$720,000.00</u>
Building Acquisition:	<u>\$8,880,000.00</u>
Construction or Remodel:	<u>\$4,228,500.00</u>
Cost of Issuance:	<u>\$200,000.00</u>
Capitalized Interest:	<u>\$862,690.00</u>
Reserves:	<u>\$337,000.00</u>
Other Uses (Describe):	
Soft Costs	<u>\$1,226,000.00</u>
Soft Cost Contingency	<u>\$195,000.00</u>
Origination Fees	<u>\$265,950.00</u>
Developer Fee	<u>\$2,255,410.00</u>
	<u>\$</u>
Total Uses:	<u>\$19,170,550.00</u>

Financing Team Information

Bond Counsel

Firm Name: Quint & Thimmig LLP

Primary Contact

First Name: Paul

Last Name: Thimmig

Title: Attorney

Address:

Street: 575 Market Street

Suite: 3600

City: San Francisco

State: California

Zip: 94105-2874

Phone: 415-765-1550

Ext:

Fax: 415-765-1555

Email: PThimmig@qtlp.com

Bank/Underwriter/Bond Purchaser

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Item V.

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

- a. Huntington Villa Yorba Preservation L.P. (Huntington Villa Yorba Apartments), City of Huntington Beach, County of Orange; up to \$31 million in multi-family housing revenue bonds. (Staff: Scott Carper)

SUMMARY AND APPROVALS

DATE: MARCH 20, 2014

APPLICANT: HUNTINGTON VILLA YORBA RESERVATION LIMITED PARTNERSHIP / PRESERVATION PARTNERS III, LLC

AMOUNT: UP TO \$31,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

PURPOSE: FINANCE THE ACQUISITION AND REHABILITATION OF HUNTINGTON VILLA YORBA APARTMENTS LOCATED AT 16000 VILLA YORBA AVE, HUNTINGTON BEACH, CA

CSCDA PROGRAM: HOUSING

Background:

The proposed project, Huntington Villa Yorba Apartments (the “Project”), is a 198-unit property located in Huntington Beach, California. The Project application was filed on October 23, 2013 and induced on November 7, 2013.

Summary:

Huntington Villa Yorba Preservation Limited Partnership (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$31,000,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will continue to provide 21 one-bedroom units, 156 two-bedroom units, and 21 three-bedroom units to low-income families in Huntington Beach California.

The Project, initially constructed in 1971, is comprised of 16 two and three-story garden style buildings containing 198 affordable units. The rehabilitation includes new appliances, counters, cabinets, roofs, carpet, windows and paint.

The anticipated construction start date is May 1, 2014 with a completion date of December 31, 2014.

The Borrower has previously rehabilitated 30 multifamily and senior housing properties throughout the United States. This is their third financing with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project’s units will be income restricted:
 - 20 units reserved for tenants whose income is at or below 50% AMI
 - 175 units reserved for tenants whose income is at or below 60% AMI
 - 3 employee 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 ½ mile of a park or recreational facility
 - The Project is located within ½ mile of a grocery store
 - The Project is located within ¼ mile of a bus stop
- Economic Benefits
 - Based upon \$61,243,734 Project costs using a 1.8 multiplier the Project produces \$110,238,721 total economic activity, and at 2.1 jobs per unit produces approximately 416 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: December 16, 2013, City of Huntington Beach, unanimous approval
CDLAC Approval: January 15, 2014

Estimated Sources and Uses:

Sources:

Taxable Debt	\$10,893,948	17.76%
Tax Exempt Bonds	\$31,000,000	50.55%
Low Income Tax Credit	\$16,330,532	26.63%
NOI	\$1,463,495	2.39%
Deferred Developer Fee	\$1,434,859	2.34%
Construction MGMT Fee	<u>\$200,000</u>	<u>0.33%</u>
Total Sources	\$61,322,834	100.00%

Uses:

Acquisition Cost	\$47,270,000	77.08%
Hard Construction Costs	\$6,400,702	10.44%
Architect & Engineering Fees	\$30,000	0.05%
Contingency Costs	\$640,070	1.04%
Developer Fee	\$2,500,000	4.08%
Relocation	\$514,100	0.84%
Costs of Issuance	\$339,100	0.55%
Capitalized Interest	\$1,664,996	2.72%
Deposits to Operating Reserves	\$1,000,000	1.63%
Permanent Loan Cost	\$495,679	0.81%
Other Soft Costs (Marketing, Etc.)	<u>\$468,187</u>	<u>0.76%</u>
Total Uses	\$61,322,834	100.00%

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Lender: Citi Capital , Thousand Oaks

Financing Structure:

The construction bonds will have a term of 12 months and will carry an interest rate of approximately 4.18%. The Bonds will then convert to the permanent phase for 40 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 4.5%.

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 Huntington Beach, 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 Huntington Beach TEFRA Resolution
3. CDLAC Approval

RESOLUTION NO. 014H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$31,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS HUNTINGTON VILLA YORBA APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

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

WHEREAS, Huntington Villa Yorba Preservation Limited Partnership, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, rehabilitation and development of a 198-unit multifamily rental housing development located in the City of Huntington Beach, California and known as Huntington Villa Yorba Apartments (the “Project”);

WHEREAS, on January 15, 2014, the Authority received a private activity bond allocation in the amount of \$31,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

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

WHEREAS, the Authority is willing to issue not to exceed \$31,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Huntington Villa Yorba Apartments) 2014 Series C (the “Bonds”), provided that the aggregate portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Bonds will be privately placed with Citibank, N.A., or an affiliate thereof (the “Purchaser”), as the initial purchaser of the Bonds, in accordance with the Authority’s private placement policy;

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

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

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

(3) Bond Purchase Agreement (the “Purchase Agreement”), to be entered into among the Authority, the Borrower, and the Purchaser;

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

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

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

Section 2. Pursuant to the JPA Law and the Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Huntington Villa Yorba Apartments) 2014 Series C” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$31,000,000; provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

Section 3. The Indenture in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority

pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond March 1, 2059), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture as finally executed.

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

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

Section 6. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

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

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements

and other documents, including but not limited to a tax certificate, a subordination or intercreditor agreement, any endorsement and/or assignment of the deed of trust and such other documents as described in the Indenture, the Purchase Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this March 20, 2014.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By _____
Authorized Signatory

Applicant Information

Primary Contact E-mail: Chuck@preservationpartners.org

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

TIN or EIN: **51-0456835**

Primary Contact

First Name: **Chuck**

Last Name: **Treatch**

Title: **Development Officer**

Address:

Street: **21515 Hawthorne Blvd**

Suite: **125**

City: **Torrance**

State: **California**

Zip: **90503-6514**

Phone: **310-802-6681**

Ext:

Fax:

Email: **chuck@preservationpartners.org**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **Huntington Villa Yorba Preservation Limited Partnership**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☒ Partnership

☐ Other (specify)

☐ Will you be applying for State Volume Cap?

Date Organized: **October 2013**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **29**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **29**

Primary Billing Contact

Organization: **Preservation Partners Development, III, LLC**

First Name: **Chuck**

Last Name: **Treatch**

Title: **Development Officer**

Address

Street: **21515 Hawthorne Blvd**

Suite: **125**

City: **Torrance**

State: **California**

Zip: **90503-6514**

Phone: **310-802-6681**

Ext:

Fax:

Email: **chuck@preservationpartners.org**

Project Information

Project Information

Project Name: **Huntington Villa Yorba**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **Huntington Villa Yorba**

Facility Bond Amount: \$31,000,000.00

Project Address:

Street: **16000 Villa Yorba Lane**

City: **Huntington Beach**

State: **California**

Zip: **92647**

County: **Orange County**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **198**

Restricted: **198**

Total: **396**

Lot size: **11.5 acres**

Amenities:

200 Carports, Laundry Facilities, Open Grass area, Tot Lots, Community Room

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

Wood Frame , 2 and 3 Story, 16 buildings

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 100

Total Number of Management Units: 0

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	50	2	858.00	1,300.00	442.00
2.	1 Bedroom	60	19	1,029.00	1,300.00	271.00
3.	2 Bedrooms	50	16	1,030.00	1,600.00	570.00
4.	2 Bedrooms	60	140	1,236.00	1,600.00	364.00
5.	3 Bedrooms	50	2	1,190.00	1,975.00	785.00
6.	3 Bedrooms	60	19	1,428.00	1,975.00	547.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:

46

State Senate District #:

35

State Assembly District #:

67

Financing Information

Financing Information

Maturity 15 Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☒ Public Offering

☐ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☒ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Freddie MAC

Permanent Financing:

☒ Credit Enhancement

☐ None

☐ Letter of Credit

☒ Other (specify) :Freddie Mac Conventional Taxable Mortgage

Name of Credit Enhancement Provider or Private Placement Purchaser: Freddie Mac

Expected Rating:

☐ Unrated

Moody's:

S&P:

Fitch:

AA

AA

AA

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$31,000,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$16,824,147.00</u>
Developer Equity:	<u>\$405,772.00</u>
Other Funds (Describe):	
Taxable Loan - Freddie Mac	<u>\$10,740,000.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$58,969,919.00</u>

Uses:

Land Acquisition:	<u>\$9,000,000.00</u>
Building Acquisition:	<u>\$38,270,000.00</u>
Construction or Remodel:	<u>\$6,376,104.00</u>
Cost of Issuance:	<u>\$791,740.00</u>
Capitalized Interest:	<u>\$403,000.00</u>
Reserves:	<u>\$1,171,553.00</u>
Other Uses (Describe):	
Soft Cost	<u>\$2,957,522.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Uses:	<u>\$58,969,919.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick, Herrington

Primary Contact

First Name: Justin

Last Name: Cooper

Title: Partner

Address:

Street: 405 Howard Street

Suite:

City: San Francisco

State: California

Zip: 94105-2669

Phone: 4157735700

Ext:

Fax: 14157735759

Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name: Citi Bank

Primary Contact

First Name: Jay

Last Name: Abeywardena

Title: Director

Address:

Street: 325 E. Hillcrest Drive

Suite: 160

City: Thousand Oaks

State: California

Zip: 91360

Phone: 8055570943

Ext:

Fax: 8055570924

Email: jay.m.abeywardena@citi.com

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
HUNTINGTON BEACH APPROVING THE ISSUANCE BY THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR
HUNTINGTON VILLA YORBA**

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 Huntington Beach (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

Huntington Villa Yorba Preservation 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 \$33,000,000 in outstanding aggregate principal amount, to finance the acquisition and rehabilitation of a 198-unit multifamily rental housing project located at 16000 Villa Yorba Lane, Huntington Beach, California, generally known as Huntington Villa Yorba (the "Project") and operated by Preservation Partners Management Group; and

The Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

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

The members of this City Council (this "City Council") are the applicable elected representatives of the City; and

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

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

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

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, the City Council of the City of Huntington Beach does hereby resolve as follows:

1. The above recitals are true and correct.
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.
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.
4. The City Clerk shall forward a certified copy of this Resolution to:

Justin Cooper, Esq.
Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, California 94105
5. This resolution shall take effect immediately upon its passage.

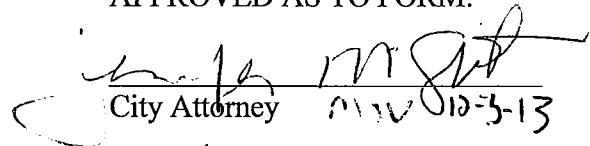
PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting of said Council held on the 16th day of December, 2013.


Mayor

INITIATED AND APPROVED:


Assistant City Manager

APPROVED AS TO FORM:


City Attorney 11/10/13


REVIEWED AND APPROVED:


City Manager

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **Regular** meeting thereof held on **December 16, 2013** by the following vote:

AYES: Katapodis, Hardy, Shaw, Harper, Boardman, Sullivan, Carchio
NOES: None
ABSENT: None
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California



CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

915 Capitol Mall, Room 311
Sacramento, CA 95814
p (916) 653-3255
f (916) 653-6827
cdlac@treasurer.ca.gov
www.treasurer.ca.gov/cdlac

MEMBERS

BILL LOCKYER, CHAIRMAN
State Treasurer

EDMUND G. BROWN JR.
Governor

JOHN CHIANG
State Controller

EXECUTIVE DIRECTOR

Sean L. Spear

January 15, 2014

Terry Schutten
Treasurer
California Statewide Communities Development Authority
1100 K Street, Ste. 101
Sacramento, CA 95814

RE: RESOLUTION ATTESTING TO THE TRANSFER OF PRIVATE ACTIVITY BOND ALLOCATION

Dear Mr. Schutten,

Enclosed is a copy of Resolution No. 14-3, adopted by the California Debt Limit Allocation Committee (the "Committee") on January 15, 2014, authorizing the California Statewide Communities Development Authority to use \$31,000,000 of its unused 2011 Carryforward Allocation, for the Huntington Villa Yorba Apartments Project.

While your application was for a portion of the 2014 State Ceiling on Qualified Private Activity Bonds, because you had remaining carryforward allocation, the Committee decided to transfer some or all of that allocation to this Project. The Resolution establishes the terms and conditions under which the allocation has been granted. Please read it carefully and keep a copy in your permanent files. You are advised to consult bond counsel regarding the making of a carryforward election pursuant to the rules of the Internal Revenue Service.

The following is additional information pertaining to the use of the allocation for this Project:

1. Performance Deposit: Pursuant to Section 5050 of the Committee's Regulations, the performance deposit certified in support of this project (\$100,000) is to remain on deposit until you receive written authorization from the Committee that it may be released. This written release will be provided once the Committee receives the "Report of Action Taken" form indicating that the allocation transferred was used for the issuance of bonds for the specific Project and the payment of the second installment of the CDLAC filing fee. The full amount of the deposit will be released upon the Committee's approval if at least 80% of the allocation is used for the issuance of bonds. If an amount less than 80% of the allocation is used to issue bonds, a proportionate amount of the deposit will be subject to forfeiture.

2. Reporting of Issuance: Enclosed is a "Report of Action Taken" form to be used to report the issuance of bonds pursuant to Section 9 of the Resolution.

3. IRS Certification: The IRS-required certification will be prepared and sent to bond counsel once the Committee receives the "Report of Action Taken" form.

Terry Schutten
January 15, 2014
Page 2

4. Second Installment of Filing Fee: **Enclosed is an invoice for this Project.** Please note that this is a change from past practice where the Committee's invoice for the second installment of the filing fee was sent with the IRS Certification after the Report of Action Taken. The Committee will no longer forward an invoice with the IRS Certification. The invoice attached herein should be considered final, due and payable upon the issuance of bonds.

5. Certification of Compliance: Enclosed is a Certification of Compliance to be submitted to the Committee annually on March 1st of each year on sponsor letterhead pursuant to Section 13 of the Resolution. In addition, an Annual Applicant Public Benefits and On-going Compliance Self-Certification form must be submitted annually on March 1st of each year pursuant to Section 5144 of the CDLAC Regulations. A copy of the form may be found at this website location: <http://www.treasurer.ca.gov/cdlac>.

Please consult the Committee's Regulations for a full explanation of the use of allocation. Do not hesitate to contact me should you have questions.

Sincerely,



SEAN L. SPEAR
Executive Director

Enclosures

c: Scott Carper, California Statewide Communities Development Authority
Justin Cooper, Esq., Orrick, Herrington & Sutcliffe LLP
Chuck Treatch, Huntington Villa Yorba Preservation, LP

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

RESOLUTION NO. 14-3

**A RESOLUTION TRANSFERRING A PORTION OF THE 2014 STATE CEILING
ON QUALIFIED PRIVATE ACTIVITY BONDS FOR A
QUALIFIED RESIDENTIAL RENTAL PROJECT**

WHEREAS, the California Debt Limit Allocation Committee ("Committee") has received an application ("Application") from the California Statewide Communities Development Authority ("Applicant") for the transfer to the Applicant of a portion of the 2014 State Ceiling on Qualified Private Activity Bonds under Section 146 of the Internal Revenue Code of 1986, as amended, for use by the Applicant to issue bonds or other obligations ("Bonds") for a Project as specifically described in Exhibit A ("Project") (capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Regulations of the Committee implementing the Allocation of the State Ceiling on Qualified Private Activity Bonds); and

WHEREAS, the Project Sponsor has represented and the Applicant has confirmed in the Application certain facts and information concerning the Project; and

WHEREAS, in evaluating the Project and allocating a portion of the State Ceiling on Qualified Private Activity Bonds to the Applicant for the benefit of the Project, the Committee has relied upon the written facts and information represented in the Application by the Project Sponsor and the Applicant; and

WHEREAS, previously the Committee transferred to the Applicant a portion of the 2011 State Ceiling on Private Activity Bonds for rental projects on a carryforward basis ("Carryforward Allocation"); and

WHEREAS, to fully utilize the remaining Carryforward Allocation, the Committee must approve its transfer to other projects with the same issuer; and

WHEREAS, it is appropriate for the Committee to make a transfer of a portion of the 2014 State Ceiling on Qualified Private Activity Bonds ("Allocation") in order to benefit such Project described in the Application and/or to authorize the transfer of remaining Carryforward Allocation to the Projects described in the Application; and

NOW, THEREFORE, the California Debt Limit Allocation Committee resolves as follows:

Section 1. There is hereby transferred to the Applicant authorization to use \$31,000,000 of its remaining 2011 Carryforward for the Project. Such Allocation may be used only by the Applicant and only for the issuance of Bonds for the Project, as specifically described in Exhibit A. All of the terms and conditions of Exhibit A are incorporated herein as though set forth in full (this resolution, together with Exhibit A are hereafter referred to collectively as this "Resolution").

Section 2. The terms and conditions of this Resolution shall be incorporated in appropriate documents relating to the Bonds. The Project Sponsor and the Applicant, and all their respective successors and assignees, will be bound by such terms and conditions. The Applicant shall monitor the Project for compliance with the terms and conditions of this Resolution. In addition, the Project shall be subject to the monitoring provisions of California Code of Regulations, title 4, section 10337(c) and section 5220 of the Committee's Regulations.

Section 3. Any modification to the Project made prior to the issuance of the Bonds must be reported to the Executive Director and, if the Executive Director determines such modification to be material in light of the Committee's Regulations, shall require reconsideration by the Committee before the Allocation may be used for the Project. Once the Bonds are issued, the terms and conditions set forth in this Resolution shall be enforceable by the Committee through an action for specific performance or any other available remedy. The Committee may consent to changes in the terms and conditions set forth in this Resolution as changed circumstances may dictate.

Section 4. Any material changes in the structure of the bond sale structure prior to the issuance of the Bonds and not previously approved by the Committee shall require approval of the Committee Chair or the Executive Director.

Section 5. The transfer of proceeds from the sale of bonds to a project other than the Project subject to this Resolution is allowable only with the prior approval of the Executive Director in consultation with the Chair, except when the Project is unable to utilize any of its allocation and the Applicant is requesting the transfer of the entire Allocation to different project(s). In such case, prior approval of the Committee must be obtained. Any transfer made pursuant to this section may only be made to another project of the same issuer that has been previously approved by the Committee.

Section 6. The Applicant is not authorized to use any Allocation transferred hereby from the 2014 State Ceiling to make a carryforward election with respect to the Project. The Applicant is not authorized to transfer any Allocation or Carryforward Allocation to any governmental unit in the State other than this Committee.

Section 7. The Allocation transferred herein to the Applicant shall automatically revert to this Committee unless the Applicant has issued Bonds for the Project by the close of business on **April 15, 2014**. Upon the discretion of the Executive Director, the expiration may be extended pursuant to the provisions in Article 8, Chapter 1 of the Committee's Regulations.

Section 8. Within twenty-four (24) hours of using the Allocation to issue Qualified Private Activity Bonds, the Applicant shall notify the Committee by facsimile communication to the fax number listed in Section 5140 of the Committee's Regulations that the Allocation has been used. This facsimile notice shall identify the Applicant, the project or program, the date the Allocation and the Carryforward Allocation were used, and the amount of Allocation and Carryforward Allocation used.

Section 9. Within fifteen (15) calendar days of the Bond closing, the Applicant or its counsel shall formally transmit to the Committee information regarding the issuance of the Bonds by submitting a completed Report of Action Taken in a form prescribed by and made available by the Committee.

Section 10. Any differences between the amount of Bonds issued and the amount of the Allocation granted in Section 1 of this Resolution shall automatically revert to the Committee. If at any time prior to the expiration date set forth in Section 7 hereof the Applicant determines that part or all of the Allocation will not be used to issue Bonds by that date, the Applicant shall take prompt action by resolution of its governing Board or by action of its authorized officer to return such unused Allocation to the Committee. Any unused amount of the Carryforward Allocation authorized in Section 1 of the Resolution shall be retained by the Applicant for the period allowed by Section 146.f.3.A. of the Internal Revenue Code regarding carryforward elections. Use of any unused Carryforward Allocation shall be in accordance with Section 5132 of the Committee's Regulations regarding carryforward elections.

Section 11. The staff of the Committee is authorized and directed to transmit a copy of this Resolution to the Applicant together with a request that the Applicant retain a copy of this Resolution in the Applicant's official records for the term of the Bonds under this Allocation or the term of the income and rental restrictions, whichever is longer. The Committee staff is further directed to retain a copy of this Resolution in the files of the Committee (or any successor thereto) for the same period of time.

RESOLUTION NO. 14-3

Page 3 of 3

Section 12. In consideration of the Allocation transferred to, and the Carryforward Allocation authorized for use by the Applicant and the Project Sponsor, the Applicant and the Project Sponsor shall comply with all of the terms and conditions contained in this Resolution and ensure that these terms and conditions are included in the documents related to the Bonds. Further, the Applicant and the Project Sponsor expressly agree that the terms and conditions of this Resolution may be enforced by the Committee through an action for specific performance or any other available remedy, provided however, that the Committee agrees not to take such action or enforce any such remedy that would be materially adverse to the interests of Bondholders. In addition, the Applicant and the Project Sponsor shall ensure that the Bond documents, as appropriate, expressly provide that the Committee is a third party beneficiary of the terms and conditions set forth in this Resolution.

Section 13. The Project Sponsor or its successor-in-interest shall provide certifications of compliance with the terms and conditions set forth in this Resolution annually on March 1st of each year or when reasonably requested by the Committee.

Section 14. This Resolution shall take effect immediately upon its adoption.

CERTIFICATION

I, SEAN L. SPEAR, Executive Director of the California Debt Limit Allocation Committee, hereby certify that the above is a full, true, and correct copy of the Resolution adopted at a meeting of the Committee held in the Jesse Unruh Building, 915 Capitol Mall, Room 587, Sacramento, California 95814, on January 15, 2014 at 11:10 a.m. with the following votes recorded:

AYES: Michael Paparian for State Treasurer Bill Lockyer
Jennifer Rockwell for Governor Edmund G. Brown Jr.
Alan Gordon for State Controller John Chiang

NOES: None
ABSTENTIONS: None
ABSENCES: None


SEAN L. SPEAR, Executive Director

Date: January 15, 2014

RESOLUTION NO. 14-3
(QUALIFIED RESIDENTIAL RENTAL PROJECT)
EXHIBIT A

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 14-002
3. Project Sponsor: Huntington Villa Yorba Preservation, LP (Huntington Villa Yorba Cornucopia, LLC; and Huntington Villa Preservation Partners, LLC)
4. Project Management Co.: Preservation Partners Management Group, Inc.
5. Project Name: Huntington Villa Yorba Apartments
6. Type of Project: Acquisition and Rehabilitation/Family/Federally Assisted At-Risk
7. Location: Huntington Beach, CA
8. Private Placement Purchaser: Citibank, N.A. / Freddie Mac
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: **195** plus **3** manager units
11. Total Number of Restricted Rental Units: **195**
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 **21** 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 **174** Qualified Residential units rented or held vacant for rental for persons or families whose income is at 60% or below of the Area Median Income.
15. For acquisition and rehabilitation projects, a minimum of \$10,000 in hard construction costs will be expended for each Project unit.
Applicable
16. A minimum of \$0,000 of public funds will be expended for the Project.
Not Applicable

RESOLUTION NO. 14-3

Exhibit A

Page 2 of 4

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$9,070,000. 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.
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 programs of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. The programs shall include, but are not limited to: tutoring, mentoring, homework club, and art and recreation activities to be provided weekdays throughout the school year for at least 10 hours per week.
Not Applicable
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents instructor-led educational, health and wellness, or skill building classes. The classes shall include, but are not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation and smoking cessation. Classes shall be provided at a minimum of 84 hours per year (drop-in computer labs, monitoring and technical assistance shall not qualify) and be located within 1/4 mile of the Project.
Not Applicable
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project.
Not Applicable
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents health and wellness services and programs within 1/4 mile of the Project. Such services and programs shall provide individualized support for tenants (not group classes) but need to be provided by licensed individuals or organizations. The services shall include, but are not limited to: visiting nurses programs, intergenerational visiting programs, and senior companion programs. Services shall be provided for a minimum of 100 hours per year.
Not Applicable
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. The responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or enrichment activities for tenants (such as holiday events, tenant council, etc.)
Not Applicable
25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals, if available, throughout the Project's useful life.
Not Applicable
26. All projects that receive points for being a Federally Assisted At-Risk Project based on an expiring Low Income Housing Tax Credit Regulatory Agreement or Tax-Exempt Bond Regulatory Agreement shall have a plan in place to re-certify the incomes of the existing tenants and shall not cause involuntary displacement of any tenant whose income may exceed the Project's income limits.
Not Applicable

RESOLUTION NO. 14-3

Exhibit A

Page 3 of 4

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

Applicable

Section Waived:

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

28. The project commits to becoming certified under any one of the following programs upon completion:
- | | |
|---|-----------------------|
| a. Leadership in Energy & Environmental Design (LEED) | Not Applicable |
| b. Green Communities | Not Applicable |
| c. GreenPoint Rated Multifamily Guidelines | Not Applicable |
29. The project is a New Construction or Adaptive Reuse Project exceeding the Standards of Title 24, Part 6, of the California Building Code by:
- | | |
|----------|-----------------------|
| a. 17.5% | Not Applicable |
| b. 20% | Not Applicable |
| c. 25% | Not Applicable |
30. The Project will exceed the minimum energy efficiency certification requirements for New Construction/ Adaptive Reuse:
- | | |
|----------------------------|-----------------------|
| a. LEED for Homes (Silver) | Not Applicable |
| b. LEED for Homes (Gold) | Not Applicable |
| c. Green Point Rated (100) | Not Applicable |
| d. Green Point Rated (125) | Not Applicable |
31. The project is a Home Energy Rating System (HERS II) Rehabilitation Project that commits to improve energy efficiency above the current modeled energy consumption of the building(s) by:
- | | |
|--------|-----------------------|
| a. 15% | Not Applicable |
| b. 20% | Not Applicable |
| c. 25% | Not Applicable |
| d. 30% | Not Applicable |
32. The project is a Rehabilitation Project that commits to developing, and/or managing the Project with the following Photovoltaic generation or solar energy:
- | | |
|---|-----------------------|
| a. Photovoltaic generation that offsets tenants loads | Not Applicable |
| b. Photovoltaic generation that offsets 50% of common area load | Not Applicable |
| c. Solar hot water for all tenants who have individual water meters | Not Applicable |

RESOLUTION NO. 14-3

Exhibit A

Page 4 of 4

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

Not Applicable

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

Not Applicable

The following certification must be submitted by the Project Sponsor (on Project Sponsor letterhead) to the Applicant (Issuer) who will then forward it to the California Debt Limit Allocation Committee annually on March 1st (or at such other time as requested by the Committee).

CERTIFICATION OF COMPLIANCE

Project Name: Huntington Villa Yorba Apartments

(If project has changed name since the award of allocation please note the original project name as well as the new project name)

Name of Bond Issuer: California Statewide Communities Development Authority

CDLAC Application No.: 14-002

Pursuant to Section 13 of Resolution No. 14-3 (the "Resolution"), adopted by the California Debt Limit Allocation Committee (the "Committee") on January 15, 2014, I, _____, an Officer of the Project Sponsor, hereby certify under penalty of perjury that, as of the date of this Certification, the above-mentioned Project is in compliance with all of the terms and conditions set forth in the Resolution.

I further certify that I have read and understand the CDLAC Resolution, which specifies that once the Bonds are issued, the terms and conditions set forth in the Resolution Exhibit A, shall be enforceable by the Committee through an action for specific performance, negative points, withholding future allocation or any other available remedy.

Please check or write N/A to the items list below :

_____ The project is currently in the Construction or Rehabilitation phase.

_____ The project has incorporated the minimum specifications into the project design for all new construction and rehabilitation projects as evidenced by attached the applicable third party certification (HERS Rater, Green Point Rater or US Green Building Council). For projects under construction or rehabilitation, the information is due following receipt of the verification but in no event shall the documentation be submitted more than two years after the issuance of bonds.

_____ For projects that received point for exceeding the minimum requirements please attach the appropriate California Energy Commission compliance form for the project which shows the necessary percentage improvement better than the appropriate standards. The compliance form must be signed by a California Association of Building Consultants, Certified Energy Plans Examiner or HERS Rater as applicable.

Signature of Officer

Date

Printed Name of Officer

Title of Officer

Phone Number

STATE OF CALIFORNIA
CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
ACCOUNTING SERVICES
915 Capitol Mall, Room 311
Sacramento, CA 95814
(916) 653-3255

FILING FEE INVOICE

PAYMENT IS DUE WITHIN 30 DAYS OF BOND CLOSING

Date: January 15, 2014

Invoice No.: FY 13-082
Application No.: 14-002
Analyst Initials: SL

To: Scott Carper
Program Manager
California Statewide Communities Development Authority
2999 Oak Road, Ste. 710
Walnut Creek, CA 94597

2nd Installment of fee levied pursuant to Section 8869.90 of the California Government Code:

NAME OF ISSUER: California Statewide Communities Development Authority

NAME OF PROJECT: Huntington Villa Yorba Apartments

ALLOCATION AWARD DATE: January 15, 2014

ALLOCATION AWARD AMOUNT: \$31,000,000

<u>AMOUNT DUE:</u>	Allocation award x .00035	=	\$	10,850.00
	Less initial application fee	=	-\$	600.00
	Amount Due	=	\$	10,250.00

Issuer or bond trustee to complete the following (please use ink):

BOND ISSUANCE DATE:

PRINCIPAL AMOUNT OF BOND ISSUE: \$

AMOUNT OF BOND ALLOCATION USED: \$

The application fee is based on the amount of allocation used to issue bonds. Please complete the following *only if* the amount of allocation used is less than the amount of allocation awarded, and remit the *revised* amount due.

<u>REVISED AMOUNT DUE:</u>	Amount issued x .00035	=	\$	
	Less initial application fee	=	-\$	600.00
	Revised Amount Due	=	\$	

PLEASE WRITE APPLICATION NUMBER ON YOUR CHECK, OR
RETURN A COPY OF THIS INVOICE WITH YOUR PAYMENT.

Item VII.

Consideration of the following resolutions related to the upcoming Statewide Community Infrastructure Program (SCIP) Project: (Staff: Scott Carper)

- a. A resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, and confirming unpaid assessment amounts (City of Chula Vista).
- b. A resolution providing for the issuance of a series of SCIP limited obligation improvement bonds and approving a trust agreement (City of Chula Vista).
- c. A resolution providing for the issuance of SCIP revenue bonds and approving a trust agreement, bond purchase agreement, continuing disclosure agreement, and preliminary official statement.
- d. A resolution abandoning proceedings for two previously formed assessment districts (City of Morgan Hill and City of San Diego).

FINAL

ENGINEER'S REPORT

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**



**ASSESSMENT DISTRICT No. 14-02
CITY OF CHULA VISTA, COUNTY OF SAN DIEGO**

BEGINNING FISCAL YEAR 2014-2015

INTENT MEETING: JANUARY 30, 2014

PUBLIC HEARING: MARCH 20, 2014

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
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San Francisco, California 94109
(800) 969-4382

Public Finance
Public Private Partnerships
Urban Economics

Newport Beach
San Francisco
Fresno
Riverside
Chicago, Illinois
Dallas, Texas

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

Scott Carper
California Statewide Communities Development Authority

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APPENDICES

Appendix A: ASSESSMENT ROLL

The undersigned respectfully submits the enclosed Engineer's Report as directed by the Commission of the California Statewide Communities Development Authority.

Date: _____, 2014

David Taussig & Associates

By: _____
Steve Runk, P.E.
License Number: C23473

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2014.

By: _____
Assistant to Secretary of the Authority,
California Statewide Communities
Development Authority

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was approved and confirmed by the Commission of the California Statewide Communities Development Authority on the _____ day of _____, 2014.

By: _____
Assistant to Secretary of the Authority,
California Statewide Communities
Development Authority

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was recorded in my office on the _____ day of _____, 2014.

By: _____
Superintendent of Streets of the Authority,
California Statewide Communities
Development Authority

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. 14R-1, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

- 1 Sewer Participation Fee (*Municipal Code Section 13.14.020*) – Sewer impact fee imposed by the City of Chula Vista to fund sewer expansion projects needed to serve new development.
- 2 Traffic Signal Fee (*Municipal Code Section 15.51.020*) – Traffic Signal Fee imposed by the City of Chula Vista to fund the installation of traffic signals in the public streets of the city in accordance with the council policy as adopted by Resolution No. 9221.
- 3 Park Acquisition & Development (PAD) Fees (*Municipal Code Section 17.10.050*) – Park Acquisition & Development (PAD) Fees imposed by the City of Chula Vista to generate revenue to fund park facilities required for new development.
- 4 Other Development Impact Fees (*Municipal Code Section 3.55.090*) – Other Development Impact Fees imposed by the City of Chula Vista for the City's Western Territory to fund improvements needed to serve new development.
- 5 San Diego County Water Authority Capacity Charge (*Ordinance No. 97-1*) – Water capacity charges imposed by San Diego County Water Authority ("Authority") to obtain a water meter from a member agency for the use of water received by the member agency from the Authority.
- 6 Sweetwater Authority Impact Fees (*Resolution 84-8, Updated 1993*) – Fees imposed by the Sweetwater Authority for long-term reservoir management activities to protect water quality including vegetation removal along bottom of reservoir, sediment control, and maintenance of patrol roads.

B. Capital Improvements

- 1 Drainage Improvements – Funding for capital improvements including, but not limited to, facilities for the collection and disposal of storm waters and for flood control purposes, as well as supporting improvements and related facilities such as construction and installation of storm drains and flood water detention/retention systems of the Mar Vista development.
- 2 Water & Wastewater Improvements – Funding for capital improvements including, but not limited to, facilities for the water system such as construction, installation, and relocation of water pipes and mains, as well as supporting improvements and related facilities to meet the potable and non-potable water needs of the Mar Vista development.
- 3 Traffic / Surface Improvements – Funding for capital improvements for, streets, and public ways, including supporting improvements such as of grading, paving, curbs, gutters, sidewalks, site utilities, street name signs, and survey monuments associated with the Mar Vista development.

C. Reimbursement for Capital Improvements

Future negotiations and agreements between the City of Chula Vista (“City”) and the project developer may outline a mechanism whereby the developer of a “benefited” property would pay the City for that property’s share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Mar Vista would then be paid, when received by the City, to the developer of Mar Vista. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Mar Vista may sell, those amounts would be paid to the developer of Mar Vista. As pertains to any such parcels still owned by the developer of Mar Vista, the City would use those amounts to partially prepay the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor’s Parcel number or other designation describes each parcel. Each parcel is also assigned an “assessment number” that links the Assessment Roll to the Assessment Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Chula Vista and/or the County of San Diego, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown on the following pages along with other bond financing costs. All fee information has been provided to DTA by the project proponents, the City of Chula Vista, and the SCIP Administrator.

Cost Estimate City of Chula Vista, County of San Diego - Mar Vista					
Description	Development Impact Fees	Special Benefit Apportioned to Project	Total Amount Due (\$)	Amounts Pre-paid by & Reimbursable to Developer	Amount Funded to Agency
Development Impact Fees					
Sewer Participation Fees	\$54,779	100.00%	\$54,779	\$0	\$54,779
Traffic Signal Fees	\$5,620	100.00%	\$5,620	\$0	\$5,620
Parkland Acquisition & Development (PAD) Fees	\$155,505	100.00%	\$155,505	\$0	\$155,505
Western Transportation Fees	\$43,806	100.00%	\$43,806	\$0	\$43,806
Sweetwater Authority Fees	\$55,314	100.00%	\$55,314	\$0	\$55,314
Connection Fees					
City Sewer Construction and Connection	\$12,411	100.00%	\$12,411	\$0	\$12,411
Subtotal	\$327,434	NA	\$327,434	\$0	\$327,434
Public Improvements					
Drainage Improvements	\$12,000	95.00%	\$11,400	\$0	\$11,400
Water & Wastewater Improvements	\$67,042	90.00%	\$60,338	\$0	\$60,338
Traffic & Surface Improvements	\$24,698	80.00%	\$19,758	\$0	\$19,758
Subtotal	\$103,740	NA	\$91,496	\$0	\$91,496
Professional Services					
Mar Vista					
Assessment Engineer	\$15,600	100.00%	\$15,600	\$0	\$15,600
Appraiser	\$5,000	100.00%	\$5,000	\$0	\$5,000
District Administration	\$5,000	100.00%	\$5,000	\$0	\$5,000
Subtotal	\$25,600	NA	\$25,600	\$0	\$25,600
Financing Costs					
Bond Reserve Fund	10.00%	NA	\$54,907	-	-
Capitalized Interest	4.00%	NA	\$21,963	-	-
Legal	1.00%	NA	\$5,491	-	-
Issuer	1.50%	NA	\$8,236	-	-
Underwriter	2.50%	NA	\$13,727	-	-
Contingency	0.04%	NA	\$220	-	-
Subtotal	19.04%	NA	\$104,544	-	-
Total Assessment			\$549,073		

An assessment of the total amount of the costs and expenses of the fees upon the subdivisions of land within the Assessment District, in proportion to the estimated special benefit to be received by the subdivisions from the Impact Fees and Improvements, is set forth upon the following Assessment Roll filed with and made part of this Report.

The Assessment Roll, shown below, lists the Assessor's Parcel numbers within this Assessment District by assessment number. The assessment numbers appearing on the Assessment Roll correspond with the subdivisions and parcels of land and their current numbers shown on the Boundary Map. The names and addresses of the property owners are as shown on the last equalized assessment roll for taxes or as known to the Secretary of the Authority.

All parcel information has been provided to DTA by the project proponents, the County of San Diego Assessor, and the SCIP Administrator.

City of Chula Vista, County of San Diego - Mar Vista							
Asmt No.	Project	Assessor Parcel Number	Assessed Value	Acreage	Owner & Address	Preliminary Assessment	Final Assessment
1	Mar Vista	622-020-23-00	\$311,100	0.48	PFP LANSHIRE CHULA VISTA REAL ESTATE HOLDINGS LLC 4380 La Jolla Village Drive #250, San Diego, CA 92122	\$273,774	\$273,774
2	Mar Vista	622-020-24-00	\$178,948	0.49	PFP LANSHIRE CHULA VISTA REAL ESTATE HOLDINGS LLC 4380 La Jolla Village Drive #250, San Diego, CA 92122	\$275,299	\$275,299
Total			\$490,048	0.97		\$549,073	\$549,073

A. Background

Assessment District jurisprudence requires that assessments levied pursuant to the Municipal Improvement Act of 1913 be based on the “special benefit” properties receive from the Works of Improvement (i.e., Impact Fees and Capital Improvements). However, the law does not specify the method or formula that should be used to apportion the assessments in Assessment District proceedings. In addition, Article XIID of the California Constitution, added in November 1996 through the passage of Proposition 218 by voters of the State of California, requires, inter alia, that (i) only special benefits be assessable, (ii) no assessment may exceed the proportional special benefit conferred on the parcel assessed, and (iii) publicly owned parcels shall not be exempt from assessment unless clear and convincing evidence demonstrates that such publicly owned parcels receive no special benefits from the improvements for which the assessment is levied.

“Special benefit” is a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. Importantly, the general enhancement of property value does not constitute special benefit. As such, this Engineer’s Report has been designed to comply with these requirements, as well as to incorporate recent California court decisions such as: *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (2008), *Beutz v. County of Riverside* (2010), *Golden Hills Neighborhood Association v. City of San Diego* (2011), and *Concerned Citizens v. West Point Fire Protection District* (2011).

Methodologically, it is necessary and essential to identify the special benefit that the Impact Fees, Capital Improvements, and related improvements will render to the properties within the District. It is also necessary that the properties receive a special and direct benefit as distinguished from benefit to the general public.

All costs associated with the financing of Impact Fees and Capital Improvements are to be fairly distributed among the lots and parcels within the District based upon the special benefit received by each lot and parcel. Additionally, in compliance with the California Constitution Article XIID Section 4, each lot’s and parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred upon it. In sum, each of the properties benefiting from the Impact Fees, Capital Improvements, and related improvements proposed for Assessment District No. 14-02 will be assessed only for the special benefit conferred on such properties.

The Assessment Engineer is appointed for the purpose of analyzing the facts and determining the method and formula for apportionment of the assessment obligation to the benefited properties. For these proceedings, the Authority has retained the firm of David Taussig & Associates, Inc. as the Assessment Engineer.

The Assessment Engineer makes his or her recommendation for the method of apportionment in this Engineer’s Report for consideration at the public hearing. The final authority and action rests with the Authority after hearing all testimony and evidence presented at the public hearing and the tabulation of the assessment ballots. Upon conclusion of the public hearing,

the Authority must make the final action in determining that the assessment has been made in direct proportion to the special benefit received. Ballot tabulation will then be completed, and if a majority of ballots received, weighted by assessment amount, do not protest the assessment, then the Authority may establish the Assessment District.

B. Special Benefit

1. Development Impact Fees

Impact fees are a form of monetary exaction on new development which must be paid as a condition of development approval. Impact fees are neither taxes nor special assessments, nor are these fees permitted to cover ongoing operations and maintenance costs. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners that are seeking to develop property. In this manner, developers, builders, and property owners pay their “fair share” of needed capital facilities.

The authority of local governments to impose impact fees on development is derived from their police power to protect the health and welfare of citizens under the California Constitution (Article 11, Section 7). Furthermore, the California Mitigation Fee Act provides a prescriptive guide to establishing and administering impact fees based on constitutional and decisional law. Development impact fees were enacted under Assembly Bill 1600 by the California Legislature in 1987 and codified under California Government Code §66000 *et. seq.*, also referred to as the Mitigation Fee Act (the “Act” or “AB 1600”). Again, Government Code, §65913.8 precludes the use of development fees to fund maintenance or services, with limited exceptions for very small improvements and certain temporary measures needed by certain special districts.

The use of development impact fees to finance public facilities necessary to accommodate new growth is a concept that has been used by cities, counties, and public agencies throughout California. The rationale for charging impact fees is based on the premise that new development should pay its “fair share” of the costs associated with growth. Notably, certain fees levied for utility systems are considered capital charges for the privilege of connection to the utility system (hookup fees) and are charged under different legal authority. All capital impact fees and connection charges that are being paid to finance capital improvements and included in this Engineer’s Report provide direct and special benefit to the properties for which the development impact fees or connection charges are being paid by ultimately allowing for the orderly development of those parcels.

Additionally, it is critical that all fees meet the nexus requirements promulgated under AB 1600 to ensure that they are clearly justifiable and defensible. In order to impose a fee as a condition for a development project, the underlying methodology must accomplish the following:

- *Identify the purpose of the fee.*
- *Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities must be identified.*
- *Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.*
- *Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is being imposed.*
 - *Implicit in these requirements is a stipulation that a public agency cannot impose a fee to cure existing deficiencies in public facilities or improve public facilities beyond what is required based on the specific impacts of new development.*

Accordingly, the finding and allocation of “special benefit” present in this Engineer’s Report is also predicated on the AB 1600 Nexus Studies previously developed for each of the fees outlined in Section III, under the principle that the above AB 1600 “fair share” requirements also comprehensively demonstrate “special benefit.” These AB 1600 Nexus Studies are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications related to the public improvements funded by these impact and connection fees are on file with the City of Chula Vista, the County of San Diego, California, and/or associated public agencies in the region.

2. Capital Improvements

The construction of public infrastructure improvements is typically necessary as a condition of approval to develop a property. Where applicable, the developer is installing these public facilities, which are necessary for the ultimate completion of the projects. The capital improvements financed for the development project included within this Report provide direct and special benefit to the properties being assessed since they could not be developed with building structures without the installation of the District improvements.

a. Drainage Improvements

Stormwater, drainage, and flood control facilities are sized based upon estimated storm flows, which vary with the size of the tributary drainage area, slope, soil type, antecedent runoff condition, rainfall intensity, and impervious ground cover. Accordingly, special benefit related to stormwater facilities is calculated using drainage coefficients provided by the U.S. Department of Agriculture for each type of land use and building area coverage ratios, i.e., stormwater is apportioned relative to the various tributary drainage areas that impact the property. However, because the Mar Vista project consists of only

multi-family residential lots of approximately the same area, the relative contribution of runoff among the various lots is effectively the same.

On its face, the drainage improvements would provide 100% special benefit to Mar Vista residents, however it is arguable that the improvements mitigate potential flood conditions in the immediately adjacent vicinity by virtue of its runoff containment, and it is conceivable that future residents from neighboring communities may enjoy the use of the improvements. However, it is not possible to precisely quantify the possible mitigation of negative impacts to adjacent properties due to these improvements. Impacts such as increased maintenance, property damage, and/or personal inconvenience are dependent on such factors as storm event intensity, maintenance programs, and adjacent site improvements. Although such impacts are expected to be de minimus, a general benefit of 5% of the costs for drainage is assigned to drainage facilities.

b. Water & Wastewater

The primary determinant of sanitary sewer usage is the applicable per capita sewage generation rates. Because the Mar Vista development project consists only of multi-family land use, the relative contribution to total project sewer generation is equal among all lots. The mainline sewer pipes, connector pipes, and manholes are designed to convey sewage from the Mar Vista project only. It is not intended, nor possible by the approved construction plans, for the sewer facilities to serve any development outside of the Mar Vista project. However, typically the system design incorporates some excess capacity due to incremental sizing of pipes, pumps, and appurtenances. This excess capacity might be used in the future as the design and land uses dictate. Therefore, the general benefit assignment to the sewer system is 10%.

The primary determinant of water usage is the applicable per capita demand rates. Water improvements have been sized to meet the demands of only the new development. Because the Mar Vista development project consists only of multi-family land use, the relative contribution to total project water demand is equal among all lots. Because the water improvements are part of a water distribution network, as opposed to a stand-alone and independent water source and delivery system, the improvements would possibly provide the benefits of fire protection (hydrants, pressure distribution, etc.) and peak demand delivery through a more efficient network. Therefore, a small general benefit can be envisioned. Accordingly, a general benefit of 10% of the improvement cost is assigned to potable and non-potable water.

c. Transportation Improvements

Road usage is typically computed on the basis of anticipated trip generation. Any traffic analysis or impact study would need to assume a reasonable trip generation rate for each intended land use to not only determine accumulated traffic volumes but also the relative impact of each proposed land use on proposed mitigations. However, because the Mar Vista development project

proposes only one land use, multi-family residential, all lots have the same relative impact as any other lot in the development.

Ultimately, there will be a general benefit related to these improvements. Given uncertainty regarding future land development, DTA very conservatively and generously assigned general benefit to the roadway and street system improvements of 20%.

C. Apportionment

The initial assessments for this development will be apportioned between the two (2) existing Assessor's Parcels on which the development is located based on gross acreage. The assessments for the District may be subject to further apportionment since the property may experience lot line adjustments and/or subdivisions as properties are sold or lots and parcels are created. Upon recordation of subdivision, parcel or lot line adjustment maps, the assessment for the newly created parcels will be apportioned as described on the following pages.

1. Benefiting Properties within the District

At the time this Report was prepared, the development comprising this District consisted of two (2) Assessor's Parcels 622-020-23-00 and 620-020-24-00, which encompass a current total gross acreage of 0.97 acres. The proposed development will consist solely of twenty-one (21) multi-family units, and it is the Assessment Engineer's understanding that the assessments will ultimately be apportioned pro rata on those units/lots.

Each parcel will have certain improvements funded through SCIP and will be assessed for such improvements financed through the District. If building plans change or the existing parcels are not subdivided as planned, the assessment will be allocated to each new assessor's parcels in proportion to the original assessment based on the acreage of each assessor's parcel.

2. Benefit Analysis

Development Impact Fees

The method of apportionment established for the development reflects the proportional special benefit that each property receives from the levied development impact fees. The impact fees are imposed on a per lot basis and the fees are in turn based on a Nexus study that also incorporates the principles of strict proportionality and fairness and is required to identify and apportion only direct benefits related to the benefit area defined. The per parcel fee, by definition, is the fair share contribution of the parcel to mitigate the impact of that parcel on the defined public facilities. Therefore, with regard to this assessment, the impact fee component of this assessment is considered to be 100% special benefit.

The assessments for this development will be placed onto the currently existing Assessor's Parcels on which the development is located pro rata, across the twenty-one (21) residential units.

Capital Improvement

The method of apportionment established for the Mar Vista development reflects the proportional special benefit that the property receives from the improvements. For this residential development, it has been determined that the benefit to each of the twenty-one (21) multi-family residential units is identical and that the most appropriate allocation of special benefit assessment is to assign to each property an amount equal to the total assessment amount associated with the multi-family residential property divided by the total number of approved multi-family residential units within the District, or one equivalent benefit unit ("EBU") for each proposed multi-family residential unit.

The construction of the improvements associated with the Mar Vista development provides a direct and special benefit to the properties in the development, for the ultimate purposes of ingress/egress, access, utility service, and drainage. The lots in the development could not be created nor the special benefit enjoyed by the ultimate lot owners without the construction of these improvements, which were required in order for the property to be developed.

Because all future lots and parcels within the development which are proposed to have buildings constructed on them benefit from the District improvements, they will be assessed for the portion of the specific costs of the improvements that are attributable to them. Lots or areas which are designed as common lots for parking, landscaping, and/or ingress and egress for the site, and which service the lots with building or storage uses within the development and which are not expected to have buildings located on them, will not be assessed.

D. Conclusion

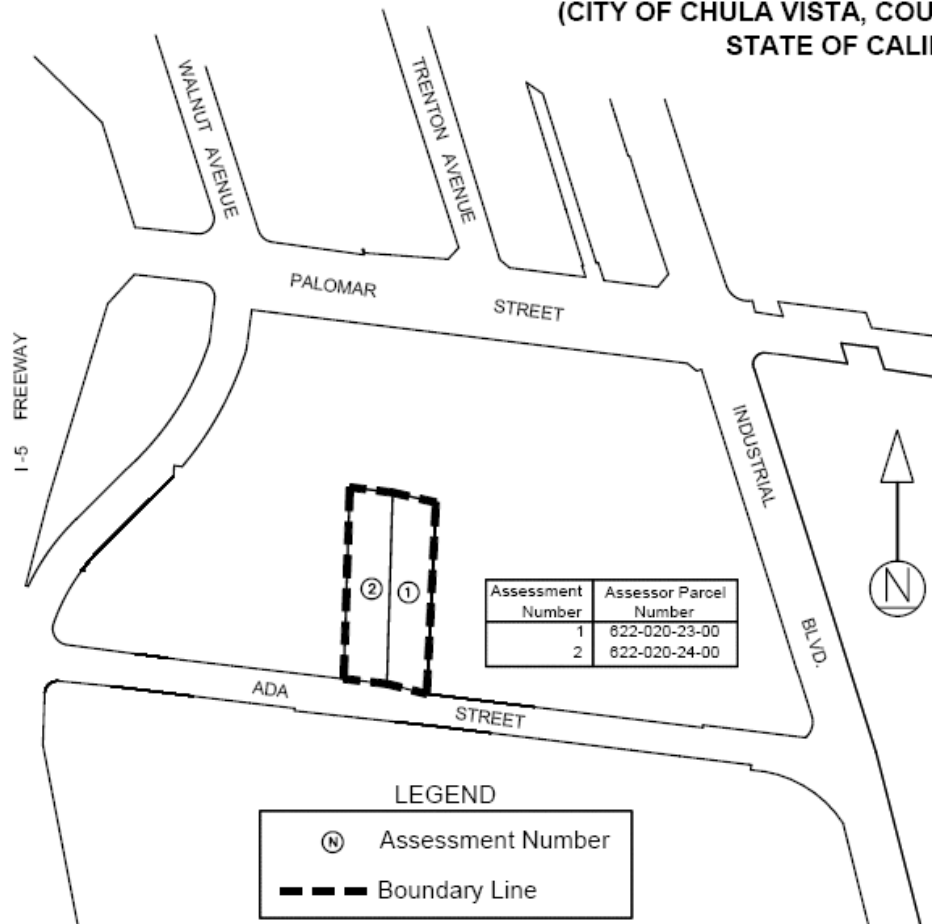
In conclusion, it is the Assessment Engineer's opinion that the assessments for the California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) are allocated in accordance with the direct and special benefit which the land receives from the Works of Improvement in compliance with the requirements of Article XIID of the California Constitution.

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, has been filed and recorded at the County of San Diego Recorder's office (Document No: 2014-_____). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 1

**ASSESSMENT DIAGRAM
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 14-02
(CITY OF CHULA VISTA, COUNTY OF SAN DIEGO)
STATE OF CALIFORNIA**



For particulars of lines and dimensions of Assessor's parcels reference is made to the maps of the San Diego County Assessor, California.

PREPARED BY DAVID TAUSSIG AND ASSOCIATES, INC.

Filed this _____ day of _____, 2014, at the hour of _____ o'clock ____ m., in the book _____ of Maps of Assessment and Community Facilities Districts at page _____ in the office of the Recorder of the County of San Diego, State of California.

By Deputy,
County Recorder, County of San Diego

Document No.: _____

Fee: _____

Filed in the office of the Secretary of the California Statewide Communities Development Authority on the _____ day of _____, 2014.

Secretary of the Authority
California Statewide Communities Development Authority

An assessment was levied by the Commission of the California Statewide Communities Development Authority on the lots, pieces and parcels of land shown on this assessment diagram. Said assessment was levied on the _____ day of _____, 2014; said assessment diagram and the assessment roll were recorded in the office of the Superintendent of Streets, of the California Statewide Communities Development Authority, on the _____ day of _____, 2014. Reference is made to the assessment roll recorded in the office of the Superintendent of Streets, for the exact amount of each assessment levied against each parcel of land shown on this diagram.

Secretary of the Authority
California Statewide Communities Development Authority

Recorded in the office of the Superintendent of Streets of the California Statewide Communities Development Authority on the _____ day of _____, 2014.

Superintendent of Streets of the
California Statewide Communities Development Authority

In addition to or as a part of the assessment lien levied against each parcel of land within the District, each parcel of land shall also be subject to an annual administrative cost add-on to pay costs incurred by the Authority and not otherwise reimbursed which results from the administration and collection of assessments or from the administration or registration of any bonds and/or reserve or other related funds. The maximum total amount of such annual administrative cost add-on for the Assessment District will not exceed five percent (5.00%) of the initial annual principal and interest amount, subject to an increase annually by the positive change, if any, in the consumer price index (CPI) for the San Diego area. Each parcel's share of the administrative cost add-on shall be computed based on the parcel's proportionate share of its annual assessment.

(Compliance with Part 7.5 of Division 4 of the Streets and Highways Code)

Pursuant to Sections 2960, 2961 and 10200 of the Streets and Highways Code, the Commission of the California Statewide Communities Development Authority intends to comply with the requirements of the Special Assessment Investigation, Limitations and Majority Protest Act of 1931 by proceeding under Part 7.5 of Division 4 of the Streets and Highways Code.

We are not aware of any prior assessment liens for the properties located within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California).

The total confirmed assessment liens for California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) equals \$549,073.

The County of San Diego's assessed value of the parcels within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) totals \$490,048.

One-half of the assessed value of the parcels within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) totals \$245,024.

The value-to-lien based on the County of San Diego's assessed value for all properties located in the District is 0.89.

An appraisal is being performed by the firm of Seevers, Jordan and Ziegenmeyer (SJZ) for the appraised value of the parcels located within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California) and will be incorporated into the Final Engineer's Report.

[http://localhost:9010/resources/Clients/SCIP/Chula Vista \(Mar Vista\)/Engineer's Report/CSCDA AD No 14-02 \(San Diego County - Chula Vista\) Engineer's Report \(Final 03.13.2014\).docx](http://localhost:9010/resources/Clients/SCIP/Chula Vista (Mar Vista)/Engineer's Report/CSCDA AD No 14-02 (San Diego County - Chula Vista) Engineer's Report (Final 03.13.2014).docx)

Attachment 1

Assessment District No. 14-02
California Statewide Communities Development Authority
(Statewide Communities Infrastructure Program)
City of Chula Vista, County of San Diego

Assessment Roll

(Please See Section VI)



Public Finance
Public Private Partnerships
Urban Economics

2250 Hyde Street
5th Floor
San Francisco, CA 94109
Phone (800) 969-4382

RESOLUTION NO. 14R-_____

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY APPROVING FINAL ENGINEER'S REPORT, LEVYING ASSESSMENTS, ORDERING THE FINANCING OF SPECIFIED DEVELOPMENT IMPACT FEES AND CAPITAL IMPROVEMENTS, CONFIRMING THE AMOUNT OF UNPAID ASSESSMENTS, AND DIRECTING RELATED ACTIONS

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

WHEREAS, this Commission has taken a series of actions pursuant to the Municipal Improvement Act of 1913 (Division 12, commencing with Section 10000 of the Streets and Highways Code of the State of California) (the "1913 Act") preliminary to ordering the financing of certain public capital improvements and of certain development impact fees, the proceeds of which will be used to pay the cost of other public capital improvements (the "Fees and Improvements"), in each case eligible to be funded under the 1913 Act, which development impact fees and capital improvements are described in the Final Engineer's Report (as defined below) approved by this Resolution, said fees and capital improvements and related incidental expenses allocable thereto to be charged to the parcels of land with respect to which the Fees and Improvements are payable or are to be located, as applicable, in connection with the proposed development of said parcels of land which are situated within the assessment district (the "District") to be designated as set forth in Exhibit A attached hereto and by this reference incorporated into this Resolution; and

WHEREAS, the program of the Authority providing for the financing of eligible development impact fees and capital improvements is commonly known as the "Statewide Community Infrastructure Program," or "SCIP;" and

WHEREAS, on January 30, 2014, this Commission approved the boundary map for the District and adopted its Resolution of Intention relating to the District, and such boundary map was thereafter filed for record in the office of the County Recorders of the Counties in which the Districts are located; and

WHEREAS, in accordance with the direction of this Commission provided in the Resolution of Intention, the Assessment Engineer of the Authority for SCIP, as Engineer of Work (the "Engineer of Work"), prepared and filed with the Authority on January 30, 2014, a report containing the information regarding the District required by Section 10204 of the Streets and Highways Code of the State of California, which reports were duly presented to this Commission for preliminary consideration; and

WHEREAS, this Commission, by a separate resolution duly adopted on January 30, 2014 (the "Resolution of Preliminary Approval"), corresponding to the proposed District, preliminarily approved the report; and

WHEREAS, this Commission, by the Resolution of Preliminary Approval duly adopted on January 30, 2014 fixed 10:00 a.m., or as soon thereafter as the matter might be heard, on March 20, 2014, at the offices of the California State Association of Counties, 1100 K Street, 1st Floor, Sacramento, California, as the time and place for a public hearing with respect to the financing of the Fees and Improvements, to the extent of the District and to the levy of the assessments therein (the "Assessments"); and

WHEREAS, this Commission directed that notice of the public hearing and the related property owner assessment ballot procedure be given in the time, form and manner required by Article XIID of the California Constitution (“Article XIID”), together with the property owner assessment ballots themselves; and

WHEREAS, there has been filed with the Authority a separate certificate setting forth the time and manner of the compliance with the requirements of law for mailing (a) the notices of the public hearing and assessment ballot procedure and (b) the property owner assessment ballots, as required by Article XIID; and

WHEREAS, the Final Engineer’s Report was refined and changed within the notice period, necessitating a delay in delivering the Notices; and

WHEREAS, the property owners have waived all irregularities in the proceedings and have made and filed no objection to the timing of the notice at or before the public hearing; and

WHEREAS, this Commission hereby finds and determines that notices of public hearing and assessment ballot procedure and the property owner assessment ballots themselves have been mailed in the form and manner required by Article XIID; and

WHEREAS, said public hearing was duly convened by this Commission at said time and place specified in the notice of public hearing and this Commission has proceeded with said public hearing and duly heard all interested parties desiring to be heard at said public hearing on any aspect of the proposed District; and

WHEREAS, having thereupon closed the public hearing, and the assessment ballots which had been returned having then been opened and tallied, and it having been determined that all of the assessment ballots which were returned were marked in support of the proposed levy of Assessments, this Commission hereby finds and determines that property owner assessment ballots cast against the levy of the Assessments did not exceed the property owner ballots cast in favor of the levy of the Assessments, with the assessment ballots weighted in proportion to the amount of the proposed Assessments for the parcel to which each such assessment ballot pertains; and

WHEREAS, prior to the public hearing on the date hereof, the Engineer of Work found it necessary to prepare and submit a modified engineer’s report due to certain changes to some of the parcels in the District and the Fees and Improvements to be financed by the Assessments; and

WHEREAS, on the basis of the foregoing, the Engineer of Work has prepared and filed with the Authority for consideration a Final Engineer’s Report relating to the District (the “Final Engineer’s Report”); and

WHEREAS, this Commission has elected to comply with the requirements of Part 7.5 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the “1931 Act”), being Division 4 (commencing with Section 2800) of Streets and Highways Code of the State of California, and on the basis of the information included in each of the Final Engineer’s Reports, this Commission hereby finds and determines that the requirements of the 1931 Act are satisfied in the manner provided by subsection (d) of Section 2961 of said Part 7.5 of the 1931 Act; and

WHEREAS, there has been filed with the Authority a Consent and Waiver executed by each owner of each of the parcels upon which an Assessments is proposed to be levied or by an authorized representative of each owner, waiving any defect in the notice or procedure in the conduct of the public hearing and the assessment ballot procedure, waiving the entitlement to pay all or any part the Assessment in cash within the 30-day cash payment period, and consenting to the modifications made to the Engineer’s Report between the preliminary approval thereof and approval of the Final Engineer’s Report by this Resolution; and

WHEREAS, on the basis of the executed Consent and Waiver forms on file with the Authority, in which each owner of each parcel on which an Assessment is proposed to be levied has waived the entitlement to pay all or any portion of such Assessment levied upon the such parcel in cash (which entails the benefit of a cash payment discount) prior to the issuance, sale and delivery of bonds upon the security of such Assessment, the Authority has confirmed that the amount of the unpaid Assessments is equal to the full amount of the Assessments levied;

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

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

Section 2. There having been no protest received (either written or oral) from any owner of any of the parcels of land upon which an Assessment is proposed to be levied, this Commission finds that there has not been a “majority protest,” as said term is defined by Article XIID, and this Commission hereby overrules any protests received, if any, whether written and oral, from any other person.

Section 3. This Commission hereby approves the Final Engineer’s Report and the component parts thereof, including each exhibit incorporated by reference in the reports.

Section 4. This Commission hereby finds and determines that the requirements of the 1931 Act have been satisfied in the manner provided by Part 7.5 thereof, and this action shall be final as to all persons.

Section 5. This Commission hereby finds and determines that the Engineer of Work, in the Final Engineer’s Report, has fairly and properly apportioned the cost of the financing of the Fees and Improvements to each parcel of land in the District in proportion to the estimated benefits to be received by each parcel, respectively, from the financing of the Fees and Improvements. This Commission hereby confirms and levies each individual Assessment as stated in the Final Engineer’s Report.

Section 6. This Commission hereby orders the financing of the Fees and Improvements as detailed in the Final Engineer’s Report.

Section 7. Bonds representing unpaid Assessments, and bearing interest at a rate not to exceed twelve percent (12%) per annum, will be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, commencing with Section 8500, of the Streets and Highways Code of the State of California) (the “1915 Act”), and the last installment of the bonds shall mature not to exceed twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

Section 8. This Commission hereby finds and determines that either each of the owners or an authorized representative of each of the owners of each of the parcels assessed in these proceedings has executed and filed a form of Consent and Waiver by which the entitlement otherwise given to each such owner to pay all or any part of the subject Assessment or Assessments in cash within the 30-day cash payment period has been waived, and by which the property owner consents to the changes to the Engineer’s Report between the preliminary approval thereof on January 30, 2014, and the approval of the Final Engineer’s Report by this Resolution. Accordingly, this Commission hereby confirms that the amount of the unpaid Assessments is equal to the full amount of the Assessments levied and directs the administrator of SCIP (the “Program Administrator”) to proceed forthwith, without the necessity of the 30-day cash payment period otherwise required, to provide for the issuance, sale and delivery of limited obligation improvement bonds in a principal amount equal to the Assessments levied.

Section 9. The Program Administrator is hereby authorized and directed to prepare the auditors record for the District, pursuant to the Streets and Highways Code, and to transmit said auditors

record to the County Auditor of the County within which the District is located. The assessment installments for the initial series of bonds issued for the District shall be apportioned among the parcels in the District having the unpaid Assessments.

Section 10. The Program Administrator is hereby directed to record the Final Engineer's Report with the Authority. The Program Administrator is hereby further directed to record the assessment diagrams contained in the Final Engineer's Reports and notices of assessment in the office of the County Recorders of the Counties within which the Districts are located in the time, form and manner as required by law.

Section 11. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Commission of the California Statewide Communities Development Authority this March 20, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

District Name (City, County)	Assessment/ Local Obligation Amount
Statewide Community Infrastructure Program Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California)	\$549,073

RESOLUTION NO. 14R-_____

RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY PROVIDING FOR THE ISSUANCE OF A SEPARATE SERIES OF STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM LIMITED OBLIGATION IMPROVEMENT BONDS; APPROVING THE FORM AND SUBSTANCE OF A TRUST AGREEMENT AND AUTHORIZING CHANGES THERETO AND EXECUTION THEREOF; AND AUTHORIZING RELATED ACTIONS AND THE EXECUTION OF RELATED DOCUMENTS TO IMPLEMENT THE PROPOSED FINANCING PROGRAM

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

WHEREAS, this Commission, on January 30, 2014, adopted its Resolution of Intention (the “Resolution of Intention”) relating to the financing of certain development impact fees and capital improvements in an assessment district (the “District”) designated by the name set forth in Exhibit A attached hereto and by this reference incorporated herein; and

WHEREAS, the Resolution of Intention was adopted pursuant to the provisions of the Municipal Improvement Act of 1913 (Division 12, commencing with Section 10000 of the Streets and Highways Code of the State of California) (the “1913 Act”) and provided that serial and/or term bonds to represent the unpaid assessments (the “Assessments”) would be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, commencing with Section 8500, of the Streets and Highways Code of the State of California) (the “1915 Act”), reference being hereby made to the Resolution of Intention for further particulars of such bonds; and

WHEREAS, the written engineer’s report relating to the proposed District (in its final form, the “Engineer’s Report”) was thereafter duly prepared and filed with the Authority, and after a hearing duly noticed and held, the Assessments have been confirmed, levied and approved by resolution adopted by this Commission on the date hereof; and

WHEREAS, the assessment diagram and related notices of assessment have been authorized to be duly recorded in the office of the Assistant to the Secretary of the Authority, who is authorized to act as Superintendent of Streets with respect to the District, and the assessment diagram and related notices of assessment shall be recorded in the offices of the County Recorder of the County in which the District is located, all in the time, form and manner required by law; and

WHEREAS, the Assessments have been levied in the total amounts set forth in Exhibit A to this Resolution upon the several subdivisions of land in the District in proportion to the estimated benefits to be received by such subdivisions, respectively, from the payment of certain development impact fees and from certain public capital improvements, as shown in the Engineer’s Report; and

WHEREAS, the owners of all of the property which has been assessed in the District or the authorized representatives of such owners have executed and filed Consent and Waiver forms, by which, among other things, such owners have waived their rights to pay all or any part of their respective Assessments in cash and have further waived mailed notice of the Assessments; and

WHEREAS, on the basis of the executed Consent and Waiver forms on file with the Authority, in which each owner of each parcel on which an Assessment is proposed to be levied has waived the

entitlement to pay all or any portion of such Assessment levied upon the such parcel in cash (which entails the benefit of a cash payment discount) prior to the issuance, sale and delivery of bonds upon the security of such Assessment, the Authority has confirmed that the amount of unpaid Assessments is equal to the full amount of the Assessment levied, as set forth in Exhibit A to this Resolution, and this Commission hereby finds and determines that the total of the unpaid Assessments for the District is as set forth in Exhibit A to this Resolution; and

WHEREAS, in connection with the financing of development impact fees and capital improvements pursuant to the Authority's Statewide Community Infrastructure Program (the "Program"), this Commission has determined to issue a separate series of its Statewide Community Infrastructure Program Limited Obligation Improvement Bonds relating to the District (the "Local Obligations"), pursuant to a Trust Agreement in substantially the form currently on file with this Commission (the "Trust Agreement") by and between the Authority and Wells Fargo Bank, National Association (the "Trustee"), such Local Obligations to be registered in the name of the Trustee and each series thereof to be issued in an aggregate principal amount equal to the principal amount of unpaid Assessments of the District; and

WHEREAS, for the purpose of funding the Local Obligations and thereby financing the development impact fees and public capital improvements in the District as described above, this Commission, in accordance with the Program, will at a later date consider whetherto authorize and issue its Statewide Community Infrastructure Program Revenue Bonds (the "Revenue Bonds") pursuant to the same Trust Agreement; and

WHEREAS, the Authority will at a future date be consider the issuance of and sale of the Revenue Bonds with the net proceeds of sale thereof (after funding a reserve fund and payment of costs of issuance) to be utilized by the Trustee to acquire the Local Obligations; and

WHEREAS, in furtherance of implementing the issuance of the Local Obligations as described above, there has been filed with the Secretary of the Authority, for consideration and approval by this Commission, the form of the Trust Agreement, under the terms of which, among other things, the Local Obligations is to be issued; and

WHEREAS, being fully advised in the matter of the Program, this Commission wishes to approve the financing as described above;

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

Section 1. The foregoing recitals are true and correct, and this Commission so finds and determines. This Resolution is adopted in accordance with the "SCIP Manual of Procedures" adopted by this Commission, as it may be amended from time to time.

Section 2. This Commission has reviewed all proceedings heretofore taken relative to the foregoing and has found, as a result of such review, and does hereby find and determine that all acts, conditions and things required by law to exist, to happen and to be performed precedent to and in the issuance of the Local Obligations as hereinafter authorized and provided do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority, upon approval by the Authority of the issuance of the Revenue Bonds, shall be authorized pursuant to each and every requirement of law to issue the Local Obligations.

Section 3. The separate series of Local Obligations shall be issued for the District as provided in the Trust Agreement and shall represent and shall be secured by the unpaid Assessment of such District in accordance with the provisions of the 1915 Act and pursuant to the provisions of the Resolution of Intention and proceedings taken thereunder. Each series of the Local Obligations shall be issued in an aggregate principal amount equal to the unpaid Assessment as set forth in Exhibit A to this Resolution,

shall bear interest at rates not to exceed 12%, and shall be known as the “California Statewide Communities Development Authority Statewide Community Infrastructure Program Limited Obligation Improvement Bonds,” with appropriate series and sub-series designations as determined by the Authority. The Local Obligations may be issued pursuant to the same Trust Agreement as other Local Obligations of the Authority.

Section 4. The form and substance of the Trust Agreement made available to the Commissioners at this meeting is hereby approved. Any member of the Commission of the Authority, the Executive Director of the Authority, or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”) is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Trust Agreement in substantially said form, with such changes therein as any member of the Commission may require or approve in consultation with Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Treasurer of the Authority and the Secretary of the Authority are hereby authorized and directed to execute the Local Obligations on behalf of the Authority, manually or by use of engraved, printed or lithographed facsimile signature. Such signing as herein provided shall be a sufficient and binding execution of the Local Obligations by the Authority, without the necessity of a seal. In case the person whose signature appears on the Local Obligations shall cease to be such officer before the delivery of the Local Obligations to the purchaser, such signature shall nevertheless be valid and sufficient for all purposes the same as though such person had remained in office until the delivery of the Local Obligations. Only such of the Local Obligations as shall bear thereon a certificate of registration and authentication in the form set forth in the Trust Agreement, executed and dated by any Authorized Signatory, shall be entitled to any benefits hereunder or be valid or obligatory for any purpose, and such certificate shall be conclusive evidence that the Local Obligations so authenticated have been duly authorized, executed, issued and delivered hereunder and are entitled to the benefits hereof.

Section 6. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, or to make any necessary modifications thereto, which are acceptable to the members of the Commission of the Authority, the Authority’s general legal counsel and Bond Counsel and which they deem necessary or advisable in order to consummate the issuance, sale and delivery of the Local Obligations and to carry out the purposes of this Resolution.

Section 7. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the Commission of the California Statewide Communities Development Authority this March 20, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

District Name (City, County)	Assessment/ Local Obligation Amount
Statewide Community Infrastructure Program Assessment District No. 14-02 (City of Chula Vista, County of San Diego, California)	per Engineer's Report, not to exceed \$549,073

RESOLUTION NO. 14R-_____

A RESOLUTION OF THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF NOT TO EXCEED \$5,000,000 OF ITS STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM REVENUE BONDS, SERIES 2014A; APPROVING THE FORMS OF A TRUST AGREEMENT, A BOND PURCHASE AGREEMENT, AND A CONTINUING DISCLOSURE AGREEMENT, AUTHORIZING CHANGES THERETO AND EXECUTION AND DELIVERY THEREOF AS MODIFIED; APPROVING A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING CHANGES THERETO AND DELIVERY THEREOF AS MODIFIED; AUTHORIZING THE PREPARATION OF A FINAL OFFICIAL STATEMENT SUBSTANTIALLY DERIVED FROM THE PRELIMINARY OFFICIAL STATEMENT AND EXECUTION AND DELIVERY THEREOF; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS AND IMPLEMENTATION OF THE RELATED FINANCING PROGRAM

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

WHEREAS, this Commission has completed its legal proceedings under the Municipal Improvement Act of 1913 (Division 12, commencing with Section 10000 of the Streets and Highways Code of the State of California) (the “1913 Act”) in connection with the formation of two assessment districts identified in said proceedings (the “Districts”); and

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

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

WHEREAS, this Commission has determined to issue two separate series of Local Obligations, one series for each Assessment District (collectively, the “Local Obligations”), to be issued pursuant to that certain Trust Agreement (the “Trust Agreement”) between the Authority and Wells Fargo Bank, National Association, as Trustee (the “Trustee”), to be registered in the name of the Trustee and to bear such series designations as set forth in the Trust Agreement, which Local Obligations will fund certain public capital improvements and the payment of certain development impact fees which will, in turn, fund public capital improvements (the “Fees and Improvements”); and

WHEREAS, by this Resolution, this Commission wishes to authorize and undertake the issuance of the Authority’s Statewide Community Infrastructure Program Revenue Bonds, Series 2014A (the “Bonds”), to acquire the Local Obligations, to fund a reserve fund and to pay costs of issuance (the “Financing Program”); and

WHEREAS, this Commission has determined that the estimated amount necessary to acquire the Local Obligations, to fund a reserve fund and to pay costs of issuance will require the issuance of the Bonds in the aggregate principal amount not to exceed \$5,000,000; and

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

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

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

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

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

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

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

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

Section 2. Pursuant to the Law, the Bonds shall be issued in the aggregate principal amount of not to exceed \$5,000,000; provided, however, that (a) the true interest cost on the Bonds shall not exceed 6.5%, and (b) the maximum term of any maturity shall not extend beyond the year 2044.

Section 3. The form and substance of the Trust Agreement made available to the Commissioners at this meeting is hereby approved. Any member of the Commission of the Authority, the

Executive Director of the Authority, or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”) is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Trust Agreement in substantially said form, with such changes therein as any member of the Commission may require or approve in consultation with Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The form and substance of the Bond Purchase Agreement is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as any member of the Commission may require or approve in consultation with Bond Counsel, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The form and substance of the Continuing Disclosure Agreement is hereby approved. Any Authorized Signatory is hereby authorized to execute and deliver said Continuing Disclosure Agreement in substantially the form on file with the Secretary and presented to this meeting, with such changes as any member of the Commission may require or approve in consultation with Disclosure Counsel, such approval to be conclusively evidenced by such execution and delivery.

Section 6. (a) The form and substance of the Preliminary Official Statement is hereby approved. Any Authorized Signatory is hereby authorized to execute the final Official Statement to be derived therefrom.

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

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

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

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the transactions contemplated by this resolution are hereby ratified, confirmed and approved.

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

PASSED AND ADOPTED by the Commission of the California Statewide Communities Development Authority this March 20, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

RESOLUTION NO. 14R-_____

**RESOLUTION ABANDONING PROCEEDINGS FOR THE PROPOSED
ASSESSMENT DISTRICT NO. 14-01 (CITY OF MORGAN HILL,
COUNTY OF SANTA CLARA, CALIFORNIA)**

WHEREAS, the Commission of the California Statewide Communities (the “Commission”), on December 19, 2013, adopted a Resolution of Intention No. 13R-45 (“Resolution No. 13R-45”), by which the Commission established the proposed boundaries for a proposed assessment district to be known as the “Statewide Community Infrastructure Program Assessment District No. 14-01 (City of Morgan Hill, County of Santa Clara, California)” (the “Proposed Assessment District”); and

WHEREAS, the Commission approved the proposed boundary map of the Assessment District and directed the Secretary of the Authority to file a copy of the map in the office of the County Recorder of the County of Santa Clara within fifteen (15) days of the adoption of Resolution No. 13R-45; and

WHEREAS, the Commission designated a registered, professional engineer as Engineer of Work and directed the preparation of a report containing the matters prescribed by Sections 2961(b) and 10204 of the California Streets and Highways Code (the “Code”), as supplemented by Section 4 of Article XIID of the California Constitution; and

WHEREAS, the owners of certain real property situated in the City (the “Developers”) have requested that the Commission abandon these proceedings for the Proposed Assessment District, and this Commission, by this resolution wishes to do so;

NOW, THEREFORE, BE IT RESOLVED that the Commission of the California Statewide Communities Development Authority hereby finds, determines and resolves as follows:

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

Section 2. The proceedings for the Proposed Assessment District are hereby abandoned.

Section 3. The Superintendent of Streets is hereby authorized and directed to cause the preparation and recordation of a Notice of Discharge of Assessment Liens with the San Diego County Recorder, said notice to include the information specified by Section 3117 of the Streets and Highways Code as follows:

- (a) The date of adoption of this resolution.
- (b) The date of adoption of the resolution of intention for the Proposed Assessment District, Resolution No. 13R-45, was December 19, 2013.
- (c) The boundary map for the Proposed Assessment District was filed for

record in the office of the County Recorder of Santa Clara County on January 27, 2014, in Book 49 of Maps of Assessment and Community Facilities Districts, at Page 35.

Section 4. This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this March 20, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By _____

Authorized Signatory
California Statewide Communities
Development Authority

RESOLUTION NO. 14R-_____

**RESOLUTION ABANDONING PROCEEDINGS FOR THE PROPOSED
ASSESSMENT DISTRICT NO. 14-01 (CITY OF SAN DIEGO, COUNTY
OF SAN DIEGO, CALIFORNIA)**

WHEREAS, the Commission of the California Statewide Communities (the “Commission”), on December 19, 2013, adopted a Resolution of Intention No. 13R-46 (“Resolution No. 13R-46”), by which the Commission established the proposed boundaries for a proposed assessment district to be known as the “Statewide Community Infrastructure Program Assessment District No. 14-01 (City of San Diego, County of San Diego, California)” (the “Proposed Assessment District”); and

WHEREAS, the Commission approved the proposed boundary map of the Assessment District and directed the Secretary of the Authority to file a copy of the map in the office of the County Recorder of the County of San Diego within fifteen (15) days of the adoption of Resolution No. 13R-46; and

WHEREAS, the Commission designated a registered, professional engineer as Engineer of Work and directed the preparation of a report containing the matters prescribed by Sections 2961(b) and 10204 of the California Streets and Highways Code (the “Code”), as supplemented by Section 4 of Article XIID of the California Constitution; and

WHEREAS, the owners of certain real property situated in the City (the “Developers”) have requested that the Commission abandon these proceedings for the Proposed Assessment District, and this Commission, by this resolution wishes to do so;

NOW, THEREFORE, BE IT RESOLVED that the Commission of the California Statewide Communities Development Authority hereby finds, determines and resolves as follows:

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

Section 2. The proceedings for the Proposed Assessment District are hereby abandoned.

Section 3. The Superintendent of Streets is hereby authorized and directed to cause the preparation and recordation of a Notice of Discharge of Assessment Liens with the San Diego County Recorder, said notice to include the information specified by Section 3117 of the Streets and Highways Code as follows:

- (a) The date of adoption of this resolution.
- (b) The date of adoption of the resolution of intention for the Proposed Assessment District, Resolution No. 13R-46, was December 19, 2013.
- (c) The boundary map for the Proposed Assessment District was filed for

record in the office of the County Recorder of San Diego County on January 29, 2014, in Book 44 of Maps of Assessment and Community Facilities Districts, at Page 41.

Section 4. This resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this March 20, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By _____

Authorized Signatory
California Statewide Communities
Development Authority

Item VIII

Consideration of Agreement for Services (Residential) Between CSCDA and Renewable Funding for the California FIRST program. (Staff: Cathy Bando)

Agreement for Services (Residential)
Between
California Statewide Communities Development Authority
And
Renewable Funding

This Agreement for Services (“Agreement”) defines the working relationship between California Statewide Communities Development Authority, a California limited joint powers authority, located at 1100 K Street, Sacramento CA 95814 (“CSCDA”) and Renewable Funding, LLC, a California limited liability company, located at 500 12th St. Suite 300 Oakland, CA 94607 (“Program Administrator”) (collectively referred to as the “Parties” and each individually referred to as a “Party”).

1. Recitals

1.1 The Program. On January 27, 2010, the Commission of CSCDA, adopted its Resolution entitled “Resolution Declaring Intention to Finance Installation of Distributed Generation Renewable Energy Sources, Energy Efficiency and Water Efficiency Improvements” (the “Resolution of Intention”), to establish a voluntary contractual assessment program designated as the CaliforniaFIRST (the “Program”) pursuant to the provisions of Chapter 29 of Part 3, Division 7 of the California Streets and Highways Code (commencing at Section 5898.12) (“Chapter 29”) to finance the cost of installation of distributed generation renewable energy sources (“Renewable Energy Improvements”) or energy efficiency or water conservation improvements (together with the Renewable Energy Improvements, the “Eligible Improvements”). In accordance with AB 811, CSCDA will issue Improvement Bonds to finance improvements to property.

Pursuant to the Resolution of Intention, the Commission also approved a report prepared pursuant to and addressing all of the matters set forth in Streets and Highways Code Section 5898.22 (the “Program Report”), including a map showing the boundaries of the territory within which the voluntary contractual assessments may be offered (the “Program Area”), a draft contract specifying the terms and conditions that would be agreed to by an owner of property within such boundaries and a statement of policies of CSCDA concerning the voluntary contractual assessments and terms by which agreements (“Assessment Contracts”) with the owners of property in the Program Area provide for the levy of contractual assessments to finance installation of eligible improvements

1.2 The Purpose of the Agreement. CSCDA and the Program Administrator desire to enter into the Agreement to establish the terms and conditions pursuant to which the Program Administrator shall provide services to CSCDA for the Program (“Program Administration”) for residential properties as set forth in Exhibit A. For the purposes of this Agreement, “residential” property refers to single-family residential properties and multi-family residential properties with no more than four (4) units. In respect to such services, Program Administrator desires to perform and assume responsibility for the provision thereof on the terms and conditions set forth in this Agreement. Program

Administrator represents that it is legally qualified to provide such services, and has or will obtain all necessary licenses and authorizations from the State of California and any agency of the federal government with the authority to regulate the provision of such services.

CSCDA desires to engage Program Administrator to render the Services (as defined in Section 2.1 below) for the CaliforniaFIRST Program as set forth in and pursuant to the terms and conditions of this Agreement. While CSCDA retains the right to establish and offer separate PACE programs and engage separate PACE program administrators for those programs, CSCDA agrees to engage Program Administrator on exclusive basis to render the Services for the CaliforniaFIRST Program under the terms and conditions of this Agreement.

2. Services and Compensation

2.1 General Scope of Services. The Program Administrator will work in good faith to establish a cost-efficient residential PACE program to benefit homeowners in the CaliforniaFIRST Program. Program Administrator promises and agrees to provide Program Administration services as set forth in Exhibit A (the “Services”).

2.2 Compensation. CSCDA shall compensate Program Administrator for its services in accordance with the fee schedule provided in part in Exhibit B below. Notwithstanding any other provision of this Agreement to the contrary, such compensation is limited to the Improvement Bond proceeds available for paying the fees for the related assessment contract.

2.3 Bond Placement and Issuance of Asset-Backed Securities. The Program Administrator will work in good faith to promote a competitive marketplace for Improvement Bonds. With prior approval from CSCDA, the Program Administrator may assign to a third party the authority to close and fund the acquisition of Improvement Bonds. Program Administrator (including its affiliates) retains the right to purchase Improvement Bonds through a bond purchase agreement. The bond purchase agreement between CSCDA and the investor specifies the terms, conditions and prices of the Improvement Bonds.

From time to time, a purchaser of CaliforniaFIRST Improvement Bonds may elect at its own expense to securitize its interest in Improvement Bonds and sell such securities to the investment community or sell the Improvement Bonds. All fees and costs associated with purchaser’s issuance of asset-backed securities or selling the Improvement Bonds, including costs of issuance and annual disclosure costs, will be borne by purchaser.

3. Term and Termination

3.1 Term. The term of this Agreement is from the date of execution (the “Effective Date”) through the date thirty-six (36) months from the Effective Date and may be extended by written mutual agreement of the Parties.

3.2 Termination of Agreement. Either Party to this Agreement, the Program Administrator or CSCDA, may terminate the whole or any part of this Agreement for any reason or no reason at all by providing written notice to the other Party at least thirty (30) days prior to the effective date of such termination. Upon notification of termination, the Program Administrator shall have the right to close and fund an assessment contract for which Program Administrator processed the application and obtained property owner signature during the 30 day termination period, subject to the review of the appropriate documentation by CSCDA.

4. Notices

4.1 Delivery of Notices. All notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Program Administrator:
Renewable Funding
500 12th St, Suite 300
Oakland, CA 94607
ATTN: Cisco DeVries

CSCDA
c/o California State Association of Counties
1100 K. Street
Sacramento, CA 95814
ATTN: Executive Director

Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

5. Confidentiality and Data Compilation.

5.1 Confidentiality. Maintain the security of Confidential Information (as defined below), except as authorized by the disclosing Party in writing or as required pursuant to the California Public Records Act or by a court of competent jurisdiction. "Confidential Information" means any information that is disclosed and is designated or identified at the time of disclosure as being confidential or its equivalent, including information relating to a proposed or pending transaction including interest rate, payment term, financing covenants, and source of capital. If the information is in verbal form, it is identified as confidential at the time of disclosure and is confirmed in writing within thirty (30) days of the disclosure. Confidential Information does not include any information that: (i) is or becomes publicly known through no wrongful act of the receiving Party; (ii) is already known to the receiving Party without restriction when it is disclosed; (iii) is or becomes in the receiving Party's possession without any obligation

restricting disclosure; (iv) is independently developed by the receiving Party; or (v) is explicitly approved for release by written authorization of the disclosing Party..

5.2 Data Compilation. CSCDA acknowledges and agrees that Program Administrator, or its subcontractors, will have spent substantial time and effort in collection and compiling data and information (the “Data Compilations”) in connection with the Program Administration and that such Data Compilations may be used by Program Administrator (or such subcontractors) for their own purposes, including, without limitation, sale or distribution to third parties; provided, however, that Program Administrator will not, and shall ensure that its subcontractors will not, sell or distribute any of CSCDA’s confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis.

6. General Provisions/Miscellaneous

6.1 Indemnification. Program Administrator will indemnify and hold CSCDA harmless from any and all liability, expense, judgment, suit, cause of action, or demand for personal injury, death, or direct damage to tangible property which may accrue against CSCDA to the extent it is caused by the negligence, wrongful acts or omissions of Program Administrator, its subcontractors, or their employees or agents, arising out of or in any way related to the performance or non-performance under this Agreement.

6.2 Cooperation; Further Acts. The Parties shall fully cooperate with one another, and shall take any additional acts or sign any additional documents as may be reasonably necessary, appropriate or convenient to attain the purposes of this Agreement.

6.3 Arbitration and Equitable Relief.

(A) Arbitration. In consideration of Program Administrator’s rights under this Agreement, CSCDA promises to arbitrate disputes under this Agreement, and the receipt of compensation paid to Program Administrator, at present and in the future, Program Administrator and CSCDA agree that any and all controversies, claims, or disputes with anyone (including CSCDA and any employee, officer, director, volunteer of CSCDA in its capacity as such or otherwise), whether brought on an individual, group, or class basis, arising out of, relating to, or resulting from Program Administrator’s performance of the Services under this Agreement or the termination of this Agreement, including any breach of this Agreement by either Party, shall be subject to binding arbitration under the Arbitration Rules set forth in California Code of Civil Procedure Section 1280 through 1294.2, including Section 1283.05 (the “Rules”) and pursuant to California law. Disputes which Program Administrator and CSCDA agree to arbitrate, and thereby agree to waive any right to a trial by jury, include any statutory claims under state or federal law, the California Labor Code, claims of harassment, discrimination and wrongful termination and any statutory claims. Program Administrator and CSCDA further understand that this Agreement to arbitrate also applies to any disputes that the Program Administrator and CSCDA may have with each other.

(B) Procedure. Program Administrator and CSCDA agree that any arbitration will be administered by the American Arbitration Association (“AAA”), and that the neutral arbitrator will be selected in a manner consistent with AAA’s National Rules for the Resolution of Contract Disputes. Program Administrator and CSCDA agree that the arbitrator shall have the power to decide any motions brought by any Party to the arbitration, including motions for summary judgment and/or adjudication, motions to dismiss and demurrers, and motions for class certification, prior to any arbitration hearing. Program Administrator and CSCDA also agree that the arbitrator shall have the power to award any remedies available under applicable law, and that the arbitrator shall award attorneys’ fees and costs to the prevailing Party except as prohibited by law.

(C) Remedy. Except as provided by the Rules and this Agreement, arbitration shall be the preferred remedy for any dispute between the Program Administrator and CSCDA. Accordingly, except as provided for by the Rules and this Agreement, neither the Program Administrator nor CSCDA will be permitted to pursue court action regarding claims without first pursuing arbitration.

6.4 Entire Agreement. This Agreement contains the entire Agreement of the Parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

6.5 Governing Law. This Agreement shall be governed by the laws of the State of California.

6.6 Time of Essence. Time is of the essence for each and every provision of this Agreement.

6.7 Successors and Assigns. This Agreement shall be binding on the successors and assigns of the Parties.

6.8 Assignment or Transfer. Program Administrator shall not assign, hypothecate, or transfer, either directly or by operation of law, this Agreement or any interest herein without the prior written consent of CSCDA except that Program Administrator may assign this Agreement in connection with a merger or the sale of all or substantially all of its assets without the prior written consent of CSCDA. Any attempt to do so shall be null and void, and any assignees, hypothecates or transferees shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer.

6.9 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not workdays. All references to Program Administrator include all personnel, employees, agents, and subcontractors of Program Administrator, except as otherwise specified in this Agreement. All references to CSCDA include its

commissioners, officers, employees, agents, and volunteers except as otherwise specified in this Agreement. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

6.10 Amendment; Modification. No supplement, modification, or amendment of this Agreement shall be binding unless executed in writing and signed by both Parties.

6.11 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a Party shall give the other Party any contractual rights by custom, estoppel, or otherwise.

6.12 No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties.

6.13 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

6.14 Authority to Enter Agreement. Program Administrator has all requisite power and authority to conduct its business and to execute, deliver, and perform the Agreement. Each Party warrants that the individuals who have signed this Agreement have the legal power, right, and authority to make this Agreement and bind each respective Party.

6.15 Maintenance of Accounting Records. Program Administrator and its subcontractors shall maintain complete and accurate records.

7 Subcontracting.

7.1 Prior Approval Required. Program Administrator shall not subcontract any portion of Services, except as expressly stated herein, without prior written approval of CSCDA; provided that Program Administrator is not prohibited from hiring individuals that act as independent contractors or consultants with respect to the work such individuals perform for the Program Administrator. Subcontracts shall contain a provision making them subject to all provisions stipulated in this Agreement.

7.2 Control and Payment of Subordinates. The Services shall be performed by Program Administrator or under its supervision. CSCDA shall not during the term of this Agreement enter in an agreement with another entity for the provision of services for the CaliforniaFIRST Program. CSCDA may enter into agreements for other PACE programs that are similar to or the same as the Services provided by Program Administrator for the CaliforniaFIRST Program. Program Administrator retains the right to perform services similar to the Services authorized to be provided under this Agreement for other public agencies implementing similar programs. Any additional personnel performing the Services under this Agreement on behalf of Program Administrator shall at all times be under Program

Administrator's exclusive direction and control. Program Administrator shall pay all wages, salaries, and other amounts due such personnel in connection with their performance of Services under this Agreement and as required by law. Program Administrator shall be responsible for all reports and obligations respecting such additional personnel, including, but not limited to: Social Security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation insurance.

8 Insurance.

8.1 Time for Compliance. Unless waived in writing by CSCDA, Program Administrator, as an independent contractor and not an employee of CSCDA, must carry policies of insurance in amounts specified in this section and pay all taxes and fees incident hereunto. Program Administrator shall not commence the Services under this Agreement until it has provided evidence satisfactory to CSCDA that it has secured all insurance required under this section. In addition, Program Administrator shall not allow any subcontractor to commence work on any subcontract until it has provided evidence satisfactory to CSCDA that the subcontractor has secured all insurance required under this section.

8.2 Minimum Requirements. Program Administrator shall, at its expense, procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the Agreement by the Program Administrator, its agents, representatives, employees or subcontractors. Program Administrator shall also require all of its subcontractors to procure and maintain the same insurance for the duration of the Agreement. Such insurance shall meet at least the following minimum levels of coverage:

(A) Minimum Scope of Insurance. Coverage shall be at least as broad as the latest version of the following: (1) General Liability: Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001); (2) Automobile Liability: Insurance Services Office Business Auto Coverage form number CA 0001, code 1 (any auto); and (3) Workers' Compensation and Employer's Liability: Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

(B) Minimum Limits of Insurance. Funding Agent shall maintain limits no less than: (1) General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with general aggregate limit is used, either the general aggregate limit shall apply separately to this Agreement/location or the general aggregate limit shall be twice the required occurrence limit; (2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage; and (3) Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of California. Employer's Liability limits of \$1,000,000 per accident for bodily injury or disease.

8.3 Professional Liability. Program Administrator shall procure and maintain, and require its sub-consultants to procure and maintain, for a period of three (3) years

following completion of the Services, errors and omissions liability insurance appropriate to their profession. Such insurance shall be in an amount not less than \$1,000,000 per claim, and shall be endorsed to include contractual liability.

8.4 Separation of Insureds; No Special Limitations. All insurance required by this Section shall contain standard separation of insureds provisions. In addition, such insurance shall not contain any special limitations on the scope of protection afforded to CSCDA, its commissioners, officials, officers, employees, agents and volunteers.

8.5 Verification of Coverage. Program Administrator shall furnish CSCDA with original certificates of insurance and endorsements effecting coverage required by this Agreement on forms satisfactory to CSCDA. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf, and shall be on forms provided by CSCDA if requested. All certificates and endorsements must be received and approved by CSCDA before work commences. CSCDA reserves the right to require complete, certified copies of all required insurance policies, at any time.

IN WITNESS WHEREOF, the Parties hereby have made and executed this Agreement as of the date first written above.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

By: _____
Title: Catherine Bando, Executive Director

Renewable Funding, LLC

By: _____
Title: Cisco DeVries, President

EXHIBIT A
PROGRAM ADMINISTRATOR
SCOPE OF WORK

Renewable Funding is the “Program Administrator” of CaliforniaFIRST on behalf of the California Statewide Communities Development Authority.

The scope of work for the Program Administrator is outlined below.

- A. Document and Process Development
 - a. Development of program reports, program handbook, application and all process-related materials
 - b. Support and review of all legal documents such as resolutions, validation complaint and bond documents
- B. Coordination of Local Governments
 - a. Recruitment, support and management of local government activities to opt into the program
 - b. Reply to local government inquiries received from staff of participating or interested cities and counties, and provide updates on program activities (such as number of application from within a participating region or status of program formation in interested regions.) =
 - c. Coordination of legal validation process and formation of PACE districts in new Local Government jurisdictions
- C. Marketing and Outreach
 - a. Development of marketing materials such as FAQs, flyers, brochures and digital media
 - b. Development and maintenance of program website
 - c. Outreach to program stakeholders such as contractors, property owners and bond investors
 - d. Education of property owners and other stakeholders through creation of a program website, which includes information on the program, financing terms and other details, and approved improvements
- D. Application Processing
 - a. Through the website, Program Administrator will develop, implement and administer software that:
 - i. processes applications and funding requests
 - ii. provides loan repayment projections and bond debt service schedules
 - iii. provides real-time reports on the number of projects financed and total amount financed through the program
 - b. Approve or deny applications based on eligibility requirements listed in the Program Handbook

- c. Manage projects through reservation and installation period, including expiration and/or cancelation of applications
 - d. Manage funding request documents including but not limited to final permit inspection certificate, final contractor invoice, and mechanic's lien release for review and approval
 - e. Coordinate program team for disbursement of bond proceeds throughout installation period
- E. Contractor Outreach and Management
 - a. Recruit and train qualified contractors
 - b. Develop and maintain quality control system to ensure contractors are accurately representing the terms of the Program to homeowners
- F. Quality Assurance
 - a. Create and implement a quality assurance protocol to ensure projects meet program requirements
- G. Bond Document Coordination
 - a. Intake of property owner-signed bond documents
 - b. Generate amortization schedule
 - c. Coordination with program team on lien recordation and bond closing documents
- H. Customer Service
 - a. Provide website, email and phone support for interested property owners and stakeholders
 - b. Respond to emails and phone calls within 2 business days
 - c. Address and manage stakeholder issues associated with participation in the program
- I. Reporting
 - a. Tracking and reporting to CSCDA of program progress such as applications received and local government participation
 - b. Reporting to local governments on program activity within its region
- J. Team Coordination
 - a. Oversight and facilitation of program team including CSCDA, Bond Counsel, Issuer's Counsel, Tax Administrator and Fund Trustee
 - b. Coordination of intra-team processes such as bond closing and tax roll preparation

Exhibit B
Program Administrator Fee Schedule

At the time the assessment is funded, Program Administrator will receive a one-time fee for Program Administration and Origination services related to residential property contractual assessments as follows:

Program Administration	1.5% of total project amount
Project Origination	2.5% of total project amount

Payment of Program Administration and Project Origination fees are subject to the of funding of each assessment contract represented by the successful closing of related Improvement Bond issues.

Item IX

Consideration of 2013/2014 Budget. (Staff: Cathy Bando)

CSCDA 2013-2014 Fiscal Year Funds Flow Budget
CSCDA 2012-2013 Fiscal Year Funds Actual Results

	<i>Budgeted Bond Issuance</i>	<i>Budgeted Bond Administration</i>	<i>Budgeted General Administration</i>	<i>Budgeted Total</i>	<i>Actual Bond Issuance</i>	<i>Actual Bond Admin</i>	<i>Actual General Admin</i>	<i>Actual Total</i>	<i>Variance</i>
Projected Amounts Collected in Benefit of Conduit Finance Activities of CSCDA									
Issuance Fees									
Qualified 501 (c) 3									
Healthcare	171,000			171,000	188,271			188,271	17,271
Higher Education	95,000			95,000	163,888			163,888	68,888
Other	311,000			311,000	408,015			408,015	97,015
Qualified Residential Rental Program	1,379,000			1,379,000	729,477			729,477	(649,523)
SCIP / Mello Roos	110,000			110,000	30,000			30,000	(80,000)
Other Municipal Bond Programs	65,000			65,000	138,368			138,368	73,368
Bond Administrative Fees									
Qualified 501 (c) 3									
Healthcare		2,147,000		2,147,000		2,309,839		2,309,839	162,839
Higher Education		240,000		240,000		291,697		291,697	51,697
Other		612,000		612,000		743,369		743,369	131,369
Qualified Residential Rental Program		7,109,000		7,109,000		7,223,734		7,223,734	114,734
Tax and Revenue Anticipation Notes		0		0		0		0	0
SCIP / Mello Roos		169,000		169,000		134,060		134,060	(34,940)
Other Municipal Bond Programs		443,000		443,000		503,129		503,129	60,129
Deposits	776,960	(1,321,000)	534,530	(9,510)	1,547,476	(771,421)	568,025	1,344,080	1,353,590
Investment Income	40	(78,000)	70	(77,890)	67	(144,622)	140	(144,415)	(66,525)
Total Projected Amounts Collected in Benefit of Conduit Activities of CSCDA	2,908,000	9,321,000	534,600	12,763,600	3,205,562	10,289,785	568,165	14,063,512	1,299,912
Board & Staff Services									
Executive Director			37,500	37,500			0	0	(37,500)
Issuer Counsel - Richards, Watson & Gershon			80,200	80,200			35,264	35,264	(44,936)
Insurance			60,000	60,000			52,484	52,484	(7,516)
Board Travel Reimbursements			4,000	4,000			426	426	(3,574)
Projected Amounts Disbursed in Benefit of Conduit Activities of CSCDA									
Program Management Fees - HB Capital	1,320,000	5,588,000		6,908,000	1,070,292	6,756,334		7,826,626	918,626
Program Governance Fees - CSAC	294,000	1,229,000		1,523,000	240,932	1,441,947		1,682,879	159,879
Program Governance Fees - League	294,000	1,229,000		1,523,000	240,932	1,441,947		1,682,879	159,879
Compliance Fees - Compliance Services LLC		1,275,000		1,275,000		1,444,081		1,444,081	169,081
Professional Services Reimbursements									
Special Counsel - Orrick			199,500	199,500			66,500	66,500	(133,000)
Auditor - MGO			30,000	30,000			29,522	29,522	(478)
Other Professional Services: Nielsen			60,000	60,000			75,022	75,022	15,022
Other Professional Services: Lang			43,000	43,000			54,000	54,000	11,000
Counsel Fees - Nixon			10,000	10,000			11,703	11,703	1,703
NMTC			115,000	115,000			72,369	72,369	(42,631)
Bank Service Fees			10,000	10,000			66,360	66,360	56,360
Other			5,000	5,000			54,929	54,929	49,929
Charitable Contribution Fund Disbursements									
CAO Training			2,000	2,000			1,500	1,500	(500)
Dues/Memberships				0			525	525	525
CSAC - CSCDA Educational Endowment				0			41,500	41,500	41,500
Cal-ICMA			20,000	20,000			20,000	20,000	0
CSAC & League - Shows and Marketing			40,100	40,100			19,233	19,233	(20,867)
Other				0			31,165	31,165	31,165
Returned deposits	1,000,000			1,000,000	2,080,778	(23,881)		2,056,897	1,056,897
Total Projected Amounts Disbursed in Benefit of Conduit Activities of CSCDA	2,908,000	9,321,000	534,600	12,763,600	3,632,934	11,060,428	632,502	15,325,864	2,562,264



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



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

March 20, 2014

**10:15 a.m. or upon adjournment of the CSCDA Regular Meeting
California State Association of Counties
1100 K Street, 3rd Floor
Sacramento, California**

Butte County
7 County Center Drive
Oroville, CA 95965

County of Monterey
168 West Alisal Street
Salinas, CA 93901

709 Portwalk Place
Redwood City, CA 94065

27788 Hidden Trail Road
Laguna Hills, CA 92653

- I. Call the Roll (alternates designate which member they are representing).
- II. Consideration of First Supplement to the Amended and Restated Bond Indenture for Western University of Health Sciences Series 2007A.
- III. Public Comment.
- IV. Adjourn.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2014 at __: __ m,
Signed _____. Please fax signed page to (925) 933-8457.

SUMMARY AND APPROVALS

DATE: MARCH 20, 2014

PROJECT: WESTERN UNIVERSITY OF HEALTH SCIENCES

PURPOSE: AUTHORIZE A FIRST SUPPLEMENTAL INDENTURE

PROGRAM: 501(C)(3) NONPROFIT

Background:

In 2007, CSCDA issued \$106,905,000 in tax-exempt (\$104.9MM) and taxable (\$2.005MM) variable rate demand revenue bonds (the “Bonds”) on behalf of Western University of Health Sciences (the “Borrower”) to finance, in part, a new four story building with classrooms, study rooms, conference rooms and academic laboratory space in Pomona, California.

The Borrower is requesting the Authority’s approval for execution, together with the trustee, of an amendment to the Amended and Supplemental Indenture in order to accommodate a continuation of the current Index Mode in order to (i) add provisions specific to the expected purchaser and revise transfer limitations; and (ii) supplement terms related to the Index Rate Period. Such terms are agreed as between the Wells Fargo Bank, N.A., as purchaser, and the Borrower.

With the execution of the First Supplemental Bond Indenture, and as a result of the conversion of the Bonds to the new Index Rate Period, the Borrower anticipates that all currently outstanding \$97,345,000 of the principal amount of Bonds will be remarketed to Wells Fargo Bank, National Association and/or such other purchasers to be identified and approved by the Borrower (the “Purchasers”) on the mandatory tender date of April 1, 2014.

The Project will remain in compliance with all of CSCDA’s issuance policies after the modifications.

Recommendations:

It is recommended that this Commission approve the Resolution as submitted to the Commission, which:

1. Approves the First Supplemental Bond Indenture related to Western University of Health Sciences Series 2007A-1 and Series 2007A-2; and
2. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

RESOLUTION NO. 14NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY AUTHORIZING A FIRST
SUPPLEMENT TO THE AMENDED AND RESTATED BOND
INDENTURE RELATING TO THE VARIABLE RATE DEMAND
REVENUE BONDS (WESTERN UNIVERSITY OF HEALTH SCIENCES)
SERIES 2007A; RATIFYING ANY ACTION HERETOFORE TAKEN BY
THE AUTHORITY IN CONNECTION WITH THE SUPPLEMENT
CONTEMPLATED HEREBY AND APPROVING RELATED MATTERS
IN CONNECTION WITH THE BONDS**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the “Act”), a number of California cities, counties and special districts entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Statewide Communities Development Authority (the “Authority”) was organized; and

WHEREAS, the Authority previously issued its Variable Rate Demand Revenue Bonds (Western University of Health Sciences) Series 2007A-1 and Series 2007A-2 (collectively, the “Bonds”) in the aggregate principal amount of 104,900,000 and loaned the proceeds thereof to the Western University of Health Sciences, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California and an organization described in Section 501(c)(3) of the Code, situated and in and good standing and authorized to conduct business under the laws of the State of California (the “Borrower”) pursuant to a Loan Agreement, dated as of October 1, 2007, by and between the Authority and the Borrower, as originally executed (the “Original Loan Agreement”), for the purposes of financing and refinancing its primary health sciences educational campus located in Pomona, California (the “Project”); and

WHEREAS, the Bonds were issued pursuant to the terms of an Indenture, dated as of October 1, 2007, and as amended and restated by that Amended and Restated Indenture, dated as of July 1, 2011 (as amended and restated, the “Indenture”), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New York Trust Company, N.A.), as trustee (the “Trustee”); and

WHEREAS, the Borrower previously requested the conversion of the Bonds to the Index Rate, for sale to certain designated purchasers, which Interest Rate Determination Method would not require liquidity support in the form of a letter of credit or otherwise; and

WHEREAS, further in connection with the remarketing, the Borrower and the Authority executed, and the Trustee provided its consent to, the Amended and Restated Loan

Agreement, dated as of July 1, 2011, by and between the Authority and the Borrower, which amends and restates the Original Loan Agreement; and

WHEREAS, Section 9.01(a) of the Indenture permits the entry into a Supplemental Indenture between the Authority and the Trustee with the written consent of the Banks, if any, and the Administrative Agent (and if none, then the Purchasers, if any) and Section 9.01(b)(6) permits the entry into a Supplemental Indenture between the Authority and the Trustee on the date of remarketing of the Bonds following their mandatory tender; and

WHEREAS, the Borrower requests that the Authority and the Trustee supplement and amend the Indenture pursuant to a First Supplemental Bond Indenture (the “First Supplemental Indenture”) in order to (i) add provisions relating to the Purchasers; and (ii) supplement terms related to the Index Rate Period, which terms are agreed to among the Administrative Agent, if any, the Purchaser and the Borrower; and

WHEREAS, as a result of the conversion of the Bonds to the new Index Rate Period, the Borrower anticipates that all currently outstanding Series 2007A-1 Bonds in the aggregate principal amount of \$50,425,000 and Series 2007A-2 Bonds in the aggregate principal amount of \$46,920,000 will be remarketed by Wells Fargo Bank, National Association, as remarketing agent (the “Remarketing Agent”) pursuant to the Remarketing Agreement, dated as of October 1, 2010, by and between the Remarketing Agent and the Borrower, for purchase by Wells Fargo Bank, National Association, one of its wholly owned subsidiaries and/or such other purchasers to be identified and approved by the Borrower (the “Purchasers”) on the mandatory tender date; and

WHEREAS, as of the effective date of the First Supplemental Indenture, Wells Fargo Bank, National Association will be the sole Holder of the Bonds; and

WHEREAS, as of the execution and delivery by the Authority of the First Supplemental Indenture, the consent of the Administrative Agent, if any, the Purchaser and the Borrower; will be obtained; and

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

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

Section 1. The proposed form of the First Supplemental Bond Indenture, as presented to this meeting, is hereby approved. Any Authorized Signatory (as such term is defined in Resolution 14R-4 of the Authority, adopted on February 6, 2014) is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the First Supplemental Bond Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the delivery thereof.

Section 2. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any Authorized

Signatory, and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 3. The Bonds, when executed as provided in Section 2, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof, or such other consideration agreed to by the Authority and the Trustee.

Section 4. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority, and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution.

Section 5. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the matters approved in this Resolution are hereby ratified, confirmed and approved.

Section 6. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 20th day of March, 2014.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on March 20, 2014.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority