



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



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

April 11, 2013

10:00 a.m.

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

City of Santa Ana
20 Civic Center Plaza
Santa Ana, CA 92701

County of Monterey
168 West Alisal Street
Salinas, CA 93901

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

County of Butte
7 County Center Drive
Oroville, CA 95965

City of Stanton
7800 Katella Avenue
Stanton, CA 90680

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the March 28, 2013 Regular Meeting.
- III. Staff Updates.
- IV. Approve Consent Calendar.
- V. Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2013 at __: __ m,
Signed _____. Please fax signed page to (925) 933-8457.

- a. French American International School, City and County of San Francisco; up to \$6,500,000 in 501(C)(3) non-profit obligations.
 - b. Huntington Park 607, LP (Huntington Plaza Apartments), City of Huntington Park, County of Los Angeles; up to \$11,750,000 in multi-family housing revenue notes.
 - c. San Dimas Community Partners, LP (Voorhis Village Apartments), City of San Dimas, County of Los Angeles; up to 9,500,000 in multi-family housing revenue notes.
- VI. Discuss and approve conflict waiver for Richards, Watson, and Gershon, LLC for the City of Hanford.
- VII. Discuss and approve in concept financing for San Diego State University student housing project.
- VIII. Discuss and approve request by the City of Stockton to refinance various assessment districts and a community facility district.
- IX. Discuss and Consider the Recommendations of the Professional Services Ad Hoc Committee on the Agreement for Services with HB Capital Resources, Ltd.
- X. Public Comment.
- XI. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Approve the following invoices for payment:
 - a. BLX Invoice #41987-401/040413
 - b. BLX Invoice #41987-520/040413
 - c. BLX Invoice #41987-597/040413
 - d. BLX Invoice #41987-768/040413
 - e. BLX Invoice #41987-847/040413
 - f. BLX Invoice #41987-916/100412
 - g. BLX Invoice #41987-916/040413
 - h. BLX Invoice #41987-1007/040413
 - i. BLX Invoice #41987-1255/040413
 - j. BLX Invoice #41987-1400/040413

Thursday, April 11, 2013

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

Item II

Approve the Minutes of the March 28, 2013 Regular Meeting.

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

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

March 28, 2013

MINUTES

Commission Chair Larry Combs called the meeting to order at 10:02 am.

I. Roll Call

Commission members present: Larry Combs, Dwight Stenbakken and Terry Schutten. Dan Mierzwa and Tim Snellings participated by conference telephone.

Others present included: Perry Stottlemeyer, League of California Cities; Caitlin Lanctot and James Hamill, CSCDA; Justin Cooper, Orrick, Herrington; and Deborah Yang, State Treasurer's Office. Todd Smith, Southwest Securities participated by conference telephone.

II. Approval of minutes—March 14, 2013

The commission approved the minutes for both the regular and special meetings held March 14, 2013.

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

III. Staff Updates

None.

IV. Approval of Consent Calendar

1. Induce the following projects:

- a. Heritage II LP (Heritage II Apartments), unincorporated County of Santa Barbara; issue up to \$8 million in multi-family housing debt obligations.
- b. St. Anton Capital, LLC (Anton Menlo Apartments), City of Menlo Park, County of San Mateo; issue up to \$100 million in multi-family housing debt obligations.
- c. WNC Community Preservation Partners, LLC (Arbor Terrace Apartments), City of Colton, County of San Bernardino; issue up to \$17 million in multi-family housing debt obligations.

2. Approve the following invoices for payment:

- a. Willdan Financial Services Invoice #010-20228
- b. Willdan Financial Services Invoice #010-20229
- c. Willdan Financial Services Invoice #010-20230

- d. Willdan Financial Services Invoice #010-20231
- e. Willdan Financial Services Invoice #010-20232
- f. David Taussing & Associates Invoice #1302027

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

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

- a. Provident Group – Pomona Properties, LLC (Western University), City of Pomona, County of Los Angeles; up to \$45 million in 501(c)(3) nonprofit revenue bonds.

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

- b. Lancer Plaza, LLC (California Baptist University), City of Riverside, County of Riverside; up to \$50 million in 501(c)(3) nonprofit revenue bonds.

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

- c. Community Facilities District No. 2012-02 (Manteca Lifestyle Center), City of Manteca, County of San Joaquin; up to \$7 million in Special Tax Bonds.

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

VI. Discuss and approve form of CSCDA Issuer Counsel and Auditor request for proposals.

Regarding the auditor request for proposal, modify timeline to begin July 1, 2013; release date of March 30, 2013; and respond by date of May 1, 2013. Also to include CSCDA board policy relating to annual review with an expected duration of three years.

Motion to approve proposed amendments to RFP by Combs; second by Schutten; unanimously approved by roll-call vote.

Motion to approve RFP, as amended, by Stenbakken; second by Snellings; unanimously approved by roll-call vote.

Regarding the issuer counsel request for proposal, modify timeline to begin January 1, 2014; release date of March 29, 2013; and respond by date of May 15, 2013. Include requirement to post RFP in appropriate professional journals.

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

VII. Discuss and approve a Resolution of Consideration to Amend the Rate and Method of Apportionment for Improvement Areas Nos. 1 and 3 Established in and for Community Facilities District No. 2012-01 (Fancher Creek), City of Fresno, County of Fresno.

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

VIII. Discuss and approve Intention to Refinance Statewide Community Infrastructure Program (SCIP) 2003A and 2005A.

In 2003 and 2005 CSCDA through the Statewide Community Infrastructure Program (SCIP) issued \$6,270,000 and \$10,645,000 respectively in bonds.

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

IX. Discuss CDLAC Deposit Forfeiture Process (information item only).

No action necessary.

X. Public Comment

None.

XI. Adjournment

Commission Chair Larry Combs adjourned the meeting at 10:40 am.

Submitted by: Perry Stottlemeyer, League of California Cities Staff

*The next regular meeting of the commission is scheduled for
Thursday, April 11, at 10:00 a.m.
in the League Office at 1400 K Street, Sacramento, CA.*

Item IV

Approve Consent Calendar

1. Approve the following invoices for payment:
 - a. BLX Invoice #41987-401/040413
 - b. BLX Invoice #41987-520/040413
 - c. BLX Invoice #41987-597/040413
 - d. BLX Invoice #41987-768/040413
 - e. BLX Invoice #41987-847/040413
 - f. BLX Invoice #41987-916/100412
 - g. BLX Invoice #41987-916/040413
 - h. BLX Invoice #41987-1007/040413
 - i. BLX Invoice #41987-1255/040413
 - j. BLX Invoice #41987-1400/040413



777 South Figueroa Street
Suite 3200
Los Angeles, CA 90017-5832
Phone 213 612 2200 Fax 213 612 2316
www.blxgroup.com

E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-401/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$6,270,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2003 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$1,330.00

Total Due: **\$1,330.00**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-401

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



777 South Figueroa Street
Suite 3200
Los Angeles, CA 90017-5832
Phone 213 612 2200 Fax 213 612 2316
www.blxgroup.com

E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-520/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$3,590,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2004 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$742.50

Total Due: **\$742.50**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-520

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-597/040413
PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$10,645,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2005 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$2,276.42

Total Due: **\$2,276.42**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-597

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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Suite 3200
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www.blxgroup.com

E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-768/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$19,015,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2006

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$4,112.54

Total Due: **\$4,112.54**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-768

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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Suite 3200
Los Angeles, CA 90017-5832
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E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-847/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$25,545,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2007A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$5,666.25

Total Due: **\$5,666.25**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-847

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



777 South Figueroa Street
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E.I.N. 51-0404065

October 4, 2012

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-916/100412
PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$10,460,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2007B

SCIP - Program Administrative Fee associated with the above-captioned issue.

07/01/12 to 09/30/12:	\$1,748.48
Less amount paid:	<\$1,725.00>
Total Due:	<u>\$23.48</u>

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-916

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-916/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$10,460,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2007B

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$1,725.00

Total Due: **\$1,725.00**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-916

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
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E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-1007/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$21,805,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program
Revenue Bonds, Series 2008 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$4,350.00

Total Due: **\$4,350.00**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-1007

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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Suite 3200
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E.I.N. 51-0404065

April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-1255/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$6,180,000
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2010 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$1,503.75

Total Due: **\$1,503.75**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-1255

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139



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April 4, 2013

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 N. Main Street, Suite 700
Walnut Creek, CA 94596

INVOICE NO: 41987-1400/040413

PLEASE REMIT COPY OF
INVOICE WITH PAYMENT

Re: \$9,190,000.00
California Statewide Communities Development Authority
Statewide Community Infrastructure Program Revenue Bonds
Series 2011 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

01/01/13 to 3/31/13: \$2,297.50

Total Due: **\$2,297.50**

Payment to be wired as follows:

Wells Fargo Bank
ABA # 121000248
Acct. Name: BLX Group LLC
Acct. # 4123701104
Invoice no. 41987-1400

If a check is sent please send as follows:

BLX Group LLC
Dept 34461
P.O. Box 39000
San Francisco, CA 94139

Item V

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

- a. French American International School, City and County of San Francisco; up to \$6,500,000 in 501(C)(3) non-profit obligations.

SUMMARY AND APPROVALS

DATE:	APRIL 11, 2013
APPLICANT:	FRENCH AMERICAN INTERNATIONAL SCHOOL
AMOUNT:	UP TO \$6.5 MILLION OF TAX-EXEMPT BONDS
PURPOSE:	FINANCE THE CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF K-12 EDUCATIONAL FACILITIES
PRIMARY ACTIVITY:	K THROUGH 12TH GRADE EDUCATION
LEGAL STRUCTURE:	501(C)(3) CORPORATION

Background:

French American International School (“FAIS”) is an independent pre-kindergarten through 12th grade school of more than 1,000 students. FAIS delivers a bilingual, bicultural curriculum through middle school, leading to either the French or the International Baccalaureate program in high school. Its International High School is the only school in San Francisco to award both the French and International Baccalaureate diplomas, along with a high school diploma. FAIS has specialized faculty of 126 full-time educators from 22 countries. The student body represents 56 nationalities and many diverse cultural identifiers including socio-economic status, ethnicity, religion, sexual orientation, family make-up, political and social beliefs. More than 70% of students in the lower school come from non-French speaking families. FAIS is a non-profit corporation organized under the laws of the State of California and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986.

FAIS is seeking up to \$6.5 million in the form of a tax-exempt bonds (the “Bonds”) to finance the construction, improvement and equipping of certain of FAIS’s educational facilities located at 150 Oak Street, San Francisco, California 94102, and at 1155 Page Street, San Francisco, California 94117 (the “Project”). The Project will be owned by FAIS or the San Francisco Unified School District, operated by FAIS and used for educational purposes.

TEFRA Information:

A TEFRA hearing was held by the City and County of San Francisco (the “City”) on January 9, 2013. The Project was recommended for approval by the Budget and Finance Subcommittee of the Board of Supervisors of the City (the “Board of Supervisors”) and is currently awaiting approval by the Board of Supervisors and the signature of the City’s Mayor.

Finance Team:

- Bond Counsel: Sidley Austin, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Bank: First Republic Bank, San Francisco

Financing Structure:

The Bonds will provide financing to fund tenant improvements. FAIS will use \$1.5MM for its existing facility at 150 Oak St. and \$5.0MM for 1155 Page St. The Bonds will have a 36-month interest-only draw period. After this period, the Bonds will amortize over 25 years, requiring principal and interest payments on a monthly basis. The interest rate will be fixed at 3.90% for 28 years. The proposed issuance is in accordance with CSCDA's issuance guidelines.

Estimated Sources and Uses:

Sources:

Loan Proceeds:	\$ 6,500,000.00
----------------	-----------------

Uses:

Tenant Improvements	\$ 6,451,250.00
Cost of Issuance	\$ 48,750.00
Total Uses:	\$ 6,500,000.00

Financing Approval:

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

1. Approves the issuance of the Bonds; Subject to TEFRA approval by City & County of San Francisco;
2. Approves all necessary actions and documents in connection with the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

Attachment 1

K-12 Public Benefit Requirements:

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

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

Public Benefit:

The School currently provides approximately 18% of gross revenue towards its financial aid and discount programs. This allows for a diverse student and parent community and is in line with the overall mission of the School.

The School has opened its current facilities to outside organizations for periodic use when those facilities are not in use by the School.

The newly redeveloped facility at 1155 Page will also be open for such community use and has been designed with such use in mind.

The School regularly invites members of the broader community to its arts, athletic and cultural events.

Financial Assistance:

23% of the students (grades K through 12) receive need-based assistance. The school has an active financial aid program and makes available financial assistance to students of need. FAIS provides more than \$4.5 Million in financial aid and discounts to students each year.

Tuition Costs:

- 2012-13 Tuition
 - Lower School: \$22,130

- Middle School: \$24,900
- High School: \$32,290
- The tuition costs are highly competitive and in line with other schools in the San Francisco area. Here are examples of tuition costs for comparable schools: College Preparatory School - \$33,800 (grades 9-12) & Bentley School - \$23,025 (grades K-5), \$25,215 (grades 6-8), \$30,890 (grades 9-12).

Attachments:

1. Original application
2. CSCDA K-12 Private School Policy



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

APPLICANT INFORMATION

Application Number: **2012089**
Name of Borrower: **French American International School**
Primary Contact: **Aaron Levine**
Title: **Chief Financial Officer**
Street Address: **150 Oak Street** Suite: _____
City: **San Francisco** State: **CA** Zip Code: **94102**
Telephone Number: **(415) 558-2039**
Fax Number: **(415) 558-2033**
E-mail: **aaronl@frenchamericansf.org**
Type of Entity: ☐ For-profit Corporation ☒ Non-profit Corporation
☐ Municipality ☐ Partnership
☐ Other (specify): _____
Date Organized: **1962**

PROJECT INFORMATION

Type of Project: ☐ Small Issue Public Benefit Project
Health Care: ☐ Continuing Care ☐ Clinic ☐ Hospital ☐ Assisted Living
☐ Skilled Nursing ☐ Other (specify): _____
Education: ☒ K-12 ☐ Colleges/Universities
Other: ☐ Museum/Cultural ☐ Other (specify): _____

Project/Facility Name: **Early Childhood Center**
Street Address: **1155 Page Street**
City: **San Francisco** State: **CA** Zip Code: **94117**
County: **San Francisco**
Is Project located in unincorporated part of the County? **No**

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

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



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

FINANCING INFORMATION

Principal Amount: **\$6,500,000**
Tax-exempt Amount: **\$6,500,000**
Taxable Amount: **\$0**

Proposed Closing Date: **12/31/2012**

Maturity: **28 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

Type of Offering: ☐ Public Offering ☒ Private Placement
Denominations: **25000**

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

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

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

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

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **First Republic Bank**

Contact: **Jeff Winkel**

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

Telephone: **(415) 262-4126**

Fax: **(415) 296-5708**

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

BOND COUNSEL

Firm: **SIDLEY AUSTIN**

Contact: **Gerald McGovern**

Address: **555 California Street
San Francisco, CA 94104**

Telephone: **(415) 772-1200**

Fax: **(415) 772-1200**

E-mail: **gmcgovern@sidley.com**



Building Communities, Investing in Local Government Since 1988

501(c)(3) Nonprofit Bond Application

PRINCIPAL FINANCE TEAM INFORMATION (continued)

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

ADDITIONAL INFORMATION REQUIRED

Please provide the following information as additional attachments:

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

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

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

MAILING ADDRESS

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



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

Application: **2012089 - French American International School**
Borrower: **French American International School**
Facility #1: **Early Childhood Center**

PUBLIC BENEFITS

FOR HEALTH CARE FACILITY ONLY

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

FOR PRIVATE SCHOOL FACILITY ONLY

Use of Bond Proceeds
No. of Classrooms: 9
No. of Libraries: 0
No. of Athletic Fields: 0
No. of Administrative Facilities: 1
Multipurpose 1

Tuition Assistance: K-8 9-12
Current Tuition: 22130 32290
Total Tuition Assistance Provided: 2079000 2426000
% of students receiving at least 50% tuition assistance: 10 23

ENVIRONMENT

Energy
Does the facility exceed Title 24 Standards? ☒ Yes ☐ No ☐ N/A
If Yes, by what percent? %
Does the facility have solar(PV) panels? ☒ Yes ☐ No ☐ N/A
If Yes, what is the size in kWh?
Does the facility purchase carbon credits? ☐ Yes ☒ No ☐ N/A
If Yes, what is the annual consumption?

Water

Does the facility provide any of the following:
Efficient Toilets? ☒ Yes ☐ No ☐ N/A
Water-saving showerheads? ☐ Yes ☐ No ☒ N/A
Drought tolerant landscaping? ☐ Yes ☐ No ☒ N/A
Other, specify:

Transportation

Does the entity provide carpooling or mass-transit subsidies? ☐ Yes ☐ No ☒ N/A
Does the entity maintain a fuel efficient fleet? ☐ Yes ☐ No ☒ N/A

Waste

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

Application Number: **2012089 - French American International School**

Name of Borrower: **French American International School**

Facility/Project #1: **Early Childhood Center**

PUBLIC BENEFITS (continued)

WORKFORCE

Employment Creation

Job Type/Description

During
Construction

Post
Construction

Teachers

0

3

Construction

12

0

GOVERNMENTAL INFORMATION

Congressional District #

State Senate District #

State Assembly District #

3

13

CSCDA K-12 Private School Policy

It is the policy of the California Statewide Communities Development Authority (the "Authority") to consider favorably the issuance of bonds, notes or other evidences of indebtedness (the "Bonds") for the financing or refinancing of K-12 educational facilities to be utilized by a non-profit organization (the "Applicant") provided that the Applicant does not discriminate on the basis of a student's national or ethnic origin, disability, race, creed, color, sexual preference or religion in the administration of its admission policies and is able to demonstrate that the community will receive a public benefit as a result of the financing or refinancing of the Applicant's facilities, including, but not limited to, one or more of the following:

- a. The Applicant undertakes community outreach programs providing educational, cultural or philanthropic benefits to the community.
- b. The Applicant permits public access to its athletic fields, recreational facilities or other school facilities.
- c. The Applicant can demonstrate to the Authority that it provides reasonable financial assistance to those students in need by outlining the following: (1) total number of students receiving financial assistance; (2) total amount of financial assistance provided to individual students or entire student population; (3) other financial assistance offered to students.

The requirements as listed above will apply to the financing or refinancing of facilities that will be used for educating children in the elementary, middle and/or upper grade levels (pre-school to the twelfth grade). The Authority will consider each request for approval of projects not adhering to the Authority's requirements as described above on a case-by-case basis.

The Authority may review the requirements as listed above from time to time and at such time will make any modifications to such requirements as the Authority deems appropriate.

Effective Date: April 20, 2011.

RESOLUTION NO. __NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF AN OBLIGATION IN A
PRINCIPAL AMOUNT NOT TO EXCEED \$6,500,000 TO FINANCE THE
CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF CERTAIN EDUCATIONAL
FACILITIES FOR FRENCH AMERICAN INTERNATIONAL SCHOOL AND OTHER
MATTERS RELATING THERETO**

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

WHEREAS, the Authority is authorized by its Agreement to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development;

WHEREAS, the Authority is authorized by a resolution adopted March 21, 1991, to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements to finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 which are determined by the Authority to satisfy the criteria set forth in such resolution (the "Eligible Organizations");

WHEREAS, pursuant to the provisions of the Act, the cities, counties and special districts which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal;

WHEREAS, the City and County of San Francisco (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Chapter 1, Division 1 of Title 3 of the Government Code of the State of California;

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

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

WHEREAS, the French American International School, a California nonprofit public benefit corporation (the "Corporation"), wishes to finance the construction, improvement and

equipping of certain educational facilities (the “Project”) owned by the Corporation and/or the San Francisco Unified School District and operated by the Corporation and located in the City;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing the Project;

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (the “Lender”), the Authority and the Corporation (the “Master Loan Agreement”), the Authority will grant a tax-exempt loan to the Corporation in a principal amount not exceeding \$6,500,000 (the “Obligation”), for the purpose of financing the Project;

WHEREAS, pursuant to the Master Loan Agreement, the Corporation is requesting the Authority to assign all of Authority’s rights (except certain reserved rights) in the relation to the Obligation to the Lender;

WHEREAS, pursuant to the policies of the Authority, the Obligation may only be assigned to Qualified Institutional Buyers (as defined in the Master Loan Agreement) and the Lender will sign an investor letter confirming that it is a Qualified Institutional Buyer and certain other related matters;

WHEREAS, there have been made available to the Commissioners of the Authority the proposed form of the Master Loan Agreement.

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

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligation in an aggregate principal amount not to exceed Six Million Five Hundred Thousand dollars (\$6,500,000). The Obligation shall be issued and secured in accordance with the terms of the Master Loan Agreement presented at this meeting.

Section 2. The proposed form of Master Loan Agreement, as made available to the Commissioners, is hereby approved. Any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 11R-18 of the Authority, adopted on September 28, 2011 (each, an “Authorized Signatory”) is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Obligation shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without

limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligation, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 4. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Obligation are hereby ratified, confirmed and approved.

Section 5. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Obligation as may be required thereby and in accordance with Section 9 of the Agreement to provide financing for the Project.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 11th day of April, 2013.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on April 11, 2013.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority

Item V

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

- b. Huntington Park 607, LP (Huntington Plaza Apartments), City of Huntington Park, County of Los Angeles; up to \$11,750,000 in multi-family housing revenue notes.

SUMMARY AND APPROVALS

DATE: APRIL 11, 2013

APPLICANT: HUNTINGTON PARK 607, L.P./USA MULTI-FAMILY DEVELOPMENT, INC.

AMOUNT: UP TO \$11,750,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

PURPOSE: FINANCE THE ACQUISITION AND REHABILITATION OF HUNTINGTON PLAZA APARTMENTS LOCATED AT 6330 RUGBY AVE IN HUNTINGTON PARK, CA

CSCDA PROGRAM: HOUSING

Background:

The proposed project, Huntington Plaza Apartments (the “Project”), is a 184-unit property located in Huntington Park, California. The Project application was filed on December 27, 2012 and induced on January 10, 2013.

Summary:

Huntington Park 607, L.P. (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$11,750,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will continue to provide 147 one-bedroom units, 37 two-bedroom units, and 2-two-bedroom manager units to low-income families in Huntington Park.

The Project, initially constructed in 1996, is comprised of 1 four-story building over a two-story parking structure containing 182 affordable units and 10,000 square feet of community service facility commercial space on the second floor. The rehabilitation includes new appliances, garbage disposals, repairs and energy efficiency upgrades to electric fixtures, including kitchen and bathroom plumbing fixtures, the HVAC system and an upgraded community room. The Project will also receive improvements to the building exteriors including roof replacement, deck and patio waterproofing and painting. Additional site improvements will include landscaping improvements, site lighting, upgrades the security system and a solar photovoltaic and solar thermal system.

The anticipated construction start date is April 2013 with a completion date of December 2013.

The Borrower has previously constructed or rehabilitated 74 multifamily and senior housing properties throughout California. This is their sixth financing with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project’s units will be income restricted:
 - 93 units reserved for tenants whose income is at or below 50% AMI

- 89 units reserved for tenants whose income is at or below 60% AMI
 - 2 manager units
 - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
 - The Project is located within a ¼ mile of a Public Transit Corridor
 - The Project is located within ½ mile of a park or recreational facility
 - The Project is located within ½ mile of a grocery store
 - The Project is located within ½ mile of a medical clinic with a physician
 - The Project is located within ½ mile of a public library
- Economic Benefits
 - Based upon \$19,738,105 Project costs using a 1.8 multiplier the Project produces \$35,528,589 total economic activity, and at 2.1 jobs per unit produces approximately 386 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: January 7, 2013, City of Huntington Park, unanimous approval
CDLAC Approval: March 13, 2013

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$10,500,000	53.20%
Low Income Housing Tax Credit Equity	\$5,439,310	27.56%
NOI	\$726,383	3.68%
Deferred Developer Fee	\$655,953	3.32%
City of Huntington Park	\$1,900,000	9.63%
AltaMed – Commercial Income	\$476,459	2.41%
Seller Credit for Repairs	<u>\$40,000</u>	0.20%
Total Sources	\$19,738,105	100.00%

Uses:

Acquisition Cost	\$10,890,000	55.17%
Hard Construction Costs	\$4,322,507	21.90%
Architect & Engineering Fees	\$50,000	0.25%
Contractor Overhead & Profit	\$290,971	1.47%
Developer Fee	\$2,081,776	10.55%
Cost of Issuance	\$412,550	2.09%
Capitalized Interest	\$766,933	3.89%
Deposits to Reserves	\$359,173	1.82%
Other Soft Costs (Marketing, Etc.)	<u>\$564,195</u>	<u>2.86%</u>
Total Uses	\$19,738,105	100.00%

Finance Team:

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

Financing Structure:

The construction bonds will have a term of 24 months and will carry a variable interest rate of approximately 2.36%. The Bonds will then convert to the permanent phase for 15 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 4.63%.

By using \$10,500,000 in CSCDA Bonds the Project is able to leverage an additional \$9,238,105 in other resources, for a ratio of 1.14 to 1.

Policy Compliance:

The Project complies with the following policies:

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

Financing Approval:

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of Bonds by the City of Huntington Park, 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 Park TEFRA Resolution
3. CDLAC Approval



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2012110**
Name of Developer: **USA Multifamily Housing, Inc.**
Primary Contact: **Chris Kelley**
Title: **Finance Analyst**
Address: **2440 Professional Dr.
Roseville, CA 95661**
Telephone Number: **(916) 724-3818**
Fax Number: **(916) 773-5866**
E-mail: **ckelley@usapropfund.com**

BORROWER DESCRIPTION

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

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

Name of Borrowing Entity: **Huntington Park 607, L.P.**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **47**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **47**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

BOND COUNSEL

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

Contact: **Thomas Downey**

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

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

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

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

Application Number: **2012110 - Huntington Plaza Apartments**

Name of Borrower: **USA Multifamily Housing, Inc.**

PROJECT DESCRIPTION

Current Project Name: **Huntington Plaza Apartments**

New Project Name:

Project Street Address: **6330 Rugby Ave**

City: **Huntington Park** State: **CA** Zip Code: **90255**

County: **Los Angeles**

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

Total Number of Units: Market: **2** Restricted: **182** Total Units: **184**

Lot Size: **1.204 acres**

Amenities: **Outdoor terraces, four elevators, eight laundries, two trash chutes, a management/leasing office, and community room with TV, kitchen, activity/fitness areas, computer, community gardens/BBQ area, courtyards**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Type 5 Wood Frame Residential Over Type 1 Parking Garage. Currently 6 Story Apartment Building With Underground Parking.**

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

City or county contact information:

Contact Name: **Manuel Acosta**
Title: **Housing and Community Development Manager**
Phone Number: **(323) 584-6213**
Fax Number: **(323) 584-6244**
E-mail: **macosta@huntingtonpark.org**

PUBLIC BENEFIT

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

Percentage of Area Median Income(AMI) for Low Income Housing Units: **51% at 50% AMI and 49% at 60% AMI**

Total Number of Management Units: **2**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	63	\$648	\$950	\$302
1 Bedroom	50	12	\$653	\$950	\$297
1 Bedroom	60	15	\$653	\$965	\$312
1 Bedroom	60	45	\$790	\$965	\$175
1 Bedroom	60	12	\$805	\$975	\$170
2 Bedrooms	50	8	\$716	\$1,125	\$409
2 Bedrooms	50	10	\$742	\$1,125	\$383
2 Bedrooms	60	3	\$742	\$1,125	\$383
2 Bedrooms	60	4	\$1,012	\$1,125	\$113
2 Bedrooms	60	10	\$1,035	\$1,150	\$115

Application Number: **2012110 - Huntington Plaza Apartments**

Name of Borrower: **USA Multifamily Housing, Inc.**

PUBLIC BENEFIT(continued)

Remarks:

OTHER PUBLIC BENEFIT**SERVICES PROVIDED**

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

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

If Yes, by what percent? _____%

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

If Yes, what is the size in kWh? _____

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

If Yes, what is the annual consumption? _____

Water

Does the facility provide any of the following:

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

Other, specify: _____

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

Job Type/Description	During Construction	Post Construction
None	0	0

GOVERNMENTAL INFORMATION

Congressional District #

34

State Senate District #

30

State Assembly District #

46

Application Number: **2012110 - Huntington Plaza Apartments**

Name of Borrower: **USA Multifamily Housing, Inc.**

FINANCING STRUCTURE

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

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

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

Maturity: **30 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

CONSTRUCTION FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **Private placement TBD**

PERMANENT FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **Private placement TBD**

Expected Rating: ☐ Unrated ☒ S & P **AAA**
☐ Moody's _____ ☐ Fitch _____

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

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

SOURCES & USES

CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	\$11,750,000
Taxable Bond Proceeds:	
Tax Credits:	\$6,044,985
Developer Equity:	\$1,103,634
Other Funds(Describe):	
City of Huntington Park	\$2,500,000
NOI during construction	\$1,150,930
_____	_____
_____	_____
_____	_____
TOTAL:	\$22,549,549

USES

Land Acquisition:	\$2,130,000
Building Acquisition:	\$8,760,000
Construction or Remodel:	\$5,592,918
Cost of Issuance:	\$369,880
Capitalized Interest:	\$827,641
Reserves:	\$361,576
Other Funds(Describe):	
Soft Costs	\$2,284,821
Developer Fee/Overhead	\$2,222,713
_____	_____
_____	_____
TOTAL:	\$22,549,549

Application Number: **2012110 - Huntington Plaza Apartments**

Name of Borrower: **USA Multifamily Housing, Inc.**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

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

ADDITIONAL REQUIREMENT

Please provide the following as an additional attachment:

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

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

*Refundable only if financing not approved.

MAILING ADDRESS

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

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RESOLUTION NO. 2013-2

**RESOLUTION OF THE HUNTINGTON PARK CITY COUNCIL TO
CONDUCT A TEFRA PUBLIC HEARING TO AUTHORIZE THE
ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR
THE FINANCING OF THE RUGBY SENIOR HOUSING PROJECT**

WHEREAS, there is a 184-unit multifamily residential rental project (the "Project"), currently known as Rugby Plaza Senior Housing Project, located at 6330 Rugby Avenue in the City of Huntington Park, California; and

WHEREAS, the California Statewide Communities Development Authority (the "CSCDA" or the "Authority") is authorized by the laws of the State of California to issue "qualified exempt facility bonds";

WHEREAS, the Project was financed through tax-exempt multifamily housing bonds issued by the CSCDA in 1996 (the "Prior Obligations), as "qualified exempt facility bonds", under Section 142 (a) of the Internal revenue Code of 1986, as amended (the "Code");

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

WHEREAS, USA Properties Fund, Inc., the borrower on behalf of Huntington Park 607 LP, has requested that the City as a member of the Authority authorize the issuance of tax-exempt multifamily housing revenue bonds in an amount not-to-exceed \$13,000,000 the proceeds of which may only be used solely for the purpose of acquiring and financing the Project;

WHEREAS, the Prior Obligations and the 2013 borrowing are both conduit bond issues, to which the City has no financial obligation or otherwise, and for which the Borrower is solely responsible for the repayment of the Obligations; and

cc: Manny Acosta

1 **WHEREAS**, Section 147(f) of the Code requires that the "applicable elected
2 representatives" for the jurisdiction in which the Project is located hold a public
3 hearing to comply with Tax Equity Fiscal Responsibility Act (TEFRA) requirements, 90
4 days prior to the issuance of tax-exempt obligations; and

5 **WHEREAS**, the City Council of the City of Huntington Park has held said public
6 hearing at which all those interested in speaking with respect to the proposed
7 financing of the Project were heard.

8
9 **NOW, THEREFORE, BE IT RESOLVED** as follows:

- 10 1. The City Council hereby finds and determines that the foregoing recitals
11 are true and correct.
- 12 2. For purposes of the requirements of the Code only, the City Council
13 hereby approves the proposed financing of the Project by the Authority
14 with the proceeds of the Obligations.
- 15 3. The execution and delivery of the Obligations shall be subject to the
16 approval by the Authority of all financing documents relating thereto to
17 which the Authority is a party and subject to the sale of the Obligations
18 by the Authority.
- 19 4. The adoption of this Resolution is solely for the purpose of meeting the
20 TEFRA requirements stipulated in the Code and shall not be construed
21 in any other manner, the City nor its staff having fully reviewed or
22 considered the financial feasibility of the Project or the expected
23 financing or operation of the Project with regards to any State of
24 California statutory requirements, and such adoption shall not obligate (i)
25 the City to provide financing to the Borrower for the acquisition,
26 rehabilitation and development of the Project or to execute and deliver
27 the Obligations for purposes of such financing; or (ii) the City or any
28 department of the City to approve any application or request for, or take
 any other action in connection with, any environmental, General Plan,
 zoning or any other permit or other action necessary for the acquisition,
 rehabilitation, development or operation of the Project.

- 1 5. The City Clerk of the City shall forward a certified copy of this Resolution
2 and a copy of the affidavit of publication of the public hearing notice to:

3 Thomas A. Downey
4 The Orrick Building
5 Orrick, Herrington & Sutcliffe LLP
6 405 Howard Street
7 San Francisco, California 94105

- 8
9 6. This resolution shall take effect upon its adoption.

10
11 **PASSED AND ADOPTED** this 7th day of January, 2013.

12
13
14 
15 _____
16 Andy Molina, Mayor

17 ATTEST:

18
19 
20 _____
21 Rosanna Ramirez, City Clerk

1
2
3 ATTEST:

4 STATE OF CALIFORNIA)
5 COUNTY OF LOS ANGELES) SS
6 CITY OF HUNTINGTON PARK)

7 I, Rosanna M. Ramirez, City Clerk of the City of Huntington Park, California, do hereby
8 certify that the whole number of members of the City Council of said City is five; that the
9 foregoing Resolution, being Resolution No. 2013-2 was duly passed and adopted by the City
10 Council of the City of Huntington Park, approved and signed by the Mayor of said City, and
11 attested to by the City Clerk of said City, all at a regular meeting of the City Council held on the 7th
12 day of January, 2013, and that the same was so passed and adopted by the following vote, to wit:

13 AYES: Council Members – Guerrero, Hernandez, Molina

14 NOES: Council Members – None

15 ABSENT: Council Members – Gomez, Perez

16 ABSTAIN: Council Members – None
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21 City Clerk
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RESOLUTION NO. 13-10
(QUALIFIED RESIDENTIAL RENTAL PROJECT)
EXHIBIT A

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 13-014
3. Project Sponsor: Huntington Park 607, LP (USA HuntingtonPark 607, Inc.; Riverside Charitable Corporation and Oldtimers Housing Development Corporation - IV)
4. Project Management Co.: USA Multifamily Managerment, Inc.
5. Project Name: Huntington Plaza Apartments
6. Type of Project: Acquisition and Rehabilitation/Senior Citizens
7. Location: Huntington Park, CA
8. Private Placement Purchaser: Citibank, N.A.
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: **182** plus **2** manager units
11. Total Number of Restricted Rental Units: **182**
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 **93** 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 **89** 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. 13-10

Exhibit A

Page 2 of 4

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing.
Not Applicable
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least three-bedroom or larger units.
Not Applicable
19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit.
Not Applicable
20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school 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.
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.
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. 13-10**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 With Waiver(s)

Section Waived:

<input type="checkbox"/>	Energy Efficiency
<input type="checkbox"/>	CALGreen Compliance
<input checked="" type="checkbox"/>	Landscaping
<input type="checkbox"/>	Roofs
<input checked="" 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 checked="" 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 Rehabilitation Project reducing energy use on a per square foot basis by 25% 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 |

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

Not Applicable

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

Not Applicable

RESOLUTION NO. 13H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$11,750,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS HUNTINGTON PLAZA APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTE.

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

WHEREAS, Huntington Park 607, L.P., a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Huntington Plaza Apartments) 2013 Series J (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a 184-unit multifamily housing rental development located in the City of Huntington Park, California, and to be known as Huntington Plaza Apartments (the “Project”);

WHEREAS, on March 13, 2013, the Authority received an allocation in the amount of \$11,750,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$11,750,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

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

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

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

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

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

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Huntington Plaza Apartments) 2013 Series J”, in an aggregate principal amount not to exceed \$11,750,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory (as hereinafter defined). The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 11R-18 of the Authority, adopted on September 28, 2011) (together with the Members, each such person is

referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond April 1, 2058), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

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

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

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

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

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Statewide Communities Development Authority this April 11, 2013.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on April 11, 2013.

By _____
Authorized Signatory

Item V

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

- c. San Dimas Community Partners, LP (Voorhis Village Apartments), City of San Dimas, County of Los Angeles; up to 9,500,000 in multi-family housing revenue notes.

SUMMARY AND APPROVALS

DATE:	MARCH 28, 2013
APPLICANT:	SAN DIMAS COMMUNITY PARTNERS, L.P./WNC COMMUNITY PRESERVATION PARTNERS, LLC
AMOUNT:	UP TO \$9,500,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS
PURPOSE:	FINANCE THE ACQUISITION AND REHABILITATION OF VOORHIS VILLAGE APARTMENTS LOCATED AT 653 EAST JUANITA AVE IN SAN DIMAS, CA
CSCDA PROGRAM:	HOUSING

Background:

The proposed project, Voorhis Village Apartments (the “Project”), is a 65-unit property located in San Dimas, California. The Project application was filed on November 30, 2012 and induced on December 20, 2012.

Summary:

San Dimas Community Partners, L.P. (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$9,500,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will continue to provide 9 one-bedroom units, 24 two-bedroom units, 20 three-bedroom units, and 12 four-bedroom units to low-income families in San Dimas.

The Project, initially constructed in 1971, is comprised of 9 two-story garden style buildings containing 64 affordable units. The rehabilitation includes new refrigerators, counters, cabinets, central heat/cooling, carpet, windows, paint, and ceiling fans in each unit. The Project will also receive a new playground, carports, remodeled community room, and the addition of surveillance cameras.

The anticipated construction start date is May 2013 with a completion date of January 2014.

The Borrower has previously constructed or rehabilitated 42 multifamily and senior housing properties throughout the United States. This is their fifteenth financing with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project’s units will be income restricted:
 - 21 units reserved for tenants whose income is at or below 50% AMI
 - 43 units reserved for tenants whose income is at or below 60% AMI
 - 1 manager unit

- The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
 - The Project is located within ½ mile of a park or recreational facility
 - The Project is located within ½ mile of a grocery store
 - The Project is located within close proximity of a public K-12 school
 - The Project is located within ½ mile of a public library
- Economic Benefits
 - Based upon \$14,314,936 Project costs using a 1.8 multiplier the Project produces \$25,766,884.80 total economic activity, and at 2.1 jobs per unit produces approximately 137 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: January 8, 2013, City of San Dimas, unanimous approval
CDLAC Approval: March 13, 2013

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$9,500,000	66.36%
Low Income Housing Tax Credit Equity	\$2,895,535	20.23%
NOI	\$253,333	1.77%
Deferred Developer Fee	<u>\$1,666,068</u>	<u>11.64%</u>
Total Sources	\$14,314,936	100.00%

Uses:

Acquisition Cost	\$8,750,000	61.12%
Hard Construction Costs	\$1,743,481	12.18%
Architect & Engineering Fees	\$70,000	0.49%
Contractor Overhead & Profit	\$147,847	1.03%
Developer Fee	\$1,666,068	11.64%
Relocation	\$80,000	0.56%
Cost of Issuance	\$102,775	0.72%
Capitalized Interest	\$253,333	1.77%
Deposits to Reserves	\$513,000	3.58%
Other Soft Costs (Marketing, Etc.)	<u>\$988,432</u>	<u>6.90%</u>
Total Uses	\$14,314,936	100.00%

Finance Team:

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

Financing Structure:

The construction bonds will have a term of 24 months and will carry a variable interest rate of approximately 2.6%. The Bonds will then convert to the permanent phase for 17 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 4.65%.

By using \$9,500,000 in CSCDA Bonds the Project is able to leverage an additional \$4,814,936 in other resources, for a ratio of 2.57 to 1.

Policy Compliance:

The Project complies with the following policies:

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

Financing Approval:

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of Bonds by the City of San Dimas, 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 San Dimas TEFRA Resolution
3. CDLAC Approval



Building Communities, Investing in Local Government Since 1988

Housing Bond Application

APPLICANT INFORMATION

Application Number: **2012095**
Name of Developer: **Community Preservation Partners, LLC**
Primary Contact: **Anand Kannan**
Title: **Senior Vice President**
Address: **17782 Sky Park Circle
Irvine, CA 92614**
Telephone Number: **(949) 236-8278**
Fax Number: **(714) 662-4412**
E-mail: **akannan@wncinc.com**

BORROWER DESCRIPTION

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

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

Name of Borrowing Entity: **TBD**

Date Established: **tbd**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **41**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **41**

PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

BOND COUNSEL

Firm: **Orrick Herrington**

Contact: **Tom Downey**

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

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

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

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

Application Number: **2012095 - Voorhis Village**
Name of Borrower: **Community Preservation Partners, LLC**

PROJECT DESCRIPTION

Current Project Name: **Voorhis Village**
New Project Name: **Sunkist Apartments**
Project Street Address: **653 East Juanita Ave**
City: **San Dimas** State: **CA** Zip Code: **91773**
County: **Los Angeles**
Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **0** Restricted: **64** Total Units: **64**

Lot Size: **2 acres**

Amenities: **laundry, covered parking, playground**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, 2 Story, Garden Style, 9 Buildings.**

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

City or county contact information:

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

PUBLIC BENEFIT

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

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

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	60	5	\$930	\$1,050	\$120
1 Bedroom	50	4	\$772	\$1,050	\$278
2 Bedrooms	60	15	\$1,111	\$1,375	\$264
2 Bedrooms	50	9	\$921	\$1,375	\$454
3 Bedrooms	60	15	\$1,277	\$1,775	\$498
3 Bedrooms	50	4	\$1,058	\$1,775	\$717
4 Bedrooms	60	8	\$1,410	\$2,100	\$690
4 Bedrooms	50	4	\$1,165	\$2,100	\$935

Remarks:

OTHER PUBLIC BENEFIT

SERVICES PROVIDED

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

ENVIRONMENT

Energy

- Does the facility exceed Title 24 Standards? ☐ Yes ☒ No ☐ N/A
If Yes, by what percent? _____ %
Does the facility have solar(PV) panels? ☐ Yes ☒ No ☐ N/A
If Yes, what is the size in kWh? _____
Does the facility purchase carbon credits? ☐ Yes ☒ No ☐ N/A
If Yes, what is the annual consumption? _____

Water

- Does the facility provide any of the following:
Efficient Toilets? ☐ Yes ☒ No ☐ N/A
Water-saving showerheads? ☐ Yes ☒ No ☐ N/A
Drought tolerant landscaping? ☐ Yes ☒ No ☐ N/A
Other, specify: _____

Transportation

- Does the entity provide carpooling or mass-transit subsidies? ☐ Yes ☒ No ☐ N/A
Does the entity maintain a fuel efficient fleet? ☐ Yes ☒ No ☐ N/A

Waste

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

WORKFORCE

Employment Creation

Job Type/Description	During Construction	Post Construction
None	0	0

GOVERNMENTAL INFORMATION

Congressional District #	State Senate District #	State Assembly District #
26	29	59

Application Number: **2012095 - Voorhis Village**
Name of Borrower: **Community Preservation Partners, LLC**

FINANCING STRUCTURE

Type of Financing: ☐ Public Sale ☒ Private Placement ☐ Refunding
For Refundings only: Will you be applying for State Volume Cap? **No**
For Refundings only: Is this a transfer of property to a new owner? _____
Maturity: **30 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

CONSTRUCTION FINANCING:

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

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

PERMANENT FINANCING:

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

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

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

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

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

SOURCES & USES

CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	\$9,500,000
Taxable Bond Proceeds:	
Tax Credits:	\$3,776,076
Developer Equity:	\$303,205
Other Funds(Describe):	
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
TOTAL:	\$13,579,281

USES

Land Acquisition:	\$750,000
Building Acquisition:	\$8,000,000
Construction or Remodel:	\$2,166,950
Cost of Issuance:	\$373,775
Capitalized Interest:	
Reserves:	\$212,000
Other Funds(Describe):	
Relocation	\$80,000
Legal/Accounting	\$170,000
Third Party reports	\$70,000
tax credit fees/title	\$123,013
Developer Fee	\$1,633,543
TOTAL:	\$13,579,281

Application Number: **2012095 - Voorhis Village**
Name of Borrower: **Community Preservation Partners, LLC**

PRINCIPAL FINANCE TEAM INFORMATION (continued)

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

ADDITIONAL REQUIREMENT

Please provide the following as an additional attachment:

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

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

*Refundable only if financing not approved.

MAILING ADDRESS

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

RESOLUTION NO. 2013-04

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN DIMAS
APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING
REVENUE OBLIGATIONS FOR THE PURPOSE OF FINANCING THE
ACQUISITION AND REHABILITATION OF SUNKIST APARTMENTS**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized by the laws of the State of California (the "Law") to execute and deliver multifamily housing revenue obligations for the purpose of financing the acquisition, construction/rehabilitation and development of multifamily residential rental facilities located within the area of operation of the Authority which are to be occupied, in part, by very low and/or low income tenants; and

WHEREAS, Community Preservation Partners, LLC, on behalf of a California limited liability company or limited partnership related to or formed by Community Preservation Partners, LLC (the "Borrower"), has requested the Authority to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$12,000,000 (the "Obligations"), the proceeds of which may only be used for the purpose of financing the acquisition and rehabilitation of a 64-unit multifamily residential rental facility to be commonly known as Sunkist Apartments (currently known as Voorhis Village) located at 653 East Juanita Avenue in the City of San Dimas, California (the "Project"); and

WHEREAS, the City of San Dimas is a program participant of the Authority; and

WHEREAS, the Obligations which are expected to be issued and delivered to finance the acquisition and rehabilitation of the Project would be considered "qualified exempt facility bonds" under Section 142 (a) of the Internal revenue Code of 1986, as amended (the "Code"), and Section 147(f) of the Code requires that the "applicable elected representatives" with respect to the jurisdiction in which the Project is located hold a public hearing on the execution and delivery of the Obligations; and

WHEREAS, the City Council of the City of San Dimas as the "applicable elected representatives" to hold said public hearing, has held said public hearing at which all those interest in speaking with respect to the proposed financing of the Project were heard.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. For purposes of the requirements of the Code only, the City Council hereby approves the proposed financing of the Project by the Authority with the proceeds of the Obligations.

3. The execution and delivery of the Obligations shall be subject to the approval by the Authority of all financing documents relating thereto to which the Authority is a party and subject to the sale of the Obligations by the Authority.

4. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Code and shall not be construed in any other manner, the City nor its staff having fully reviewed or considered the financial feasibility of the Project or the expected financing or operation of the Project with regards to any State of California statutory requirements, and such adoption shall not obligate (i) the City to provide financing to the Borrower for the acquisition, rehabilitation and development of the Project or to execute and deliver the Obligations for purposes of such financing; or (ii) the City, of or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, rehabilitation, development or operation of the Project.

5. The City Clerk of the City shall forward a certified copy of this Resolution to:

Thomas A. Downey
The Orrick Building
Orrick, Herrington & Sutcliffe LLP
405 Howard Street
San Francisco, California 94105

6. This resolution shall take effect upon its adoption.

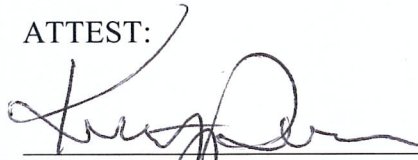
PASSED AND ADOPTED this 8th day of January, 2013, by the following roll call vote:


Ayes: Morris, Badar, Bertone, Ebner, Templeman

Nays: None

Abstain: None

ATTEST:



Kenneth J. Duran, City Clerk

Curtis W. Morris, Mayor of the City of San Dimas

Resolution 2013-04

I HEREBY CERTIFY that the foregoing Resolution 2013-04 was adopted by vote of the City Council of the City of San Dimas at its regular meeting of January 8, 2013 by the following vote:

AYES:	Morris, Badar, Bertone, Ebner, Templeman
NOES:	None
ABSENT:	None
ABSTAIN:	None

A handwritten signature in cursive script, reading "Ken Duran", is written above a horizontal line.

Ken Duran, City Clerk

RESOLUTION NO. 13-13
(QUALIFIED RESIDENTIAL RENTAL PROJECT)
EXHIBIT A

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 13-017
3. Project Sponsor: San Dimas Community Partners, LP (WNC-San Dimas Partners, G/P, LLC and JHCJHC-Acquisition, LLC)
4. Project Management Co.: Professional Property Management, Inc.
5. Project Name: Voorhis Village Apartments
6. Type of Project: Acquisition and Rehabilitation/Family
7. Location: San Dimas, CA
8. Private Placement Purchaser: Citibank, N.A.
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 64 plus 1 manager unit
11. Total Number of Restricted Rental Units: 64
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 43 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. 13-13

Exhibit A

Page 2 of 4

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing.

Not Applicable

18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least 31 three-bedroom or larger units.

Applicable

19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit.

Not Applicable

20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school programs of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. The programs shall include, but are not limited to: tutoring, mentoring, homework club, and art and recreation activities to be provided weekdays throughout the school year for at least 10 hours per week.

Not Applicable

21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents instructor-led educational, health and wellness, or skill building classes. The classes shall include, but are not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation and smoking cessation. Classes shall be provided at a minimum of 84 hours per year (drop-in computer labs, monitoring and technical assistance shall not qualify) and be located within 1/4 mile of the Project.

Not Applicable

22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project.

Not Applicable

23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents health and wellness services and programs within 1/4 mile of the Project. Such services and programs shall provide individualized support for tenants (not group classes) but need to be provided by licensed individuals or organizations. The services shall include, but are not limited to: visiting nurses programs, intergenerational visiting programs, and senior companion programs. Services shall be provided for a minimum of 100 hours per year.

Not Applicable

24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. The responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or enrichment activities for tenants (such as holiday events, tenant council, etc.)

Not Applicable

25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals, if available, throughout the Project's useful life.

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. 13-13

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 Rehabilitation Project reducing energy use on a per square foot basis by 25% 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. 13-13

Exhibit A

Page 3 of 3

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

Not Applicable

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

Not Applicable

RESOLUTION NO. 13H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$9,500,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS VOORHIS VILLAGE APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTE.

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

WHEREAS, San Dimas Community Partners, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Voorhis Village Apartments) 2013 Series K (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a 65-unit multifamily housing rental development located in the City of San Dimas, California, and known as Voorhis Village Apartments (the “Project”);

WHEREAS, on March 13, 2013, the Authority received an allocation in the amount of \$9,500,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

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

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

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

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

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

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

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

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Voorhis Village Apartments) 2013 Series K”, in an aggregate principal amount not to exceed \$9,500,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory (as hereinafter defined). The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 11R-18 of the Authority, adopted on September 28, 2011) (together with the Members, each such person is

referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond April 1, 2058), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

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

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

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

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

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Statewide Communities Development Authority this April 11, 2013.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on April 11, 2013.

By _____
Authorized Signatory

Item VI

Discuss and approve conflict waiver for Richards, Watson, and Gershon, LLC for the City of Hanford.

SUMMARY AND APPROVALS

PURPOSE: DISCUSS AND APPROVE ATTORNEY CONFLICT WAIVER FOR RICHARDS WATSON & GERSHON FOR CITY OF HANFORD REPRESENTATION

Background:

Richards, Watson & Gershon (RWG) is engaged as General Counsel to CSCDA. In addition to representing CSCDA, RWG represents numerous cities, counties and other local public agencies throughout California.

RWG has been engaged by the City of Hanford to act as bond counsel to refund the 1999B and 2003C Water and Wastewater Revenue Bonds. Pursuant to the agreement with CSCDA RWG does not provide bond counsel services for CSCDA. The California Rules of Professional Responsibility preclude an attorney from representing more than one client in one matter where the interests of the clients conflict, whether actually or potentially, without informed written consent of each client.

As bond counsel it is possible, although remote, in reviewing and preparing documents for the refunding the interest of the City and CSCDA may become adverse. If any dispute did arise and resulted in litigation RWG has stated in their letter they will not represent either CSCDA or the City of Hanford in such litigation.

Staff had special counsel Nielsen, Merksamer, Parrinello, Gross & Leoni review the letter, and they have approved the letter in form and content.

Approval

Staff recommends the execution of the conflict waiver and delegating the authority to sign the acknowledgment letter to staff.



RICHARDS | WATSON | GERSHON

ATTORNEYS AT LAW – A PROFESSIONAL CORPORATION

44 Montgomery Street, Suite 3800, San Francisco, California 94104-4811
Telephone 415.421.8484 Facsimile 415.421.8486

RICHARD RICHARDS
(1916–1988)

GLENN R. WATSON
(1917–2010)

HARRY L. GERSHON
(1922–2007)

STEVEN L. DORSEY
WILLIAM L. STRAUSS
MITCHELL E. ABBOTT
GREGORY W. STEPANICICH
ROCHELLE BROWNE
QUINN M. BARROW
CAROL W. LYNCH
GREGORY M. KUNERT
THOMAS M. JIMBO
ROBERT C. CECCON
STEVEN H. KAUFMANN
KEVIN G. ENNIS
ROBIN D. HARRIS
MICHAEL ESTRADA
LAURENCE S. WIENER
STEVEN R. ORR
B. TILDEN KIM
SASKIA T. ASAMURA
KAYSER O. SUME
PETER M. THORSON
JAMES L. MARKMAN
CRAIG A. STEELE
T. PETER PIERCE
TERENCE R. BOGA
LISA BOND
JANET E. COLESON
ROXANNE M. DIAZ
JIM G. GRAYSON
ROY A. CLARKE
WILLIAM P. CURLEY III
MICHAEL F. YOSHIBA
REGINA N. DANNER
PAULA GUTIERREZ BAEZA
BRUCE W. GALLOWAY
DIANA K. CHUANG
PATRICK K. BOBKO
NORMAN A. DUPONT
DAVID M. SNOW
LOLLY A. ENRIQUEZ
KIRSTEN R. BOWMAN
GINETTA L. GIOVINCO
TRISHA ORTIZ
CANDICE K. LEE
JENNIFER PETRUSIS
STEVEN L. FLOWER
BILLY D. DUNSMORE
AMY GREYSON
DEBORAH R. HAKMAN
D. CRAIG FOX
MARICELA E. MARROQUÍN
GENA M. STINNETT
CHRISTOPHER J. DIAZ
ERIN L. POWERS
TOUSSAINT S. BAILEY
SERITA R. YOUNG
SHIRI KLIMA
DIANA H. VARAT
JULIE A. HAMILL
ANDREW J. BRADY
AARON C. O'DELL
BYRON MILLER
SPENCER B. KALLICK
PATRICK D. SKAHAN

OF COUNSEL
MARK L. LAMKEN
SAYRE WEAVER
JIM R. KARPIAK
TERESA HO-URANO

LOS ANGELES OFFICE
TELEPHONE 213.626.8484

ORANGE COUNTY OFFICE
TELEPHONE 714.990.0901

TEMECULA OFFICE
TELEPHONE 951.695.2373

March 19, 2013

VIA ELECTRONIC MAIL & U. S. MAIL

James Hamill
Program Manager
California Statewide Communities Development Authority
2033 North Main Street, Suite 700
Walnut Creek, California 94596

Re: Request for Conflict Waiver Regarding Representation of the City of Hanford
as Bond Counsel for Proposed Refunding of Authority Bonds

Dear James:

We are writing to request that the California Statewide Communities Development Authority (“the Authority”) provide its consent and conflict waiver regarding our representation of the City of Hanford (the “City”) as bond counsel in connection with the City’s proposed issuance of bonds (the “2013 Bonds”). The City has been a participant in the Authority’s Water and Wastewater Pooled Financing Program. The City plans to use the proceeds from the sale of the 2013 Bonds to refund and discharge the City’s obligations relating to the Authority’s Water Revenue Bonds (Pooled Financing Program), Series 2003C (the “Authority Bonds”).

Rule 3-310 of the Rules of Professional Responsibility of the State Bar of California precludes an attorney (or the attorney’s firm), without the informed written consent of each client, from doing the following:

- (1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or
- (2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or
- (3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.

For your reference, the complete text of the specific rules requiring such consent, found in Rules 3-310 (A), (B) and (C) of the Rules of Professional Conduct, is set forth in Exhibit A attached to this letter.

James Hamill, Program Manager
California Communities Development Authority
March 19, 2013
Page 2

Pursuant to our agreement with the Authority, our firm's duties as General Counsel to the Authority do not include bond counsel services, which are provided to the Authority by other counsel designated by the Authority. Accordingly, our firm does not represent the Authority on bond programs offered by the Authority to local agencies, and our firm did not represent the Authority with respect to the Authority Bonds.

As bond counsel for the issuance of the 2013 Bonds, we will review and prepare documents on behalf of the City to provide for the refunding of the applicable portions of the Authority Bonds. Such documents may include, among others, an escrow agreement to be entered by and among the Authority, the City and the trustee for the Authority Bonds. It is possible that, in the course of reviewing and preparing such documents, the interests of the Authority and the City may become adverse (for example, in instances where disagreements arise over the interpretation of certain document provisions governing the defeasance of the Authority Bonds). If such disagreements occur, it is possible that we would provide advice to the City that is contrary to the advice received by the Authority from other legal counsel representing the Authority. If such disagreements result in litigation, we would feel obligated to represent neither the Authority nor the City in such litigation.

By signing the acknowledgment and consent below, the Authority will be doing the following: (i) acknowledge that the Authority has been advised of Rule 3-310(C) and of the nature of our firm's representation of the City in connection with the refunding and discharge of the City's obligations relating to the Authority Bonds; and (ii) consent to our firm's simultaneous representation of the Authority as General Counsel to the Authority and of the City as bond counsel in connection with the proposed issuance of the 2013 Bonds.

The Authority should feel free to seek independent counsel concerning the requested acknowledgment and consent.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Gregory W. Stepanicich", written over a horizontal line.

Gregory W. Stepanicich

James Hamill, Program Manager
California Communities Development Authority
March 19, 2013
Page 3

ACKNOWLEDGMENT AND CONSENT

The California Statewide Communities Development Authority understands the disclosure and the description of the conflicts which may arise as described in the above letter. The Authority hereby consents to Richards, Watson & Gershon's simultaneous representation of the Authority as General Counsel and the City of Hanford as bond counsel in connection with the proposed issuance of the 2013 Bonds.

California Statewide Communities Development Authority

By: _____
James Hamill
Program Manager

Date: _____

EXHIBIT A

(Letter to CSCDA dated March 19, 2013)

Text of Rules 3-310 (A), (B) and (C) of the Rules of Professional Conduct of the State Bar of California:

Rule 3-310. Avoiding the Representation of Adverse Interests.

- (A) For purposes of this rule:
- (1) “Disclosure” means informing the client or former client of the relevant circumstances and of the actual and reasonably foreseeable adverse consequences to the client or former client;
 - (2) “Informed written consent” means the client’s or former client’s written agreement to the representation following written disclosure;
 - (3) “Written” means any writing as defined in Evidence Code section 250.
- (B) A member shall not accept or continue representation of a client without providing written disclosure to the client where:
- (1) The member has a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; or
 - (2) The member knows or reasonably should know that:
 - (a) the member previously had a legal, business, financial, professional, or personal relationship with a party or witness in the same matter; and
 - (b) the previous relationship would substantially affect the member’s representation; or
 - (3) The member has or had a legal, business, financial, professional, or personal relationship with another person or entity the member knows or reasonably should know would be affected substantially by the resolution of the matter; or
 - (4) The member has or had a legal, business, financial, or professional interest in the subject matter of the representation.

- (C) A member shall not, without the informed written consent of each client:
- (1) Accept representation of more than one client in a matter in which the interests of the clients potentially conflict; or
 - (2) Accept or continue representation of more than one client in a matter in which the interests of the clients actually conflict; or
 - (3) Represent a client in a matter and at the same time in a separate matter accept as a client a person or entity whose interest in the first matter is adverse to the client in the first matter.

Item VIII

Discuss and approve request by the City of Stockton to refinance various assessment districts and a community facility district.

SUMMARY AND APPROVALS

PROJECT: CITY OF STOCKTON REQUEST TO REFINANCE VARIOUS ASSESSMENT DISTRICTS AND COMMUNITY FACILITY DISTRICT

PRIMARY ACTIVITY: REFINANCING ASSESSMENT DISTRICTS AND COMMUNITY FACILITY DISTRICT

Background:

Per the attached letter (Attachment 1) the City of Stockton (the “City”) has requested that CSCDA and its SCIP financing team act as the issuer and financing team to refund several outstanding assessment bonds and community facility district (CFD) bonds for savings. The structure would be similar to financing CSCDA closed on December 6, 2012 with the City of Bakersfield to refinance existing assessment districts.

Discussion:

The City would conduct the necessary proceedings to sell local obligations to CSCDA. The local obligations would secure CSCDA revenue bonds which would be sold to investors. The Joint Powers Financing Authority (JPFA) law allows a 100 basis point mark up on the local obligations. The cash flow from the 100 basis point mark up would be retained by CSCDA in a capital account which could be drawn by the City for public capital improvements. The remainder, if any, would be a credit to property owner assessments or special taxes.

Under this arrangement, CSCDA will act as issuer and be responsible for continuing disclosure and rebate per an agreement to pass on cost to the City. The City will continue to act as the annual administrator for the underlying districts. The combined issuance would be approximately \$23,000,000, and total NPV savings are currently approximately 10%. Attached is summary of the financing including savings, lien to value and number of parcels. (Attachment 2)

Assessment and CFD bonds are not threatened by the City bankruptcy because the assessment and special tax installments are legally restricted funds that cannot be used for any purpose other than the debt service on the bonds and administrative costs of the districts. As with all of its special fund obligations, the City has maintained all required segregation of accounts and has made timely payment in full of all obligations. The City will cover the non-contingent costs which include a Reassessment Report, a rating from S&P, and overlapping debt statements. The bonds are anticipated to receive a BBB-rating from S&P, which is S&P’s current rating on developed land secured debt for prior Stockton issues.

Approvals:

Approval of request by the City of Stockton for CSCDA to refinance certain assessment districts and community facility district. The approval of the final financing will be brought back to this Commission at a later point in time.

Attachment 1



CITY OF STOCKTON

ADMINISTRATIVE SERVICES

City Hall • 425 N. El Dorado Street • Stockton, CA 95202-1997 • 209/937-8460 • Fax 209/937-8844
www.stocktongov.com

February 13, 2013

Mr. James Hamill
Program Manager
California Communities
2999 Oak Road, Suite 710
Walnut Creek, CA 94597
jhamill@cacommunities.org

Dear Mr. Hamill:

Please accept this letter expressing our desire to move forward on a land-secured refunding utilizing California Communities as the issuer of the bonds. It is currently anticipated that the following land-secured districts in the City of Stockton would be included in the transaction:

Mosher AD 2003-02
March Lane / Holman AD
Waterford Estates Phase II AD
AD No. 90-5 (West 8th Street)
2001 Limited Obligation Improvement Bonds
Camera Estates CFD No. 2003-1

Underwriter

We received a proposal from RBC Capital Markets (Bob Williams) to act as underwriter. RBC Capital Markets is in the City's underwriter pool and they also serves as underwriter for your SCIP program. We would propose to work with RBC Capital Markets (Bob Williams) as our underwriter for this transaction.

Bond Counsel

Orrick Herrington and Sutcliffe is in the City's bond counsel / disclosure counsel pool and is currently acting as bankruptcy counsel and bond counsel in our chapter 9 case. We understand they also serve in the capacity of bond counsel for California Communities. We would propose to work with Orrick Herrington and Sutcliffe as bond counsel / disclosure counsel for this transaction.



Financial Advisor

The City is also utilizing the services of Del Rio Advisors, LLC (Ken Dieker) in the role of Municipal Advisor during the chapter 9 case. We respectfully request that Del Rio Advisors, LLC act as Municipal Advisor on this transaction representing the interests of the City. Mr. Dieker is compensated hourly for his work and the City would seek reimbursement of these expenses as a cost of issuance item.

Non-Contingent Costs

The City also anticipates that certain costs associated with this financing would be non-contingent of successful closing. We have assumed the following non-contingent budget:

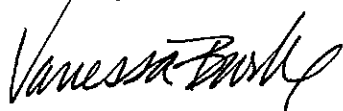
S&P Rating Fee	\$21,000
Overlapping Debt Statements	\$2,100 - \$4,200
Reassessment Reports	<u>\$40,000 - \$75,000</u>
Total	\$63,100 - \$100,200

District Administration / Reassessment Reports

The City has an on-going contract with Willdan for district administration and annual continuing disclosure for each of the proposed districts to be refunded. We also anticipate using Willdan for the preparation of the reassessment reports on each of the five assessment districts. Camera is a CFD and does not require such a report.

Please let me know if this letter provides sufficient authorization to get the team started on the transaction. We really appreciate your consideration and we look forward to working with you and your team. Should you have any questions or need any additional information, please contact our Municipal Advisors Ken Dieker of Del Rio Advisors, LLC at (209) 543-8704 or via email at kdieker@delrioadvisors.com.

Sincerely,



VANESSA BURKE
CHIEF FINANCIAL OFFICER

Cc: Laurie Montes, Deputy City Manager
Elena Adair, Assistant Director of Administrative Services

Attachment 2

City of Stockton Refunding Analysis
Savings Summary

	Refunding of Mosher AD 2003-02	Refunding of Camera Estates CFD No. 2003-1	Refunding of Waterford Estates East Phase II	Refunding of March Lane / Holman AD	Total
# of Parcels	1,380	431	210	295	2,316
Value to Lien	19.55	26.93	17.91	22.74	20.55
Refunding Par	\$15,140,000	\$2,670,000	\$2,750,000	\$2,585,000	\$23,145,000
Prior Bonds Outstanding	\$15,615,000	\$2,750,000	\$2,830,000	\$2,650,000	\$23,845,000
Summary Limit Test (Par)	\$15,225,000	\$2,675,000	\$2,750,000	\$2,585,000	\$23,235,000
Prior Reserve on Hand	\$1,360,836	\$232,972	\$233,972	\$108,873	\$1,936,653
Prior Bond Yield	6.27%	5.85%	5.61%	5.77%	6.08%
Refuding Bond All-in TIC	4.75%	4.74%	4.75%	4.79%	4.75%
Refuding Bonds Yield	4.11%	4.11%	4.11%	4.11%	4.11%
Total Savings	\$3,263,519	\$395,254	\$287,675	\$335,284	\$4,281,732
NPV Savings	\$2,027,079	\$249,946	\$188,059	\$218,643	\$2,683,727
Net Savings as % of Refunded Bonds	12.98%	9.09%	6.65%	8.25%	11.25%
Period Ending	Savings	Savings	Savings	Savings	Gross Savings
09/01/2013	11,079	11,236	13,910	13,127	49,352
09/01/2014	162,303	18,248	15,858	14,328	210,735
09/01/2015	160,228	20,648	13,178	16,870	210,923
09/01/2016	163,075	17,968	15,458	14,455	210,955
09/01/2017	160,355	17,925	15,320	14,455	208,055
09/01/2018	161,975	17,745	15,070	14,375	209,165
09/01/2019	162,590	17,460	14,720	14,205	208,975
09/01/2020	161,050	17,060	14,339	13,845	206,294
09/01/2021	163,840	21,168	13,869	13,125	212,001
09/01/2022	160,710	19,983	13,331	17,325	211,349
09/01/2023	161,910	18,755	12,661	16,235	209,561
09/01/2024	160,430	18,060	12,543	15,630	206,663
09/01/2025	162,625	17,330	12,268	15,010	207,233
09/01/2026	163,910	21,515	11,853	14,360	211,638
09/01/2027	164,245	20,385	11,428	13,695	209,753
09/01/2028	163,590	19,215	15,998	18,015	216,818
09/01/2029	161,945	18,005	15,200	17,030	212,180
09/01/2030	164,270	21,775	14,213	16,015	216,273
09/01/2031	165,290	20,210	13,200	14,985	213,685
09/01/2032	164,925	18,605	12,163	13,925	209,618
09/01/2033	163,175	21,960	11,100	17,835	214,070
09/01/2034				16,440	16,440
Total	\$3,263,519	\$395,254	\$287,675	\$335,284	\$4,281,732

Item IX

Discuss and Consider the Recommendations of the Professional Services Ad Hoc Committee on the Agreement for Services with HB Capital Resources, Ltd.

Summary and Approvals

Date: April 11, 2011

Request: Discuss and Consider Action on Recommendations of the Professional Services Ad Hoc Committee on the HB Capital Resources, Ltd Contract

Background:

At its January 24, 2013 meeting, the Commission established a Professional Services Ad Hoc Committee to make recommendations on the protocols, standards and timing for the review of the professional services contracts that are entered into by CSCDA for a wide variety of services. Chair Larry Combs, Vice-Chair Kevin O'Rourke and Commissioner Ron Holly were appointed to the Ad Hoc Committee. At the February 21, 2103 meeting of the Commission, the Ad Hoc Committee recommended that an RFP be prepared and issued for Issuer Counsel and auditing services. The Committee advised that it would come back to the Commission at a later meeting to provide its recommendations on the HB Capital Resources, Ltd (HB Capital) contract. The Committee is making its recommendations on the HB Capital contract in this report.

The original contract between CSCDA and HB Capital was entered into on August 10, 1991. This contract was superseded by the Amended and Restated Agreement, dated April 10, 2000 which has been amended five times. This agreement provides for HB Capital to be program manager for all of CSCDA's financing programs, providing a full range of administrative, management and professional services for these programs.

Section 3.2 of the contract between CSCDA and HB Capital provides that the contract automatically renews for two year periods unless in any odd numbered year, either party gives notice that it does not desire to renew the contract by May 1 of such year. If the Commission provides HB Capital with this notice by May of this year, the contract will terminate on June 30, 2015.

Discussion:

The Ad Hoc Committee recommends that the Commission provide notice to HB Capital that it does not desire to renew the contract by no later than April 30. The Ad Hoc Committee wants to emphasize that its recommendation should not reflect in any negative way on the comprehensive and high quality of services provided to CSCDA by HB Capital. Instead, in accordance with the adoption of the Commission's recent policy to periodically review and seek proposals for all professional services contracts, the Ad Hoc Committee believes it is appropriate to solicit competitive proposals for program manager services at this time.

By giving notice to not renew the contract by April 30, the Commission will have two years to prepare and issue an RFP for the comprehensive program manager services currently provided by HB Capital, evaluate the proposals received and negotiate and enter into a new contract with the firm best suited to

serve as program manager. The Ad Hoc Committee recommends that HB Capital be encouraged by the Commission to submit a proposal. The Ad Hoc Committee further recommends that a new Ad Hoc Committee called the Program Manager Ad Hoc Committee be appointed by the Chair to develop the RFP for these services. The Program Manager Ad Hoc Committee may consult with other parties such as CSAC and the League of California Cities in the development of the RFP. When a draft RFP is completed, it would be submitted to the Commission for approval prior to issuance. Upon issuance of the RFP, the Program Manager Ad Hoc Committee would evaluate the proposals received and make recommendations on the proposals to the Commission.

Recommended Action:

The Professional Services Ad Hoc Committee recommends that the Commission approve the following:

1. The issuance of written notice to HB Capital by no later than April 30, 2013 that CSCDA does not desire to renew the contract with HB Capital in the form attached hereto.
2. The appointment by the Chair of a new Ad Hoc Committee, called the Program Manager Ad Hoc Committee, to prepare a draft RFP for program manager services.
3. The draft RFP for program manager services shall be reviewed and approved by the Commission prior to issuance.
4. The Program Manager Ad Hoc Committee shall review the proposals received in response to the RFP and make recommendations on the proposals to the Commission.



44 Montgomery Street, Suite 3800, San Francisco, California 94104-4811
Telephone 415.421.8484 Facsimile 415.421.8486

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steven l. flower
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amy greyson
deborah r. hakman
d. craig fox
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serita r. young
shiri klima
diana h. varat
julie a. hamill
andrew j. brady
aaron c. o'dell
byron miller
spencer b. kallick
patrick d. skahan

April 11, 2013

James Hamill
HB Capital Resources, Ltd.
2999 Oak Road, Suite 710
Walnut Creek, CA 94597

Re: Notice to Not Renew Contract

Dear Mr. Hamill:

Pursuant to Section 3.2 of the Amended and Restated Agreement for program manager services, dated April 10, 2000, as amended, between CSCDA and HB Capital Resources, Ltd., hereinafter the "Agreement," CSCDA hereby give written notice that it desires to not renew the Agreement. By giving this notice, the Agreement between CSCDA and HB Capital will expire on June 30, 2015.

This notice was directed by the CSCDA Commission at the April 11, 2013 meeting in accordance with its policy to periodically review all professional services contracts entered into by the Authority. The Commission wants to emphasize that its action should not reflect in any negative way on the comprehensive and high quality of services provided to CSCDA by HB Capital.

Please do not hesitate to give me a call if you have any questions.

Very truly yours,

Gregory W. Stepanicich

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