



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



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

**May 17, 2012**

**10:00 a.m.**

**California State Association of Counties**

**1100 K Street**

**Sacramento, California**

**Teleconference Locations**

27788 Hidden Trail Road

Laguna Hills, CA 92677

County of Butte  
7 County Center Drive  
Oroville, CA 95965

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

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the May 3, 2012 Regular Meeting.
- III. Staff Updates.
- IV. Approve Consent Calendar.
- V. Discuss and approve in concept the establishment of a CSCDA Sustainable Energy Bond Program.

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

- VI. 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. Oxnard Pacific Associates, L.P. (Colonial House Apartments), City of Oxnard, County of Ventura; up to \$12 million in multi-family housing debt obligations.
  - b. Palmdalia Family Apartments, L.P. (Palmdalia Family Apartments), City of Palmdale, County of Los Angeles; up to \$7 million in multi-family housing debt obligations.
  - c. Colony Student Housing, LLC (California Baptist University), City of Riverside, County of Riverside; up to \$40 million in 501(C)(3) revenue bonds.
  - d. Tax and Revenue Anticipation Notes (TRAN) 2012 Program Pool, City Redding, County of Shasta and the Apple Valley Fire Protection District, County of San Bernardino; up to \$15 million.
- VII. Discuss and approve Rady Children's Hospital Series 2008B and Series 2008D Document Amendments.
- VIII. Discuss and approve CSCDA 2012/13 Budget.
- IX. Discuss Eligible SCIP Fees.
- X. Public Comment.
- XI. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
CONSENT CALENDAR**

1. Induce the following projects:
  - a. Community Development Partners (Morgan Hill Retirement Residence), City of Morgan Hill, County of Santa Clara; issue up to \$21 million in multi-family housing debt obligations.
  - b. Victorville/Desert Springs, L.P. (Desert Springs Apartments), City of Victorville, County of San Bernardino; issue up to \$30 million in multi-family housing debt obligations.
  - c. KDF Communities LLC (Seven Palms Apartments), City of Los Angeles, County of Los Angeles; issue up to \$9 million in multi-family housing debt obligations.
2. Approve the following invoices for payment:
  - a. David Taussig & Associates, Invoice #1203207.

Thursday, May 17, 2012

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

**Item II**

Approve the Minutes of the May 3, 2012 Regular Meeting.

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

League of California Cities  
1400 K Street, Sacramento, California

May 3, 2012

**MINUTES**

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

**I. Roll Call**

Commission members present: Larry Combs and Steve Keil. Commission members participating by conference telephone: Russ Branson and Tim Snellings. Alternate commissioner participating by conference telephone: Dan Mierzwa, representing Commissioner Terry Schutten.

Others present included: Jon Penkower and Caitlin Lanctot, CSCDA staff; Dan Harrison, League of California Cities; Laura Labanieh Campbell, CSAC Finance Corp.; Patricia Eichar, Orrick, Herrington & Sutcliffe; Mark Paxson, State Treasurer's Office; and David Lukens, The Michaels Organization.

**II. Approval of Minutes—April 19, 2012**

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

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

**III. Staff and Commission Updates.** There were none.

**IV. Approval of Consent Calendar**

The commission approved the consent calendar consisting of the following items:

**A. Inducement of the following multi-family housing projects:**

1. ROEM Development Corporation (Ajisal Apartments), City of San Jose, County of Santa Clara; issue up to \$24 million.
2. Casa Fallbrook Limited Partnership (Casa de Cortez Apartments), unincorporated San Diego County; issue up to \$4 million.
3. Rancho Jules Limited Partnership (Rancho de Cortez Apartments), City of Vista, County of San Diego; issue up to \$3 million.

B. Approve twelve invoices from Burke, Williams & Sorensen, LLP, for payment.

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

## **V. Financing Approvals**

The commission approved resolutions approving the financing; all necessary actions; the execution and delivery of all necessary documents and authorized any member or authorized signatory to sign all necessary financing documents for following projects:

A. Issuance of Water and Wastewater Revenue Bonds in one or more series in an aggregate principal amount not to exceed \$37,900,000 to finance and refinance the acquisition and construction of public capital improvements to the water and wastewater systems of program participants and other matters relating thereto. Program participants include North Coast County Water District, City of Glendora, City of St. Helena, Town of Windsor, and Windsor Water District.

B. El Camino Real Apartments, City of Santa Clara, County of Santa Clara, up to \$10,000,000 in multi-family housing revenue bonds.

Motion to approve items A and B by Keil; second by Branson; unanimously approved by roll-call vote.

## **VI. Bakersfield Reassessment District—Reimbursement Agreement**

The commission approved the Resolution and Reimbursement Agreement with the City of Bakersfield relating to Bakersfield Reassessment District No. 12-01 and authorized any member or authorized signatory to execute the agreement. This is the first step in a process that will require consideration by this commission in future meetings, including issuance of bonds.

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

## **VII. Red Star Apartments—Follow up on Public Comments**

During the April 5, 2012, commission meeting, Mr. Sade Panahi and Mr. Dana Ansari made comments about a CSCDA-financed project during public comments. Staff was directed to work with counsel to determine if the matter warranted additional attention by CSCDA. The conclusion of staff's evaluation of the matter is that the monetary dispute involving Mr. Panahi is of a private nature and not an issue in which CSCDA can provide input or assistance. Staff was directed to send a letter to Mr. Panahi and Mr. Ansari explaining these findings and encouraging the gentlemen to discuss their concerns with CDLAC. A copy of the letter is to be sent to CDLAC.

## **VIII. Public Comments.**

David Lukens of The Michael Organization introduced himself as a developer representing the company about which Mr. Panahi has a complaint. He offered to address any questions members of the commission might have concerning the matter. There were no questions but Mr. Lukens was encouraged to leave contact information with the staff.

## **IX. Adjournment**

Commission Chair Larry Combs adjourned the meeting at 10:27 a.m.

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

*The next meeting of the commission is scheduled for  
**Thursday, May 17**, at 10:00 a.m.  
in the CSAC Office at 1100 K Street, Sacramento, CA.*

## Item IV

### Approve Consent Calendar

1. Induce the following projects:
  - a. Community Development Partners (Morgan Hill Retirement Residence), City of Morgan Hill, County of Santa Clara; issue up to \$21 million in multi-family housing debt obligations.





*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2012033**  
Name of Developer: **Community Development Partners**  
Primary Contact: **Darren Berberian**  
Title: **President**  
Address: **3416 Via Oporto, Suite 301  
Newport Beach, CA 92663**  
Telephone Number: **(949) 235-0704**  
Fax Number: **(866) 337-3243**  
E-mail: **sstrain@sabelhauslaw.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: **0**

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

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

#### BOND COUNSEL

Firm: **Orrick Herrington Sutcliffe, LLP**

Contact: **Justin Cooper**

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

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

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

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

Application Number: **2012033 - Morgan Hill Retirement Residence**

Name of Borrower: **Community Development Partners**

### PROJECT DESCRIPTION

Current Project Name: **Morgan Hill Retirement Residence**

New Project Name:

Project Street Address: **NW Corner of Butterfield Blvd. & Barrett Ave.**

City: **Morgan Hill** State: **CA** Zip Code: **95037**

County: **Santa Clara**

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

Total Number of Units: Market: **0** Restricted: **136** Total Units: **136**

Lot Size: **5.34**

Amenities: **Recreation Room including TV and Lounge Area, Community Kitchen, Computer Center, Community Laundry Room, Multi-Purpose Social Room, Picnic and BBQ areas. Unit amenities: exterior entrances, carpeting in living areas, vinyl flooring in kitchens and baths, mini blinds throughout, individually controlled heating, kitchen range, refrigerator, dishwasher & disposal, cable television availability, and smoke detectors.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **1 Three-story Building, Type V, Wood-frame Construction, With Color Cast Clay Tile Roof, Stucco Exterior And Wood Trim and Accents.**

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

City or county contact information:

Contact Name: **Rebecca Tolentino**  
Title: **Senior Planner, Development Services Department**  
Phone Number: **(408) 778-6480**  
Fax Number: **(408) 779-7236**  
E-mail: **rebecca.tolentino@morganhill.ca.gov**

### PUBLIC BENEFIT

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

Percentage of Area Median Income(AMI) for Low Income Housing Units: **30%-60%**

Total Number of Management Units: **2**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	22	\$946	\$1,892	\$946
1 Bedroom	60	87	\$1,143	\$1,892	\$749
2 Bedrooms	50	6	\$1,132	\$2,264	\$1,132
2 Bedrooms	60	21	\$1,368	\$2,264	\$896

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
<u>Construction</u>	<u>30</u>	<u>0</u>
<u>Management/Maintenance</u>	<u>0</u>	<u>5</u>

**GOVERNMENTAL INFORMATION**

Congressional District #	State Senate District #	State Assembly District #
<u>11</u>	<u>15</u>	<u>27</u>

Application Number: **2012033 - Morgan Hill Retirement Residence**

Name of Borrower: **Community Development Partners**

### FINANCING STRUCTURE

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

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

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

Maturity: **35 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

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

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

#### PERMANENT FINANCING:

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

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

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

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

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

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$18,187,922</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$2,250,939</b>
Developer Equity:	
Other Funds(Describe):	
Deferred Developer Fee	<b>\$2,425,330</b>
_____	_____
_____	_____
_____	_____
_____	_____
<b>TOTAL:</b>	<b>\$22,864,191</b>

#### USES

Land Acquisition:	<b>\$3,600,000</b>
Building Acquisition:	
Construction or Remodel:	<b>\$12,284,202</b>
Cost of Issuance:	<b>\$694,061</b>
Capitalized Interest:	<b>\$850,000</b>
Reserves:	<b>\$320,431</b>
Other Funds(Describe):	
Soft Costs	<b>\$2,690,167</b>
Developer Fee	<b>\$2,425,330</b>
_____	_____
_____	_____
<b>TOTAL:</b>	<b>\$22,864,191</b>

Application Number: **2012033 - Morgan Hill Retirement Residence**

Name of Borrower: **Community Development Partners**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>Law Office of Patrick R. Sabelhaus</b>	Firm: <b>TBD</b>
Contact: <b>Stephen Strain</b>	Contact:
Address: <b>1006 Fourth Street, 6th Floor Sacramento, CA 95814</b>	Address:
Telephone: <b>(916) 444-0286 Ext. 270</b>	Telephone:
Fax: <b>(916) 444-3408</b>	Fax:
E-mail: <b>ssstrain@sabelhauslaw.com</b>	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®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596

## Item IV

### Approve Consent Calendar

1. Induce the following projects:
  - b. Victorville/Desert Springs, L.P. (Desert Springs Apartments), City of Victorville, County of San Bernardino; issue up to \$30 million in multi-family housing debt obligations.



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2012027**  
Name of Developer: **Highridge Costa Investors, LLC**  
Primary Contact: **Lenni Garcia**  
Title: **Loan Manager**  
Address: **330 W. Victoria Street  
Gardena, CA 90248**  
Telephone Number: **(424) 258-2816**  
Fax Number: **(424) 258-2817**  
E-mail: **lenni.garcia@housingpartners.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: **Victorville/Desert Springs, LP**

Date Established: **12/9/2003**

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

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

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **Multi-Housing Investments, LLC**

Contact: **Robert Tetrault**

Address: **330 W Victoria  
Gardena, CA 90248**

Telephone: **(424) 258-2800 Ext. 2822**

Fax: **(424) 258-2801**

E-mail: **bob.tetrault@housingpartners.com**

#### BOND COUNSEL

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

Contact: **Justin Cooper**

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

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

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

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

Application Number: **2012027 - Desert Springs Apartments**

Name of Borrower: **Highridge Costa Investors, LLC**

### PROJECT DESCRIPTION

Current Project Name: **Desert Springs Apartments**

New Project Name: **Rancho Seneca**

Project Street Address: **14779 Seneca Road**

City: **Victorville** State: **CA** Zip Code: **92392**

County: **San Bernardino County**

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

Total Number of Units: Market: **0** Restricted: **203** Total Units: **203**

Lot Size: **16.68 acres**

Amenities: **The project is a gated community with a clubhouse containing a community center. It has onsite laundry facilities, a swimming pool, tot lot/play area for children, babecue and picnic areas.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Type V1hr Wood Frame, 1 And 2 Stories Containing A Building For Manager Units, Clubhouse, 5 Laundry Buildings, A Maintenance Building, 1 Mail Kiosk Structure, 2 Lanai Structures And 29 Buildings For Apartment Units. 40 Total Building/structures**

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: **30, 35, 40 and 60**

Total Number of Management Units: **2**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
2 Bedrooms	30	5	\$371	\$972	\$601
2 Bedrooms	35	3	\$446	\$972	\$526
2 Bedrooms	40	19	\$522	\$972	\$450
2 Bedrooms	60	63	\$823	\$972	\$149
3 Bedrooms	30	5	\$424	\$1,110	\$686
3 Bedrooms	35	2	\$511	\$1,110	\$599
3 Bedrooms	40	18	\$599	\$1,110	\$511
3 Bedrooms	60	56	\$947	\$1,110	\$163
4 Bedrooms	30	5	\$471	\$1,214	\$743
4 Bedrooms	35	2	\$568	\$1,214	\$646



Application Number: **2012027 - Desert Springs Apartments**

Name of Borrower: **Highridge Costa Investors, LLC**

**PUBLIC BENEFIT(continued)**

<b>Unit Size</b>	<b>% AMI</b>	<b># of Restricted Units</b>	<b>Restricted Rent</b>	<b>Market Rent</b>	<b>Expected Savings</b>
4 Bedrooms	40	18	\$666	\$1,214	\$548
4 Bedrooms	60	7	\$1,055	\$1,214	\$159
Remarks: <b>There are 2 manager exempt units, 2 bedroom and 3 bedrooms</b>					

**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 #
25	17	36

Application Number: **2012027 - Desert Springs Apartments**

Name of Borrower: **Highridge Costa Investors, LLC**

### FINANCING STRUCTURE

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

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

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

Maturity: **40 Years**

Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

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

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

#### PERMANENT FINANCING:

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

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

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

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

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

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$27,000,000</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$15,110,414</b>
Developer Equity:	<b>\$13,494,377</b>
Other Funds(Describe):	
Interest Income	<b>\$1,241,309</b>
_____	_____
_____	_____
_____	_____
_____	_____
<b>TOTAL:</b>	<b>\$56,846,100</b>

#### USES

Land Acquisition:	<b>\$446,470</b>
Building Acquisition:	
Construction or Remodel:	<b>\$36,499,339</b>
Cost of Issuance:	<b>\$5,636,520</b>
Capitalized Interest:	<b>\$7,399,505</b>
Reserves:	<b>\$352,457</b>
Other Funds(Describe):	
Architecture & Engineering	<b>\$409,929</b>
Fees and Permits	<b>\$4,559,895</b>
Legal, Marketing and Leasing	<b>\$1,434,749</b>
Misc Soft Costs	<b>\$107,236</b>
_____	_____
<b>TOTAL:</b>	<b>\$56,846,100</b>

Application Number: **2012027 - Desert Springs Apartments**

Name of Borrower: **Highridge Costa Investors, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>	<b>REBATE ANALYST</b>
Firm: <b>Hutchinson Shockley Erley &amp; Co</b>	Firm: <b>TBD</b>
Contact: <b>Lauro Garcia III</b>	Contact:
Address: <b>2020 Cordero Road Del Mar, CA 92014</b>	Address:
Telephone: <b>(858) 509-0556</b>	Telephone:
Fax: <b>(602) 263-0181</b>	Fax:
E-mail: <b>lgarcia@hsemuni.com</b>	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®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596

## Item IV

### Approve Consent Calendar

1. Induce the following projects:
  - c. KDF Communities LLC (Seven Palms Apartments), City of Los Angeles, County of Los Angeles; issue up to \$9 million in multi-family housing debt obligations.



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2012037**  
Name of Developer: **KDF Communities LLC**  
Primary Contact: **Chris Burns**  
Title: **Director of Development**  
Address: **660 Newport Center Drive, Suite 930  
Newport Beach, CA 92660**  
Telephone Number: **(949) 719-1888 Ext. 214**  
Fax Number: **(949) 179-1897**  
E-mail: **cburns@kdfcommunities.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: **Not Yet Formed - In Process**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **44**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **44**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **Citigroup Global Markets Inc.**

Contact: **Bryan Barker**

Address: **One Sansome Street, Suite 18th Floor  
San Francisco, CA 94104**

Telephone: **(415) 627-6484**

Fax: **(415) 627-2083**

E-mail: **bryan.barker@citi.com**

#### BOND COUNSEL

Firm: **Orrick Herrington**

Contact: **Justin Cooper**

Address: **400 Sansome Street  
San Francisco, CA 94111**

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

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

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

Application Number: **2012037 - Seven Palms**

Name of Borrower: **KDF Communities LLC**

### PROJECT DESCRIPTION

Current Project Name: **Seven Palms**

New Project Name:

Project Street Address: **12831 San Fernando Rd**

City: **Sylmar** State: **CA** Zip Code: **91342**

County: **Los Angeles**

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

Total Number of Units: Market: **1** Restricted: **67** Total Units: **68**

Lot Size: **1.683**

Amenities: **Interior amenities include gas ranges/ovens, disposals, air conditioning, heating and vertical blinds. Exterior amenities include gated/controlled access, covered parking for select units, center courtyard, security cameras and two on-site laundry facilities.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame With Stucco Exterior; Two 2-story Buildings; The Structures Are Built On Concrete Slab Foundations With Flat Tar & Gravel Roof Coverings.**

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

City or county contact information:

Contact Name: **Gerald Gubatan**

Title: **Chief Planning Director, Office of Councilmember Richard Alercon**

Phone Number: **(213) 473-7007**

Fax Number: **(213) 847-0707**

E-mail: **gerald.gubatan@lacity.org**

### PUBLIC BENEFIT

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

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

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	3	\$757	\$955	\$198
1 Bedroom	60	25	\$865	\$965	\$100
2 Bedrooms	50	4	\$904	\$1,185	\$281
2 Bedrooms	60	35	\$1,075	\$1,195	\$120

Remarks:

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

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

**ENVIRONMENT****Energy**

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

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

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
Construction	30	1

**GOVERNMENTAL INFORMATION**

Congressional District #	State Senate District #	State Assembly District #
29	39	18



Application Number: **2012037 - Seven Palms**

Name of Borrower: **KDF Communities LLC**

### FINANCING STRUCTURE

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

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

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

Maturity: **17 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: **Citigroup Global Markets Inc.**

#### PERMANENT FINANCING:

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

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

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

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

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

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$7,500,000</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$1,312,236</b>
Developer Equity:	
Other Funds(Describe):	
_____	_____
_____	_____
_____	_____
_____	_____
<b>TOTAL:</b>	<b>\$8,812,236</b>

#### USES

Land Acquisition:	
Building Acquisition:	<b>\$6,700,000</b>
Construction or Remodel:	<b>\$1,178,304</b>
Cost of Issuance:	<b>\$313,297</b>
Capitalized Interest:	<b>\$388,945</b>
Reserves:	
Other Funds(Describe):	
Relocation	<b>\$102,000</b>
3rd Party Reports (Phase I, Appr, Market Study, etc)	<b>\$52,000</b>
Soft Cost Contingency	<b>\$20,000</b>
Lender Inspections During Renovation	<b>\$12,000</b>
All Other	<b>\$45,690</b>
<b>TOTAL:</b>	<b>\$8,812,236</b>

Application Number: **2012037 - Seven Palms**

Name of Borrower: **KDF Communities LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

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

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

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

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

\*Refundable only if financing not approved.

**MAILING ADDRESS**

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

Item IV

Approve Consent Calendar

1. Approve the following invoices for payment:
  - a. David Taussig & Associates, Invoice #1203207.

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

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

March 31, 2012

Project No: 12-10012.000

Invoice No: 1203207

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

Project 12-10012.000 CSCDA/CFD Otay Mesa Sewer Project

Dear Mr. Hamill:

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

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

## Professional Services through March 31, 2012

### Professional Services

		Hours	Rate	Amount
Managing Director				
Roess, Andrea				
2/28/12	CSCDA call with John Y and RJ Miller	1.00	225.00	225.00
2/29/12	Research RMAs	.25	225.00	56.25
3/8/12	Call with RJ	1.00	225.00	225.00
3/14/12	Revise/review RMA	.50	225.00	112.50
3/20/12	Conference call	.50	225.00	112.50
3/29/12	Conference call, coord re: boundary maps	1.50	225.00	337.50
Manager				
Thumar, Nehal				
3/8/12	Conference call with RJ; reviewing CFD analysis	1.50	200.00	300.00
3/13/12	Preparing RMA	3.00	200.00	600.00
3/14/12	Preparing RMA	1.50	200.00	300.00
Analyst				
Nguyen, Christina				
3/30/12	Edited RMA	1.00	120.00	120.00
<b>Totals</b>		<b>11.75</b>		<b>2,388.75</b>

**Total this Invoice \$2,388.75**

#### **Item V**

Discuss and approve in concept the establishment of a CSCDA Sustainable Energy Bond Program.

---

---

## SUMMARY AND RECOMMENDATIONS

---

---

**DATE:** MAY 17, 2012

**PURPOSE:** DISCUSS AND APPROVE IN CONCEPT THE ESTABLISHMENT OF A CSCDA SUSTAINABLE ENERGY BOND PROGRAM

---

### **Background and Discussion:**

CSCDA Staff has recently been involved in discussions with the Foundation for Renewable Energy and Environment (FREE) about an innovative energy conservation financing program that can be deployed to public and nonprofit entities throughout California (each, a “Participant”). FREE is a non-profit, international organization established to promote a better future based on energy, water and materials conservation, renewable energy use, environmental resilience, and sustainable livelihoods. FREE works with cities, non-profits, governments, businesses, and academic institutions around the world on environmental and renewable energy issues. FREE was founded in 2011 by Dr. John Byrne, Director and Distinguished Professor of Energy and Climate Policy Center for Energy & Environmental Policy, University of Delaware, Ken Becker of Becker Capital, and Maya Stendhal of Madison Global Advisors. More information about FREE can be obtained at [www.freefutures.org](http://www.freefutures.org).

The Sustainable Energy Bond Program (the “Program”) would provide the various one stop services that an entity needs to fund a grouping of Energy Conservation Measures (ECMs) or to finance a clean energy production system such as a new CHP facility for a Participant in the financing.

The purpose of Program is to provide several critical services, education related information, and provide a financing where the Participant can feel comfortable that they are entering into an agreement that will actually provide the results they have contracted for. Traditionally, many energy efficiency financings have been done in an atmosphere where the Participant had to be concerned and suspicious of the Energy Service Companies that dominated the industry because they, 1) provided the contracts and documents for the energy audits, 2) provided all of the related financing documents, 3) provided all of the monitoring and verification documents, including the ultimate guarantee of energy savings that was supposed to convert into dollar savings, 4) and often times were suggesting equipment manufactured by their company as part of the energy savings program.

The Program serves the purpose of arming the Participant with a team of energy experts that will assist in developing the investment grade energy audit; all of the documents including the Guaranteed Energy Savings Agreement, and the Construction Funding Agreement; assist in the development of monitoring and verification measures that will truly measure not only the energy saved by the dollars saved as well; and will ultimately structure a financing to fund the needed ECMs, take it to market, and provide the funds to the participant for the construction of the ECMs. All of this will be done in the context of the financing providing savings that more than pay for themselves.

That is, the program will create enough operating dollar savings that it will pay debt service for the life of the project, and return an additional amount of savings, to the Participant. The program is designed to not just go after low hanging fruit, such as lighting and monitoring systems, but also will help to finance larger and longer payback projects like CHP projects for energy production.

The Program would be marketed by CSCDA, the participating Underwriters and FREE. The Program can accommodate either a single entity wishing to participate in the program, such as a City or County government that wants to include their municipal buildings into an energy efficiency program, or a clean energy production project such as the funding of CHP or other clean energy production systems; or provide for a pooling arrangement where an entity wants to assist Participants in its jurisdiction in participating in the program. An example of the pooling arrangement may be a City or County that wants to act as the coordinator for helping other jurisdictions within the City or County to participate. This may be the case where a County pools together the various school districts, hospitals, community colleges, private or public universities, etc. in its jurisdiction and coordinates their participation.

**Program Team:**

The Program would provide a turn-key solution for Participants and a fully assembled finance team similar to other existing CSCDA solutions such as the SCIP Program. The anticipated Program team would consist of the following:

Issuer/Program Sponsor:	CSCDA
Consultant on Energy Matters:	Foundation for Renewable Energy (FREE)
Financial Advisor:	Becker Capital
Bond Counsel:	Orrick Herrington & Sutcliffe, LLP
Program Counsel:	Drinker Biddle
Underwriters:	A team of 3 underwriters that would rotate position, with one being Senior Manager and the others being Co-Managers
Underwriter's Counsel :	To be determined
Other Appropriate Team Members:	To be determined

**Proposed Program Services:**

The following outlines the tasks and services that would be provided to each participant in the Program:

- 1: Identify Participants for the Program and conduct review of the suitability of Participants.
- 2: Finalize list of Program Participants. prepare template documents, a list of pre-screened contractors, template letters of intent, forms for a pre-contract energy audit, schedules and forms for monitoring and verification protocols.
- 3: Create an initial financial and legal structure.
- 4: Plan, organize and conduct education day.

5: Assist Participants with negotiation and preparation of pre-contract energy audits. Advise Participants on appropriate monitoring and verification protocols (M&V), and review the revised structure with participants.

6: Structure bond issue, present comparison metrics, and contractors submit reports for each Participant.

7: Preparation of final investment grade energy audits (IGEAs), bring bonds to market, and provide funding for the construction of the ECMs.

**Recommendation:**

Staff recommends proceeding with the creation of a CSCDA Sustainable Energy Bond Program to facilitate energy upgrades and related financing for public and nonprofit entities throughout California. Orrick, Herrington & Sutcliffe, as CSCDA's Issuer Counsel has conducted a preliminary review of the Program and deems it to be acceptable for CSCDA participation. Staff will bring back all future Program details (including the appointment of other finance team members) to the Authority for approval.



## Item VI

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. Oxnard Pacific Associates, L.P. (Colonial House Apartments), City of Oxnard, County of Ventura; up to \$12 million in multi-family housing debt obligations.

---

---

## SUMMARY AND RECOMMENDATIONS

---

---

**DATE:** MAY 17, 2012

**APPLICANT:** OXNARD PACIFIC ASSOCIATES, L.P./PACIFIC WEST COMPANIES

**AMOUNT:** UP TO \$12,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

**PURPOSE:** FINANCE THE CONSTRUCTION OF COLONIAL HOUSE APARTMENTS LOCATED AT 705, 711, AND 747 NORTH OXNARD BLVD. IN OXNARD, CA

**CSCDA PROGRAM:** HOUSING

---

### Background:

The proposed project, Colonial House Apartments (The “Project”), is a 44-unit new construction project located in Oxnard, California. The Project application was filed on July 19, 2011 and induced on July 27, 2011.

### Summary:

Oxnard Pacific Associates, L.P. (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$12,000,000 (the “Bonds”) in order to finance the construction of the Project. The Project will provide 44 affordable units to families and one manager in the City of Oxnard.

The new building will be two stories in height over podium parking and commercial space. There will be 8 one-bedroom, 16 two-bedroom, 12 3-bedroom and 8 four-bedroom units available to families. On-site amenities will include a Jacuzzi area, a playground area, a covered picnic area with barbeque and benches and plenty of outdoor space for family gatherings. Additionally, a community building will be constructed to house the office, maintenance room, computer learning center, laundry facilities, social room and a community/TV room.

The Borrower is expected to break ground in July 2012 and complete construction by July 2013.

The Borrower has previously constructed or rehabilitated 43 multi-family and senior housing properties in California, including 21 projects financed through CSCDA. The Borrower also currently has three additional applications pending with CSCDA.

**Public Benefit:**

- Project Affordability
  - 100% of the Project's units will be income restricted:
    - 5 units reserved for tenants whose income is at or below 50% AMI
    - 38 units reserved for tenants whose income is at or below 60% AMI
    - 1 manager's unit
  - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within ¼ mile of a public transit corridor
  - The Project is located within ½ mile of a park or recreational facility
  - The Project is located within ½ mile of a grocery store
  - The Project is located within ½ mile of a public k-12 school
- Economic Benefits
  - Based upon \$16,564,499 Project costs using a 1.8 multiplier the Project produces \$29,816,098.20 total economic activity, and at 2.1 jobs per unit produces approximately 93 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:** September 27, 2011, City of Oxnard

**CDLAC Approval:** November 16, 2012

**Estimated Sources and Uses:****Sources:**

Tax-Exempt Bond Proceeds	\$9,150,000	55.24%
Oxnard RDA Funds	\$4,347,000	26.24%
Deferred Developer Fee	\$1,754,113	10.59%
LIHTC Equity	\$1,183,500	7.14%
Deferred Costs	<u>\$129,886</u>	<u>0.78%</u>
Total Sources	\$16,564,499	100.00%

**Uses:**

Land Cost	\$2,505,000	15.12%
New Construction	\$7,781,818	46.98%
Architecture and Engineering Costs	\$490,000	2.96%
Contractor Overhead & Profit	\$542,024	3.27%
Capitalized Interest	\$647,000	3.91%
Developer Fee	\$1,764,078	10.65%
Cost of Issuance	\$624,646	3.77%
Building Permit and Impact Fees	\$1,524,222	9.20%
Other Soft Costs	<u>\$685,711</u>	<u>4.14%</u>

Total Uses	\$16,564,499	100.00%
------------	--------------	---------

**Finance Team:**

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

**Financing Structure:**

The Bonds will mature in no more than 18 months and bear a variable interest rate. The Bonds will be privately placed with Wells Fargo Bank, N.A.

By using \$9,150,000 in CSCDA Bonds the Project is able to leverage an additional \$7,414,499 in other resources, for a ratio of 1.23 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 Oxnard, 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 Oxnard TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2011055**  
Name of Developer: **Pacific West Communities, Inc.**  
Primary Contact: **Caleb Roope**  
Title: **President**  
Address: **430 E. State Street, Suite 100  
Eagle, ID 83616**  
Telephone Number: **(208) 461-0022 Ext. 3015**  
Fax Number: **(208) 461-3267**  
E-mail: **denisec@tpchousing.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: **Oxnard Pacific Associates, a CA L.P.**

Date Established: **5-1-2011**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **90**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **90**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

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

Contact: **Mike Hemmens**

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

Telephone: **(805) 557-0930 Ext. 224**

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

E-mail: **mike.hemmens@citi.com**

#### BOND COUNSEL

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

Contact: **Justin Cooper**

Address: **405 Howard Street, Orrick Building  
San Francisco, CA 94105-2669**

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

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

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

Application Number: **2011055 - Colonial House**  
Name of Borrower: **Pacific West Communities, Inc.**

### PROJECT DESCRIPTION

Current Project Name: **Colonial House**

New Project Name:

Project Street Address: **705, 711 & 747 N. Oxnard Blvd.**

City: **Oxnard** State: **CA** Zip Code: **93030**

County: **Ventura**

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

Total Number of Units: Market: **0** Restricted: **43** Total Units: **43**

Lot Size: **2.18 acres**

Amenities: **There is a playground with equipment and a community room with a laundry room, community area and computer room.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **There Is One Building With 3 Stories. The First Story Contains Commercial Space With Resident Parking, The Top Two Floors Are All Residential Units.**

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

City or county contact information:

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

### PUBLIC BENEFIT

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

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

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	1	\$781	\$1,100	\$319
1 Bedroom	60	7	\$948	\$1,100	\$152
2 Bedrooms	50	2	\$932	\$1,300	\$368
2 Bedrooms	60	14	\$1,132	\$1,300	\$168
3 Bedrooms	50	1	\$1,073	\$1,500	\$427
3 Bedrooms	60	10	\$1,305	\$1,500	\$195
4 Bedrooms	50	1	\$1,183	\$1,700	\$517
4 Bedrooms	50	7	\$1,441	\$1,700	\$259

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 #
23	23	35

Application Number: **2011055 - Colonial House**  
 Name of Borrower: **Pacific West Communities, 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: **35 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

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

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

#### PERMANENT FINANCING:

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

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

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

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

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

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$9,150,000</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$1,183,500</b>
Developer Equity:	
Other Funds(Describe):	
Oxnard RDA	<b>\$4,200,000</b>
Oxnard RDA Accrued Interest	<b>\$147,000</b>
Pacific West Comm. - DDF	<b>\$1,754,113</b>
Oxnard Pacific Assoc. - Def. Costs	<b>\$129,886</b>
_____	.....
<b>TOTAL:</b>	<b>\$16,564,499</b>

#### USES

Land Acquisition:	<b>\$2,505,000</b>
Building Acquisition:	
Construction or Remodel:	<b>\$8,323,842</b>
Cost of Issuance:	<b>\$624,646</b>
Capitalized Interest:	<b>\$647,000</b>
Reserves:	<b>\$129,886</b>
Other Funds(Describe):	
Architecture/Engineering	<b>\$490,000</b>
Developer Fee	<b>\$1,764,078</b>
Permits and Impact Fees	<b>\$1,524,222</b>
Soft Costs	<b>\$555,825</b>
_____	.....
<b>TOTAL:</b>	<b>\$16,564,499</b>



Application Number: **2011055 - Colonial House**  
Name of Borrower: **Pacific West Communities, Inc.**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

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

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

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

**MAILING ADDRESS**

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

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD  
APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE  
COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY  
HOUSING REVENUE BONDS FOR THE COLONIAL HOUSE  
APARTMENTS PROJECT**

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

WHEREAS, Oxnard Pacific Associates, a California Limited Partnership or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$11,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 43-unit multifamily rental housing project located at 705, 711 and 747 North Oxnard Boulevard, Oxnard, California, generally known as Colonial House Apartments Project (the "Project") and operated by Cambridge Real Estate Services; and

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

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

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

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

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

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

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

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

Section 1. The above recitals are true and correct.

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

Section 3. The Bonds will not constitute a debt, liability or obligation of the City.

Section 4. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

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

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

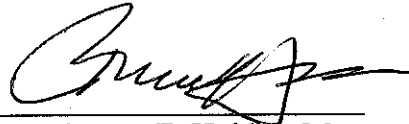
Section 6. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED THIS 27<sup>th</sup> day of September, 2011, by the following vote:

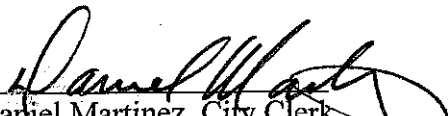
AYES: Councilmembers Holden, Pinkard and MacDonald.

NOES: Councilmembers Flynn and Ramirez.

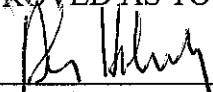
ABSENT: None.

  
Dr. Thomas E. Holden, Mayor

ATTEST:

  
Daniel Martinez, City Clerk

APPROVED AS TO FORM:

  
Alan Holmberg, City Attorney

**RESOLUTION NO. 11-139**  
**(QUALIFIED RESIDENTIAL RENTAL PROJECT)**  
**EXHIBIT A**

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 11-154
3. Project Sponsor: Oxnard Pacific Associates, LP (Central Valley Coalition for Affordable Housing and Roope, LLC)
4. Project Management Co.: Cambridge Real Estate Services
5. Project Name: Colonial House Apartments
6. Type of Project: New Construction/Family
7. Location: Oxnard, CA
8. Credit Enhancement Provider: Freddie Mac  
and  
Private Placement Purchaser: Citibank, N.A.
9. The Credit Enhancement Provider at the time of issuance will be the same as represented in the application.  
and  
The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 43 plus 1 manager unit
11. Total Number of Restricted Rental Units: 43
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 5 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 38 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. **Not Applicable**
16. A minimum of \$4,200,000 of public funds will be expended for the Project. **Applicable**

**RESOLUTION NO. 11-139**

**Exhibit A**

Page 2 of 3

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing. **Not Applicable**
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least 19 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 program of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. **Not Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents educational classes on-site or there must be educational classes available to Project residents within 1/4 mile of the Project. **Not Applicable**
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project. **Not Applicable**
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents contracts for services on-site or such service must be available to the Project residents within 1/4 mile of the Project. **Not Applicable**
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. **Not Applicable**
25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals; if available, throughout the Project's useful life. **Not Applicable**
26. All projects that receive points for being a Federally Assisted At-Risk Project based on an expiring Low Income Housing Tax Credit Regulatory Agreement or Tax-Exempt Bond Regulatory Agreement shall have a plan in place to re-certify the incomes of the existing tenants and shall not cause involuntary displacement of any tenant whose income may exceed the Project's income limits. **Not Applicable**
27. The project is a New Construction or Adaptive Reuse Project exceeding Title 24 Energy Standards by at least 10%. **Not Applicable**
28. The project commits to becoming certified under any one of the following programs upon completion: Leadership in Energy & Environmental Design (LEED); Green Communities; or the GreenPoint Rated Multifamily Guidelines. **Not Applicable**
29. The Project will incorporate the following energy efficient items:
  - a. Energy Star rated ceiling fans in all bedrooms and living rooms; or use of a whole house fan; or use of an economizer cycle on mechanically cooled HVAC systems. **Not Applicable**
  - b. Water-saving fixtures or flow restrictors in the kitchen (2 gpm or less) and bathrooms (1.5 gpm or less). **Not Applicable**



**RESOLUTION NO. 11-139**

**Exhibit A**

Page 3 of 3

- c. At least one High Efficiency Toilet (1.3 gallons per flush) or dual flush toilets per unit.  
**Not Applicable**
- d. Material for all cabinets, countertops and shelving that is free of added formaldehyde or fully sealed on all six (6) sides by laminates and/or a low-VOC primer or sealant (150 grams per liter or less).  
**Not Applicable**
- e. Interior paint with no volatile organic compounds. (5 grams per liter or less).  
**Not Applicable**
- f. CR1 Green-label, low-VOC carpeting and pad and low-VOC adhesives 25 grams per liter or less.  
**Not Applicable**
- g. Bathroom fans in all bathrooms that exhaust to the outdoors and are equipped with a humidistat sensor or timer. **Not Applicable**
- h. Formaldehyde-free insulation. **Not Applicable**
- i. At least one of the following recycled materials at the designated levels: a) cast-in-place concrete (20% flyash); b) carpet (25%); c) road base, fill or landscape amendments (30%).  
**Not Applicable**
- j. Design the elements to retain, infiltrate and/or treat on-site the first one-half (1/2) inch of rainfall in a 24-hour period. **Not Applicable**
- k. Inclusion of a construction indoor air quality management plan that requires the following: a) protection of construction materials from water damage during construction; b) capping of ducts during construction; c) cleaning of ducts upon completion of construction; and d) for rehabilitation Projects, implementation of a dust control plan that prevents particulates from migrating into occupied areas. **Not Applicable**
- l. The following design features in at least half of the Project's units: accessible routes of travel to the dwelling units with accessible 34" minimum clear-opening-width entry and interior doors with lever hardware and 42" minimum width hallways; accessible full bathroom on primary floor with 30" x 60" clearance parallel to the entry to 60" wide accessible showers with grab bars, anti-scald valves and lever faucet/shower handles, and reinforcement applied to walls around toilet for future grab bar installations; accessible kitchen with 30" x 48" clearance parallel to and centered on front of all major fixtures and appliances. **Not Applicable**
- m. Inclusion of no-smoking buildings or sections of buildings. To be eligible for an award pursuant to this subdivision, the no-smoking sections must consist of at least half the units within the building, and those units must be contiguous. **Not Applicable**
- n. An allocation of Historic Tax Credits as defined under 26 U.S.C. section 47(a).  
**Not Applicable**
- o. For rehabilitation Projects not subject to Title 24 Standards, use of florescent light fixtures for at least 75% of light fixtures or comparable energy saving lighting for the Project's total lighting (including community rooms and any common space) throughout the compliance period.  
**Not Applicable**

## Item VI

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. Palmdalia Family Apartments, L.P. (Palmdalia Family Apartments), City of Palmdale, County of Los Angeles; up to \$7 million in multi-family housing debt obligations.



---

---

## SUMMARY AND RECOMMENDATIONS

---

---

**DATE:** MAY 17, 2012

**APPLICANT:** PALMDALIA FAMILY APARTMENTS, L.P./ROEM DEVELOPMENT CORPORATION

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

**PURPOSE:** FINANCE THE CONSTRUCTION OF PALMDALIA FAMILY APARTMENTS LOCATED AT 38040 11<sup>TH</sup> STREET IN PALMDALE, CA

**CSCDA PROGRAM:** HOUSING

---

### **Background:**

The proposed project, Palmdalia Family Apartments (the "Project"), is a 64-unit acquisition and rehabilitation project located in Palmdale, California. The Project application was filed on July 13, 2011 and induced on July 27, 2011.

### **Summary:**

Palmdalia Family Apartments, L.P. (The "Borrower") has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$7,000,000 (the "Bonds") in order to finance the acquisition and rehabilitation of the Project. The Project will provide 63 affordable units to low income residents and one managers unit in the City of Palmdale.

The current complex is a HUD At Risk project with a HAP contract currently on the property. The proposed project's acquisition and rehabilitation will include the replacement of cabinets, countertops, windows, flooring, roofs, appliances, fixtures, landscape repair, grading repair, installation of smoke detectors, balcony deck finishing, HVAC repair and replacements, bathtub refinishing and some ADA compliance instillation.

The Borrower is expected to break ground in February 2012 and complete construction by December 2012.

The Borrower has previously constructed or rehabilitated 19 multi-family and senior housing properties, including 3 projects financed through CSCDA. The Borrower also currently has two additional applications pending with CSCDA.

**Public Benefit:**

- Project Affordability
  - 100% of the Project's units will be income restricted:
    - 56 units reserved for tenants whose income is at or below 60% AMI
    - 7 units reserved for tenants whose income is at or below 50% AMI
    - 1 manager's unit
  - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within ¼ mile of a public transit corridor
  - The Project is located within ½ mile of a park or recreational facility
  - The Project is located within ½ mile of public schools
  - The Project is located within ½ mile of a public library
  - The Project will offer educational classes to tenants
- Economic Benefits
  - Based upon \$8,559,959 Project costs using a 1.8 multiplier the Project produces \$15,407,926 total economic activity, and at 2.1 jobs per unit produces approximately 133 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:** September 21, 2011, City of Palmdale, unanimous approval

**CDLAC Approval:** November 16, 2011

**Estimated Sources and Uses:****Sources:**

Tax-Exempt Bond Proceeds	\$5,389,000	62.96%
Lease Up Income	\$311,608	3.64%
Deferred Reserve Funding	\$144,789	1.69%
Deferred Developer	\$832,280	9.72%
Equity Investor	<u>\$1,882,282</u>	<u>21.99%</u>
Total Sources	\$8,559,959	100.00%

**Uses:**

Acquisition	\$4,600,000	53.74%
Rehabilitation	\$1,458,445	17.04%
Relocation	\$128,000	1.50%
Architecture Costs	\$10,000	.12%
Contingency Costs	\$200,445	2.34%
Construction Period Expenses	\$470,731	5.50%
Permanent Financing Expenses	\$152,780	1.78%
Capitalized Reserves	\$144,789	1.69%
Legal Fees	\$175,000	2.04%

Developer Costs	\$1,000,067	11.68%
Other Soft Costs	<u>\$219,702</u>	<u>2.57%</u>
Total Uses	\$8,559,959	100.00%

**Finance Team:**

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

**Financing Structure:**

During the construction phase the bonds will mature in no more than 24 months and bear a variable interest rate. The Bonds will then be converted to the permanent phase for 30-35 years and bear a fixed interest rate. The projected true interest cost of the bonds under current market conditions is 5.10%. The Bonds will be privately placed with Citibank, N.A.

By using \$5,389,000 in CSCDA Bonds the Project is able to leverage an additional \$3,170,959 in other resources, for a ratio of 1.7 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 Palmdale, 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 Palmdale TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2011051**  
Name of Developer: **ROEM Apartment Communities, LLC**  
Primary Contact: **Jonathan Emami**  
Title: **Vice President**  
Address: **1650 Lafayette Street  
Santa Clara, CA 95050**  
Telephone Number: **(408) 984-5600**  
Fax Number: **(408) 984-3111**  
E-mail: **jemami@roemcorp.com**

### BORROWER DESCRIPTION

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

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

Name of Borrowing Entity: **TBD**

Date Established: **TBD**

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

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

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **PNC Real Estate**

Contact: **William Little**

Address: **575 Market Street, Suite 2nd Floor  
San Francisco, CA 94105**

Telephone: **(415) 733-1551**

Fax: **(415) 737-1555**

E-mail: **william.little@pnc.com**

#### BOND COUNSEL

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

Contact: **Justin Cooper**

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

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

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

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

Application Number: **2011051 - Palmdalia Apartments**  
Name of Borrower: **ROEM Apartment Communities, LLC**

#### PROJECT DESCRIPTION

Current Project Name: **Palmdalia Apartments**  
New Project Name: **TBD**  
Project Street Address: **38040 11th Street**  
City: **Palmdale** State: **CA** Zip Code: **93550**  
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: **2.56 AC**  
Amenities: **Community Room, Pool, Spa, BBQ area, tot lot, basketball half court, gated, carports, central heating and air**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, Stucco, 2 Story, 12 Buildings, Built In 1972**

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

City or county contact information:

Contact Name: **Sophia Reyes**  
Title: **Housing Coordinator**  
Phone Number: **(661) 267-5126**  
Fax Number: **(661) 267-5122**  
E-mail: **sreyes@cityofpalmdale.org**

#### PUBLIC BENEFIT

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

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

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	45	16	\$690	\$768	\$78
2 Bedrooms	48	48	\$863	\$970	\$107

Remarks: **We are currently getting a new market study to update Market Rents on the property. The Property has a HAP contract on the property for all 63 units current HAP rents are as follows: 1bd - \$738 2bd - \$928 Depending on market study AMI rents will need to be updated for this project**

**OTHER PUBLIC BENEFIT**

**SERVICES PROVIDED**

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

**ENVIRONMENT**

**Energy**

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

**Water**

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

**Transportation**

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

**Waste**

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

**WORKFORCE**

**Employment Creation**

Job Type/Description	During Construction	Post Construction
TBD	0	0

**GOVERNMENTAL INFORMATION**

Congressional District #	State Senate District #	State Assembly District #
25	17	36

Application Number: **2011051 - Palmdalia Apartments**  
 Name of Borrower: **ROEM Apartment Communities, LLC**

### FINANCING STRUCTURE

Type of Financing: ☐ Public Sale ☒ Private Placement ☐ Refunding  
 For Refundings only: Will you be applying for State Volume Cap? **No**  
 For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_  
 Maturity: **15 Years** Interest Rate Mode: ☒ Fixed ☐ Variable

#### CONSTRUCTION FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **PNC Real Estate**

#### PERMANENT FINANCING:

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

Name of Credit Enhancement Provider or Private Placement Purchaser: **PNC Real Estate**

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

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

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

### SOURCES & USES

#### CONSTRUCTION SOURCES

Tax-Exempt Bond Proceeds:	<b>\$5,389,000</b>
Taxable Bond Proceeds:	
Tax Credits:	<b>\$2,816,709</b>
Developer Equity:	
Other Funds(Describe):	
Letter of Credit	<b>\$203,696</b>
BSPRA	<b>\$213,632</b>
Deferred Developer Fee	<b>\$432,078</b>
_____	.....
_____	.....
<b>TOTAL:</b>	<b>\$9,055,115</b>

#### USES

Land Acquisition:	<b>\$690,000</b>
Building Acquisition:	<b>\$3,910,000</b>
Construction or Remodel:	<b>\$1,367,197</b>
Cost of Issuance:	<b>\$466,933</b>
Capitalized Interest:	<b>\$268,560</b>
Reserves:	<b>\$443,259</b>
Other Funds(Describe):	
LOC / Legal / Audit / Organization	<b>\$448,069</b>
BSPRA	<b>\$213,632</b>
Const and Soft Contingency	<b>\$195,802</b>
Relocation	<b>\$128,000</b>
Developer Fee	<b>\$923,663</b>
<b>TOTAL:</b>	<b>\$9,055,115</b>

Application Number: **2011051 - Palmdalia Apartments**  
Name of Borrower: **ROEM Apartment Communities, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

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

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

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

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

\*Refundable only if financing not approved.

**MAILING ADDRESS**

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





# PALMDALE

*a place to call home*

## CITY COUNCIL

### CLERK'S CERTIFICATE

JAMES C. LEDFORD, JR.  
Mayor

MIKE DISPENZA  
Mayor Pro Tem

LAURA BETTENCOURT  
Councilmember

STEVEN D. HOFBAUER  
Councilmember

TOM LACKEY  
Councilmember

38300 Sierra Highway

Palmdale, CA 93550-4798

Tel: 661/267-5100

Fax: 661/267-5122

TDD: 661/267-5167

Auxiliary aids provided for

communication accessibility

upon 72 hours' notice and request.

I, Rebecca J. Smith, City Clerk of the City of Palmdale, State of California, do hereby certify as follows:

The attached is a full, true, and correct copy of Resolution No. CC 2011-097 adopted at the Regular Meeting of the City Council of the City of Palmdale duly held at the regular meeting place thereof, on September 7, 2011, at which meeting all of the members of said City Council had due notice and at which a majority thereof was present.

I further certify that I have carefully compared the same with the original Resolution No. CC 2011-097 on file and of record in my office and that said Resolution No. CC 2011-097 is a full, true, and correct copy of the original Resolution No. CC 2011-097 adopted at said meeting.

At said meeting, Resolution No. CC 2011-097 was adopted by the following vote:

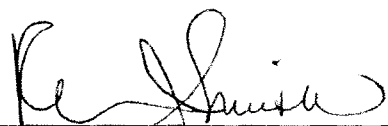
AYES: Mayor Ledford, Mayor Pro Tem Dispenza, and Councilmembers Hofbauer, Lackey, and Bettencourt

NOES: None

ABSTAIN: None

ABSENT: None

WITNESS my hand and the seal of the City of Palmdale this 21<sup>st</sup> day of September 2011.

  
\_\_\_\_\_  
Rebecca J. Smith  
City Clerk

CITY OF PALMDALE

COUNTY OF LOS ANGELES, CALIFORNIA

RESOLUTION NO. CC 2011-097

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALMDALE APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY HOUSING REVENUE BONDS FOR THE PALMDALIA APARTMENTS

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

WHEREAS, Palmdalia Family Apartments, L.P., a limited partnership or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$6,200,000 in outstanding aggregate principal amount, to finance the acquisition and rehabilitation of a 64-unit multifamily rental housing project located at 38040 11<sup>th</sup> Street East, Palmdale, California, generally known as Palmdalia Apartments (the "Project") and operated by FPI Management; and

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

WHEREAS, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the City Council of the City of Palmdale as follows:

1. The above recitals are true and correct.
2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.
3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.
4. The City Clerk shall forward a certified copy of this resolution and a copy of the affidavit of publication of the hearing notice to:

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

5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED and ADOPTED this 7th day of September, 2011 by the following vote:


AYES: Ledford, Dispenza, Hofbauer, Lackey, and Bettencourt

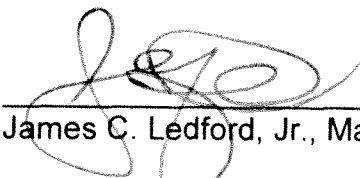
NOES: None

ABSTAIN: None

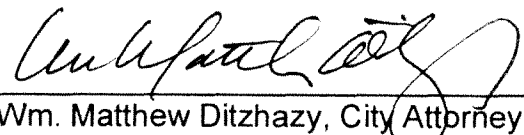
ABSENT: None

ATTEST:

  
\_\_\_\_\_  
Rebecca J. Smith, City Clerk

  
\_\_\_\_\_  
James C. Ledford, Jr., Mayor

Approved as to form:

  
\_\_\_\_\_  
Wm. Matthew Ditzhazy, City Attorney

**RESOLUTION NO. 11-136**  
**(QUALIFIED RESIDENTIAL RENTAL PROJECT)**  
**EXHIBIT A**

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 11-149
3. Project Sponsor: Palmdalia Family Apartments, L.P. (ROEM Apartment Communities, LLC and Pacific Housing, Inc.)
4. Project Management Co.: FPI Management, Inc.
5. Project Name: Palmdalia Family Apartments
6. Type of Project: Acquisition and Rehabilitation/Family/Federally Assisted At-Risk
7. Location: Palmdale, CA
8. Credit Enhancement Provider: PNC Bank, N.A. (GNMA Loan)
9. The Credit Enhancement Provider at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 63 plus 1 manager unit
11. Total Number of Restricted Rental Units: 63
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 7 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 56 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. 11-136**

**Exhibit A**

Page 2 of 3

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing. **Not Applicable**
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least three-bedroom or larger units. **Not Applicable**
19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit. **Not Applicable**
20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school program of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. **Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents educational classes on-site or there must be educational classes available to Project residents within 1/4 mile of the Project. **Applicable**
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project. **Not Applicable**
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents contracts for services on-site or such service must be available to the Project residents within 1/4 mile of the Project. **Not Applicable**
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. **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. **Applicable**
27. The project is a Rehabilitation Project reducing energy use on a per square foot basis by 25% as calculated using a methodology approved by the California Energy Commission. **Not Applicable**
28. The project commits to becoming certified under any one of the following programs upon completion: Leadership in Energy & Environmental Design (LEED); Green Communities; or the GreenPoint Rated Multifamily Guidelines. **Not Applicable**
29. The Project will incorporate the following energy efficient items:
  - a. Energy Star rated ceiling fans in all bedrooms and living rooms; or use of a whole house fan; or use of an economizer cycle on mechanically cooled HVAC systems. **Not Applicable**
  - b. Water-saving fixtures or flow restrictors in the kitchen (2 gpm or less) and bathrooms (1.5 gpm or less). **Not Applicable**

**RESOLUTION NO. 11-136**

**Exhibit A**

Page 3 of 3

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

## Item VI

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. Colony Student Housing, LLC (California Baptist University), City of Riverside, County of Riverside; up to \$40 million in 501(C)(3) revenue bonds.



---

---

## SUMMARY AND APPROVALS

---

---

<b>DATE:</b>	MAY 17, 2012
<b>APPLICANT:</b>	COLONY STUDENT HOUSING, LLC/CALIFORNIA BAPTIST UNIVERSITY
<b>AMOUNT:</b>	UP TO \$40,000,000 OF TAX-EXEMPT BONDS
<b>PURPOSE:</b>	ISSUANCE OF TAX-EXEMPT BONDS TO FINANCE THE ACQUISITION OF STUDENT HOUSING FACILITIES AND THE CONSTRUCTION OF CERTAIN EDUCATIONAL BUILDINGS
<b>PRIMARY ACTIVITY:</b>	UNDERGRADUATE AND GRADUATE UNIVERSITY EDUCATION
<b>LEGAL STRUCTURE:</b>	501(C)(3) CORPORATION

---

### Background:

California Baptist University (the "University") is a 501(c)(3) non-profit religious corporation chartered in 1950 through an initiative of the Los Angeles Baptist Association. The University is located in the City of Riverside with approximately 509 faculty members and more than 5,400 undergraduate and graduate students. Over 100 undergraduate majors and 30 graduate majors and credentials are offered to students at the University within the areas of education, music, sciences, and the liberal arts. The University is fully accredited by the Western Association of Schools and Colleges ("WASC"). Average tuition and fees for a full academic year is approximately \$25,810.

Colony Student Housing is a limited liability company, whose sole member is the Lancer Educational Housing Corporation, a California nonprofit corporation established to own, acquire, develop, lease, and manage housing and related services of the University.

The University is seeking up to \$40 million to acquire The Colony, a student housing facility located adjacent to the campus in Riverside (the "Project"). The 528 bedroom Project will accommodate up to 1,056 students in furnished units that include kitchens. Site amenities include a swimming pool, spa, student center, basketball court, tennis courts, laundry facilities, 550 parking spaces, and a security gate. All units have air conditioning and gas heaters, dishwashers, and washer/dryer hookups.

Since the construction of the Project in 1986, the University has been undergoing rapid growth—from less than 1,000 students in the late 1980s to over 5,400 students today. As part of this growth, the University's real estate demand has greatly increased and resulted in the need to expand their housing footprint. The Project is a critical component of the University's future. Its adjacency to campus as well as its ability to provide a long-term student housing solution makes it an integral part of the University's future.

CSCDA has issued bonds in 2007 and 2010 for Lancer Educational Housing Corporation at the University totaling \$43,930,000.

**Financing Approval:**

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

1. Approve the issuance of the Bonds and the financing of the Project;
2. Approve all necessary actions and documents for the issuance of the Bonds; and
3. Authorize any member of the Commission or Authorized Signatory to sign all necessary documents with respect to the issuance of the Bonds, as more fully set forth in the Resolution submitted to the Commission.

## **Attachment 1**

### **Public Benefit:**

- The University provides financial assistance to approximately 90% of its enrolled undergraduate students.
- Approximately 75% of students receive more than \$7,000 in financial aid. During fiscal year 2010-2011, University students received approximately \$97 million through financial aid programs, including University funded loans.
- The University is known for its commitment to community outreach. The University strives to provide students, faculty, and staff with opportunities to expand their global vision and gain hands-on ministry experience in a cross-cultural setting.
- Students, faculty, and staff are involved in University sponsored programs and events, church ministries, and community service organizations in the Riverside area, the Inland Empire, across the State of California, and around the world.
- International programs include educational partnerships with a number of universities in Europe and Asia. The University's International Service Projects program annually sends scores of student teams throughout the world to teach and participate in recreation, construction and infrastructure.

### **Agency Approvals:**

A TEFRA hearing was held on April 24, 2012 and unanimously approved by the Riverside City Council.

### **Finance Team:**

- |                                |   |
|--------------------------------|---|
| • Bond Counsel:                | Meyers Nave, San Francisco                      |
| • Authority Counsel:           | Orrick, Herrington & Sutcliffe, LLP, Sacramento |
| • Private Placement Purchaser: | California Bank & Trust                         |

### **Financing Structure:**

The Bonds will be structured as fixed rate and unrated and privately placed with California Bank and Trust. Bonds will have a maximum 30-year final maturity of June 1, 2042. The issuance complies with CSCDA's issuance policies.

**Estimated Sources and Uses:**

## Sources:

Series 2012 A Bonds	\$	35,350,000	91.51%
Series 2012 B Bonds	\$	<u>3,280,000</u>	<u>8.49%</u>
Total Sources:	\$	38,630,000	100.00%

## Uses:

FHLMC Debt Repayment	\$	21,650,000	56.04%
FHLMC Prepayment Penalty	\$	433,000	1.12%
Commissions/Fees	\$	362,500	0.94%
Debt Service Reserve Fund	\$	1,982,698	5.13%
Bond Guarantee Fee (Series B)	\$	3,280,000	8.49%
New Construction	\$	10,063,349	26.05%
Total of All Est. Up Front Costs	\$	<u>858,453</u>	<u>2.22%</u>
Total Uses:	\$	38,630,000	100.00%



*Building Communities, Investing in Local Government Since 1988*

## 501(c)(3) Nonprofit Bond Application

### APPLICANT INFORMATION

Application Number: **2012021**  
Name of Borrower: **Colony Student Housing**  
Primary Contact: **Calvin Sparkman**  
Title: **Director of Finance Services**  
Street Address: **8432 Magnolia Avenue** Suite: \_\_\_\_\_  
City: **Riverside** State: **CA** Zip Code: **92504**  
Telephone Number: **(951) 343-4211**  
Fax Number: **(951) 343-4568**  
E-mail: **csparkman@calbaptist.edu**  
Type of Entity: ☐ For-profit Corporation ☒ Non-profit Corporation  
☐ Municipality ☐ Partnership  
☐ Other (specify): \_\_\_\_\_  
Date Organized: **03/06/2007**

### 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: **Academic Project**  
Street Address: **8432 Magnolia Avenue**  
City: **Riverside** State: **CA** Zip Code: **92504**  
County: **Riverside**

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: **\$36,250,000**  
Tax-exempt Amount: **\$36,250,000**  
Taxable Amount: **\$0**

Proposed Closing Date: **05/31/2012**

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

Type of Offering: ☐ Public Offering ☒ Private Placement  
Denominations: **100,000**

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: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

#### BOND COUNSEL

Firm: **Meyers Nave**

Contact: **Stephen Taber**

Address: **575 Market Street, Suite 2600  
San Francisco, CA 94105**

Telephone: **(415) 677-3355**

Fax: **(415) 421-3767**

E-mail: **staber@meyersnave.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: <b>N/A</b>	Firm: <b>TBD</b>
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®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596



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

Application: **2012021 - Colony Student Housing**  
Borrower: **Colony Student Housing**  
Facility #1: **Academic Project**

## 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:	<u>\$0</u>
Unpaid Costs of Medicare:	<u>\$0</u>
Unpaid Costs of Medi-Cal:	<u>\$0</u>
Non-billed Community Outreach:	<u>\$0</u>
Other:	<u>\$0</u>

### FOR PRIVATE SCHOOL FACILITY ONLY

#### Use of Bond Proceeds

No. of Classrooms:	<u>0</u>
No. of Libraries:	<u>0</u>
No. of Athletic Fields:	<u>0</u>
No. of Administrative Facilities:	<u>0</u>
Other	<u>0</u>

#### Tuition Assistance:

	K-8	9-12
Current Tuition:	<u>0</u>	<u>0</u>
Total Tuition Assistance Provided:	<u>0</u>	<u>0</u>
% of students receiving at least 50% tuition assistance:	<u>0</u>	<u>0</u>

### 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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
Water-saving showerheads?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
Drought tolerant landscaping?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A

Other, specify:     

#### Transportation

Does the entity provide carpooling or mass-transit subsidies?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
Does the entity maintain a fuel efficient fleet?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A

#### Waste

Does the project provide recycling facilities?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> N/A
--	------------------------------	--	------------------------------



Application Number: **2012021 - Colony Student Housing**  
Name of Borrower: **Colony Student Housing**  
Facility/Project #1: **Academic Project**

**PUBLIC BENEFITS (continued)**

**WORKFORCE**

Employment Creation

Job Type/Description

**None**

During  
Construction  
**0**

Post  
Construction  
**0**

**GOVERNMENTAL INFORMATION**

Congressional District #

\_\_\_\_\_

State Senate District #

**31**

State Assembly District #

**64**

## Item VI

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:

- d. Tax and Revenue Anticipation Notes (TRAN) 2012 Program Pool, City Redding, County of Shasta and the Apple Valley Fire Protection District, County of San Bernardino; up to \$15 million.

---

---

## SUMMARY AND RECOMMENDATIONS

---

---

<b>DATE:</b>	MAY 17, 2012
<b>APPLICANT:</b>	CITY OF REDDING AND APPLE VALLEY FIRE PROTECTION DISTRICT
<b>AMOUNT:</b>	UP TO \$15,000,000 OF TAX AND REVENUE ANTICIPATION NOTES
<b>PURPOSE:</b>	FINANCE SHORT TERM CASH FLOW DEFICITS
<b>PROGRAM:</b>	(TRANS) TAX AND REVENUE ANTICIPATION NOTES PROGRAM

---

### **Background:**

The California Communities Tax and Revenue Anticipation Notes ("TRANs") Program was developed to assist local governments in financing short term cash flow deficits, which occur due to the irregular receipt of certain taxes and revenues; and the ongoing requirement for regular disbursements of operating expenses.

Individual participant issuance amounts have ranged in size from \$100,000 up to \$320,000,000. The Authority has issued over \$8.6 billion in TRANs, serving more than 150 local agencies since 1993. In 2011, the Authority issued approximately \$150,000,000 on behalf of 10 Cities and Counties in California.

### **Summary:**

The City of Redding and the Apple Valley Fire Protection District have requested the Authority issue 2012 TRANs, in the anticipated amount of \$15,000,000, on their behalf. The City of Redding has approved the issuance of approximately \$10 million in TRANs on May 1, 2012 and the Apple Valley Fire Protection District approved the issuance of approximately \$5 million in TRANs on April 19<sup>th</sup>, 2012; and both have requested that the TRANs be sold through the California Communities Tax Revenue Anticipation Notes Program.

### **Public Benefit:**

- The issuance of TRANs on behalf of the City of Redding and the Apple Valley Fire Protection District will allow for the regular receipt of certain taxes and revenues; providing the ability to make routine operating expense disbursements.
- The issuance will provide an inexpensive method of financing short-term cash shortfalls and possibly produce arbitrage earnings.

### **Recommendation:**

Based on the overall public benefit, conformance to the California Communities Issuance Policies and finance related considerations detailed on Attachment A; it is recommended that this Commission approve the Resolution as submitted to the Commission, which:

1. Approves the issuance of TRANs through the Tax Revenue Anticipation Note Program;
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.

## **Attachment A – Tax and Revenue Anticipation Notes Summary**

### **Local Approval Information:**

On May 1, 2012, the City of Redding approved a resolution authorizing the issuance of up to \$10 million through the Tax and Revenue Anticipation Note Program.

On April 19, 2012, the Apple Valley Fire Protection District approved a resolution authorizing the issuance of up to \$5 million through the Tax and Revenue Anticipation Note Program.

### **Finance Team:**

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP (Los Angeles)
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP (Sacramento)
- Underwriter: Citigroup Global Markets, Inc. (Los Angeles)
- E.J. De La Rosa & Co., Inc. (Los Angeles)
- Financial Advisor: Bando Public Finance, LLC (Los Angeles)

### **Financing Structure:**

The bonds are expected to issue on July 2, 2012 with a 12 month maturity on June 28, 2013. The Bond will have a short term rating from Standard & Poor's and/or Moody's Investors Service.

**Item VII**

Discuss and approve Rady Children's Hospital Series 2008B and Series 2008D Document Amendments.

---

---

## SUMMARY AND RECOMMENDATIONS

---

---

**APPLICANT:** RADY CHILDREN'S HOSPITAL  
**PURPOSE:** AMENDMENTS TO BOND INDENTURE AND LOAN DOCUMENTS  
**PRIMARY ACTIVITY:** HEALTHCARE  
**PROGRAM:** 501(C)(3) NONPROFIT CORPORATION

---

### Background:

On July 31, 2008, CSCDA issued \$226,155,000 of variable rate revenue bonds Series A, B, C, and D (the "2008 Bonds") on behalf of Rady Children's Hospital ("Radys"). Radys used the proceeds of the bonds to refinance the Series 2006C, 2006D, 2007A and 2007B revenue bonds issued by CSCDA.

Currently, all four series of the 2008 Bonds are in either daily or weekly variable rate demand or "VRDB" mode. The VRDB mode requires the use of bank letters of credit ("LOCs") to secure the 2008 Bonds. Currently such LOCs have 3-5 year terms. While providing attractive interest rates, the VRDB mode is reliant on the LOC bank's credit rating and also provides investors with the right to regularly tender (or put) their bonds. Radys has received proposals from JPMorgan Chase and Wells Fargo to provide "Direct Placement" financing with 7-year terms at interest rates similar to VRDBs. Direct Placement financing has certain advantages over VRDBs, in that it eliminates the reliance on a bank's credit rating as well as the investor put feature. In order for Radys to take advantage of these Direct Placement proposals, it is necessary to add an additional mode—known as an "Index" mode—to the Series 2008B and Series 2008D bond indenture and loan agreements. Therefore, Radys is requesting that CSCDA approve the resolution authorizing these amendments to provide for an Index mode and make certain other changes required by the purchasers. The 2008 Bonds will remain in compliance with all of CSCDA's issuance policies after the amendments take place.

### Finance Team:

Bond Counsel: Orrick, Herrington & Sutcliffe, Sacramento

Issuer Counsel: Orrick, Herrington & Sutcliffe, Sacramento

### Recommendations:

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

1. Approves the amendments to provide for an Index mode to the Series 2008B and Series 2008D bond indenture and loan agreements; and

2. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

## Item VIII

Discuss and approve CSCDA 2012/13 Budget.



**CSCDA 2012-2013 Fiscal Year Budgeted Bonds Issued**

			CSCDA
Private Activity Finance Programs	Bonds Issued	Issue Fee Rate	Issuance Fees
Qualified 501 (c) 3 Non-profit			
Healthcare	\$ 200,000,000	0.1024%	\$ 204,800
Higher Education/Schools	\$ 200,000,000	0.1345%	\$ 269,000
Other	\$ 100,000,000	0.0744%	\$ 74,400
Qualified Residential Rental Program	\$ 350,000,000	0.2897%	\$ 1,013,950
			<u>\$ 1,562,150</u>
Public Activity Finance Programs			
Tax and Revenue Anticipation Notes	\$ 200,000,000	0.0083%	\$ 16,600
Other Bond Programs	\$ 100,000,000	0.0083%	\$ 8,300
			<u>\$ 24,900</u>
Total Bond Issuance Fees			<u>\$ 1,587,050</u>
Total Bonds Issued	<u>\$ 1,150,000,000</u>		
 Total Bonds Outstanding at 6/30/2012	 \$ 33,000,000,000		
Bonds Issued FYE 2012-2013	\$ 1,150,000,000		
Expected Bond Paydowns FYI 2012-2013	<u>\$ (500,000,000)</u>		
Total Bonds Outstanding at 6/30/2013	<u>\$ 33,650,000,000</u>		

**CSCDA 2012-2013 Fiscal Year Funds Flow Budget**

	<b>Bond Issuance</b>	<b>Bond Administration</b>	<b>General Administration</b>	<b>Total</b>
<u>Projected Amounts Collected in Benefit of Conduit Finance Activities of California Communities</u>				
<b>Issuance Fees</b>				
Qualified 501 (c) 3				
Healthcare	204,800			204,800
Higher Education	269,000			269,000
Other	74,400			74,400
Qualified Residential Rental Program	1,013,950			1,013,950
Tax and Revenue Anticipation Notes	16,600			16,600
Other Municipal Bond Programs	8,300			8,300
<b>Bond Administrative Fees</b>				
Municipal Bonds		162,998		162,998
Other (501 (c)(3) Nonprofit)		730,399		730,399
Multifamily / Senior Housing (volume cap)		7,365,327		7,365,327
K-12 / Charter Schools (501 (c)(3) Nonprofit)		254,035		254,035
Healthcare (501 (c)(3) Nonprofit)		2,533,239		2,533,239
Higher Education (501(c)(3) Nonprofit)		219,661		219,661
SCIP / Mello Roos		131,965		131,965
Other		409,867		409,867
Investment Income	500	40,000		40,500
Total Projected Amounts Collected in Benefit of Conduit Activities of CSCDA	1,587,550	11,847,491		13,435,041
<u>Projected Amounts Disbursed in Benefit of Conduit Activities of CSCDA</u>				
Program Management Fees - HB Capital	1,049,869	7,101,467		8,151,336
Program Governance Fees - CSAC	224,972	1,688,828		1,913,800
Program Governance Fees - League	224,972	1,688,828		1,913,800
Compliance Fees - Compliance Services LLC		972,106		972,106
Issuer Counsel - Richards, Watson & Gershon			70,000	70,000
Special Counsel - Orrick			130,000	130,000
Auditor - MGO			17,000	17,000
Board Travel Reimbursements			2,500	2,500
Other Professional Services: Nielsen			30,000	30,000
Other Professional Services: Lang			54,000	54,000
Other Professional Services: Other			30,000	30,000
Counsel Fees - Nixon			50,000	50,000
Insurance			54,000	54,000
Dues/Memberships			1,500	1,500
Community Outreach:				
CSCDA Educational Endowment			25,000	25,000
Shows and Marketing			20,000	20,000
Total Projected Amounts Disbursed in Benefit of Conduit Activities of CSCDA	1,499,813	11,451,229	484,000	13,435,041

## Item IX

Discuss Eligible SCIP Fees.

# Eligible Fees and Improvements

- Fees for infrastructure to be owned by public agency
  - Does not include school, housing, fire, and police fees
- Improvements identified in the 1913 / 1915 Assessment Act, including but not limited to, are listed below:



## Eligible Improvements

- |                        |                                 |
|------------------------|---------------------------------|
| ▪ Street and Roadways  | ▪ Street lighting               |
| ▪ Freeway Interchanges | ▪ Parking                       |
| ▪ Pedestrian Malls     | ▪ Landscaping                   |
| ▪ Sidewalks            | ▪ Sewer and Pipelines           |
| ▪ Storm Drainage       | ▪ Parks and Parkways            |
| ▪ Flood Control        | ▪ Bridges and Thoroughfares     |
| ▪ Water Supply         | ▪ Bicycle and Pedestrian Trails |
| ▪ Gas Supply           | ▪ Open Space and Greenbelts     |