



**CSCDA**  
 CALIFORNIA STATEWIDE COMMUNITIES  
 DEVELOPMENT AUTHORITY



**REGULAR MEETING AGENDA**

**May 17, 2018 at 2:00 p.m.**

**California State Association of Counties  
 1100 K Street, 1st Floor, Sacramento, CA 95814**

Telephonic Locations:

County of Butte  
 7 County Drive, Oroville, CA 95965

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

247 Electric Street  
 Auburn, CA 95603

Town of Colma  
 1198 El Camino Real, Colma, CA 94014

County of Solano  
 675 Texas Street, Fairfield, CA 94533

27788 Hidden Trail Road  
 Laguna Hills, CA 92653

**A. OPENING AND PROCEDURAL ITEMS**

1. Roll Call.

- |                                 |                              |
|---------------------------------|------------------------------|
| ___ Dan Harrison, Chair         | ___ Jordan Kaufman, Member   |
| ___ Larry Combs, Vice Chair     | ___ Dan Mierzwa, Member      |
| ___ Kevin O'Rourke, Treasurer   | ___ Irwin Bornstein, Member  |
| ___ Tim Snellings, Secretary    | ___ Brian Moura, Alt. Member |
| ___ Michael Cooper, Alt. Member |                              |

2. Consideration of the Minutes of the May 3, 2018 Regular Meeting.

3. Consent Calendar.

4. Public Comment.

**B. ITEMS FOR CONSIDERATION**

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:

- a. Highland by Vintage, LP (Highland Creek Apartments), City of Roseville, County of Placer; issue up to \$30,000,000 in multi-family housing bonds.

This \_\_\_ page agenda was posted at 1100 K Street, Sacramento, California on \_\_\_\_\_, 2018 at \_\_\_: \_\_ m, Signed \_\_\_\_\_. Please email signed page to info@cscda.org

6. Consider resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) Special Tax Bonds, Series 2018; authorizing the execution and delivery of an Indenture; approving a Bond Purchase Contract, and Official Statement, and a Continuing Disclosure Certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.
7. Consider the following resolutions to initiate proceedings to form multiple Statewide Community Infrastructure Program (SCIP) Assessment Districts:
  - a. Resolutions of intention to finance capital improvements and/or the payment of development impact fees for public capital improvements, including approval of proposed boundary maps.
  - b. Resolutions preliminarily approving the engineer's reports, setting the public hearing of protests and providing for property owner ballots.
8. Consideration of Petros as a commercial PACE administrator for Open PACE.

**C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS**

9. Executive Director Update.
10. Staff Updates.
11. Adjourn.

**NEXT MEETING:** Thursday, June 7, 2018 at 2:00 p.m.  
League of California Cities  
1400 K Street, 3rd Floor, Sacramento, CA 95814

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

**CONSENT CALENDAR**

1. Consideration of clarification regarding CSCDA Assessment District 14-01 (Emerson Ranch).

May 17, 2018



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## MINUTES

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

May 3, 2018 at 2:00 p.m.

League of California Cities  
1400 K Street, 3rd Floor, Sacramento, CA 95814

Commission Chair Dan Harrison called the meeting to order at 2:01 pm.

1. Roll Call.

Commission members present: Dan Harrison  
Commission members participating via teleconference: Larry Combs, Michael Cooper, Jordan Kaufman, Irwin Bornstein, and Brian Moura.

Others present: James Hamill, Bridge Strategic Partners; Laura Labanieh, CSAC Finance; Sedy Young, CSAC Finance Corporation.

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; Jon Penkower, Bridge Strategic Partners; Tricia Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the April 19, 2018 Regular Meeting.

The Commission approved the April 19, 2018 minutes.

***Motion to approve by L.Combs. Second by J. Kaufamn. Unanimously approved by roll-call vote.***

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Morgan Tower Housing Associates, L.P. (Morgan Tower), City of National City, County of San Diego; issue up to \$50 million in multi-family housing revenue bonds.
2. Inducement of Kimball Tower Housing Associates, L.P. (Kimball Tower), City of National City, County of San Diego; issue up to \$70 million in multi-family housing revenue bonds.

***Motion to approve by M. Cooper. Second by B. Moura. Unanimously approved by roll-call vote.***

4. Public Comment.

There was no public comment.

5. Consideration of the issuance of revenue bonds or other obligation to finance or refinance the following projects, the execution and delivery of related documents, and other related actions.

- a. LA 78, LP (LA78 Apartments), City of Los Angeles, County of Los Angeles; up to \$23,000,000 in Multi-family housing bonds

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The project is an acquisition and rehabilitation of 78 low-income units. This project will be Community Development Partners' fifth financing with CSCDA. Executive Director Bando recommended approval of the financing.

***Motion to approve and adopt by J. Kaufman. Second by I. Bornstein. Unanimously approved by roll-call vote.***

- b. 840 W Walnut LP (Mission Trail Apartments), City of Lake Elsinore, County of Riverside; issue up to \$20,000,000 in multi-family housing bonds.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. The project is the new construction of an 81 low-income rental units. This project will be C&C Development's third financing with CSCDA. Executive Director Bando recommended approval of the financing.

***Motion to approve and adopt by J. Kaufman. Second by M. Cooper. Unanimously approved by roll-call vote.***

6. Consideration of updated PACE administrator agreement to address misleading lead generation activities.

Executive Director Bando went over the amendment to the Open PACE administrator agreement with CSCDA to address the misleading lead generation activities. Executive Director Bando recommended approval of the amendment to the PACE administrator contract, and the execution of such amendment by CSCDA and all Open PACE administrators.

***Motion to approve and adopt by J. Kaufman. Second by L. Combs. Unanimously approved by roll-call vote.***

7. Executive Director Update.

Executive Director Bando had no update.

8. Staff Update.

James Hamill informed the Commission that PACE Provider, Spruce Finance, would be ceasing operations. CSCDA will notify all Open PACE cities and counties. As more information comes to light, James will pass it on to the Commission.

9. Adjourn.

The meeting was adjourned at 2:22 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

**NEXT MEETING:** Thursday, May 17, 2018 at 2:00 p.m.  
California State Association of Counties  
1100 K Street, 1st Floor, Sacramento, CA 95814



## Agenda Item No. 5a

### Agenda Report

**DATE:** May 17, 2018

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Bando, Executive Director

**PROJECT:** Highland Creek Apartments

**PURPOSE:** Approve the Financing of Rental Affordable Housing Project Located in the City of Roseville, County of Placer

**AMOUNT:** Not to Exceed \$30,000,000

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#### **EXECUTIVE SUMMARY:**

Highland Creek Apartments (the “Project”) is the acquisition and rehabilitation of a 184-unit rental affordable housing project located in the City of Roseville. 100% of the units will remain rent restricted for low-income tenants.

#### **PROJECT DESCRIPTION:**

- Acquisition and rehabilitation of 184-unit affordable rental housing facility located at 800 Gibson Drive in the City of Roseville.
- 10 two and three-story residential buildings.
- Consists of 83 two-bedroom units, 76 three-bedroom units, 24 four-bedroom units and one manager’s unit.

#### **PROJECT ANALYSIS:**

##### **Background on Applicant:**

Vintage Housing Development, Inc. (“Vintage Housing”) has been developing and operating apartment homes for income qualified families and active seniors for over ten years. With communities throughout California, Washington, Nevada, Oregon, and Missouri, Vintage has a variety of properties with amenities to meet the needs of its residents. Vintage Housing’s apartments for seniors provide their respective city and surrounding areas with quality affordable retirement housing for independent seniors ages 55 and older. Additionally, a specified number of units in various locations are made available for seniors with disabilities. All of the Vintage Housing properties for seniors offer a wide variety of amenities which may include on-site property management services, arrangements for grocery delivery, pharmacy delivery, monthly newsletters,



a wellness program administered by visiting physicians, and organized activities and trips in conjunction with local senior citizen organizations and controlled building entry for enhanced resident security. The Project is Vintage Housing's fourth financing with CSCDA.

**Public Agency Approval:**

**TEFRA Hearing:** April 11, 2018 – City of Roseville – unanimous approval

**CDLAC Approval:** Expected May 16, 2018. Staff will report to the Commission that the project successfully received an award of CDLAC allocation during presentation of this agenda item.

**Public Benefits:**

- 100% of the units will be rent restricted for 55 years.
  - 70% (128 units) restricted to 60% or less of area median income households.
  - 30% (55 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores and public schools.

**Sources and Uses:**

Sources of Funds:

Tax-Exempt Bonds:	\$ 22,540,000
Seller Loan:	\$ 1,000,000
Tax Credits:	\$ 10,070,604
Rental Income:	\$ 3,121,587
Deferred Developer Fee:	<u>\$ 1,587,817</u>
Total Sources:	\$ 38,320,008

Uses of Funds:

Acquisition:	\$ 23,600,000
Construction Costs:	\$ 5,126,430
Architecture & Engineering:	\$ 705,000
Relocation:	\$ 50,000
Capitalized Interest/Fees:	\$ 2,764,353
Reserves:	\$ 502,767
Developer Fee:	\$ 4,318,736
Cost of Issuance:	\$ 244,100
Contingency:	\$ 512,643
Other Soft Cost:	<u>\$ 495,979</u>
Total Uses:	\$ 38,320,008

**Finance Partners:**

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

**Finance Terms:**

**Rating:** Unrated  
**Term:** 35 years  
**Structure:** Private Placement  
**Estimated Closing:** June 14, 2018

**CSCDA Policy Compliance:**

The financing of the Project complies with CSCDA's general and issuance policies for unrated debt.

**DOCUMENTS:** (as attachments)

1. Photos of Highland Creek Apartments (Attachment A)
2. CSCDA Resolution (Attachment B)

**COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:**

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

**ATTACHMENT A**



**ATTACHMENT B**

**RESOLUTION NO. 18-\_\_**

**A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS HIGHLAND CREEK APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.**

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

**WHEREAS**, Highland by Vintage, LP, a California limited partnership, and entities related thereto (collectively, the "Borrower"), has requested that the Authority execute and deliver its Multifamily Housing Revenue Construction/Permanent Note (Highland Creek Apartments) 2018 Series I-1 and its Multifamily Housing Revenue Construction Note (Highland Creek Apartments) 2018 Series I-2 (collectively, the "Notes") to assist in the financing of the acquisition and rehabilitation of a 184-unit multifamily housing rental development located in the City of Roseville, California, and known as Highland Creek Apartments (the "Project");

**WHEREAS**, on May 16, 2018, the Authority received an allocation in the amount of \$24,991,323 (the "Allocation Amount") from the California Debt Limit Allocation Committee ("CDLAC") in connection with the Project;

**WHEREAS**, the City of Roseville (the "City") is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Notes;

**WHEREAS**, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$30,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project,

which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and moderate income persons;

**WHEREAS**, the Notes will be executed and delivered to Citibank, N.A. (the "Funding Lender"), as the initial holder of the Notes; and

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

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

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

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

(4) Contingency Draw-Down Agreement (the "Contingency-Draw-Down Agreement") to be entered into by the Funding Lender and the Borrower.

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as "California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (Highland Creek Apartments) 2018 Series I-1" and "California Statewide Communities Development Authority Multifamily Housing Revenue Construction Note (Highland Creek Apartments) 2018 Series I-2" including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$30,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of any Authorized Signatory (as defined below). The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes

shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 18R-2 of the Authority, adopted on April 19, 2018) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond May 1, 2063), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, contingency draw-down agreement, loan related documents, an assignment of deed of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order

to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

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

This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this May 17, 2018.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 17, 2018.

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

## PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Statewide Communities Development Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its Commission (the "Commission") at which Meeting the Commission will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: Highland by Vintage, LP
2. Authority Meeting Date: May 17, 2018
3. Name of Obligations: Highland Creek Apartments
4.  Private Placement Lender or Bond Purchaser,  Underwriter or  Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows / attached as Schedule A:
  - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 4.71%.
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$653,045.54.
  - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$23,446,954.46.
  - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$39,866,771.01.
5. The good faith estimates provided above / attached as Schedule A were  presented to the governing board of the Borrower, or  presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board,  presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).



The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: \_\_\_\_\_



## Agenda Item No. 6

### Agenda Report

**DATE:** May 17, 2018

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Bando, Executive Director

**PURPOSE:** Consider resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) Special Tax Bonds, Series 2018; authorizing the execution and delivery of an Indenture; approving a Bond Purchase Contract, and Official Statement, and a Continuing Disclosure Certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds

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#### **BACKGROUND:**

On July 6, 2017 the CSCDA Commission approved the resolution of intention to form CFD No. 2017-01 (Horse Creek Ridge). The public hearing was held on August 17, 2017, the District was formed, and the first reading of the ordinance levying the assessment was adopted by the Commission. The second and final reading of the ordinance levying the assessment was adopted by the Commission on September 7, 2017.

#### **SUMMARY OF PROJECT:**

The Horse Creek Ridge CFD is being formed to finance water public improvements associated with the Rainbow Municipal Water District (RMWD). RMWD is a member of the San Diego County Water Authority and provides water and sanitation services to the unincorporated communities of Rainbow, Bonsall, and portions of Vista, Oceanside and Fallbrook. RMWD approved the formation of the CFD by CSCDA on February 28, 2017.

The improvements include the following:

- Water connection and capacity fees, including but not limited to meter material fees and excluding fee components payable to the San Diego County Water Authority.
- Sewer connection and capacity fees.
- Developer capital contributions towards water or sewer infrastructure projects constructed by the District.
- Sewer facilities, including but not limited to gravity sewer pipelines, force mains, and lift stations and associated work necessary for their installation and completion such as but not limited to grading, excavating, and foundations.

- Water facilities, including but not limited to water pipelines and pressure reducing stations and associated work necessary for their installation and completion such as but not limited to grading, excavation, etcetera.

Horse Creek Ridge is located just east of the Interstate 15 and Highway 76 junction in Fallbrook, California. It is a new master planned community that will offer seven neighborhoods with eight parks, a recreation center, pools and an 8.5 acre sports park. Detached condominiums will range from 1,568 to 2,153 square feet and detached single family homes will range from 1,799 to 3,844 square feet. The Horse Creek Ridge development is the residential segment of the Campus Park project which will include a total of 521 single-family residences and 230 condominium dwelling units.

The appraised value of the project is \$234,593,269. The expected bond amount is \$20.62 million so the value to lien ratio will be approximately 11:1, which is higher than CSCDA's 4:1 requirement for non-rated, land-secured financings. (Attachment B)

**Finance Partners:**

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento  
 Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco  
 Underwriter: RBC Capital Markets, San Francisco

**ESTIMATED SOURCES & USES:**

**Sources:**

Bond Proceeds	\$ 20,620,000.00
Premium	<u>\$ 1,799,714.70</u>
	22,419,714.70

**Uses:**

Project Fund	\$ 19,364,181.67
Capitalized Interest	\$ 217,086.53
Debt Service Reserve Fund	\$ 1,791,646.50
Cost of Issuance	\$ 634,400.00
Underwriter Discount	<u>\$ 412,400.00</u>
	\$ 22,419,714.70

**RECOMMENDED ACTIONS:**

CSCDA's Executive Director recommends that the Commission approve the attached resolution (Attachment A):

1. Approving the issuance of the CFD No. 2017-01 (Horse Creek Ridge) Special Tax Bonds, Series 2018;
2. Authorizing the execution and delivery of an Indenture and Disbursement Agreement;
3. Approving the form of the Bond Purchase Contract, and Official Statement and a Continuing Disclosure Certificate;
4. Authorizing the sale of such bonds;

5. Authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

## ATTACHMENT A

### RESOLUTION NO. 18SCIP-42

RESOLUTION APPROVING THE ISSUANCE OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE) SPECIAL TAX BONDS, SERIES 2018; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDENTURE PROVIDING FOR THE ISSUANCE OF SUCH BONDS; APPROVING A BOND PURCHASE CONTRACT PROVIDING FOR THE SALE OF SUCH BONDS; APPROVING AN OFFICIAL STATEMENT; APPROVING A CONTINUING DISCLOSURE CERTIFICATE; AUTHORIZING THE SALE OF SUCH BONDS; AND AUTHORIZING RELATED ACTIONS AND THE EXECUTION OF RELATED DOCUMENTS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS

WHEREAS, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) has determined to issue not to exceed \$28,000,000 principal amount of its California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) Special Tax Bonds, Series 2018 (the “Bonds”); and

WHEREAS, there has been made available to the Commission a form of the Indenture (the “Indenture”) providing for the issuance of the Bonds; and

WHEREAS, the Commission has carefully considered the terms and conditions of the Indenture; and

WHEREAS, RBC Capital Markets, LLC (the “Underwriter”) has proposed to submit an offer to purchase the Bonds pursuant to a Bond Purchase Contract (the “Purchase Contract”) in substantially the form made available to the Commission; and

WHEREAS, the Commission has considered carefully the terms and conditions of the Purchase Contract, and has determined that a private sale of the Bonds to the Underwriter in accordance with the Purchase Contract would result in a lower overall cost to the Authority; and

WHEREAS, the Authority has caused to be prepared an Official Statement in preliminary form relating to the Bonds, a copy of which has been made available to the Commission; and

WHEREAS, the Authority has caused to be prepared a Continuing Disclosure Certificate (the “Continuing Disclosure Certificate”) for the purpose of making undertakings to provide certain annual financial information and notice of certain enumerated events as required by Securities Exchange Commission Rule 15c2-12(b)(5) (the “Rule”);

WHEREAS, Government Code Section 5852.1 requires that the Commission of the Authority obtain from an underwriter, financial adviser or private lender and disclose, prior to authorization of the issuance of bonds with a term of greater than 13 months, good faith estimates of the following information in a meeting open to the public: (a) the true interest cost of the bonds, (b) the sum of all fees and charges paid to third parties with respect to the bonds, (c) the amount of proceeds of the bonds expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the bonds, and (d) the sum total of all debt service payments on the bonds calculated to the final maturity of the bonds plus the fees and charges paid to third parties not paid with the proceeds of the bonds; and

WHEREAS, in compliance with Government Code Section 5852.1, the Commission of the Authority has obtained from RBC Capital Markets, LLC, the underwriter, the required good faith estimates and such estimates have been disclosed at this meeting; and

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

Section 1. The Commission finds and determines that the foregoing recitals are true and correct.

Section 2. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Statewide Communities Development Authority Community Facilities District No. 2017-01 (Horse Creek Ridge) Special Tax Bonds, Series 2018” in an aggregate principal amount not to exceed twenty-eight million dollars (\$28,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture as made available to the Commission. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to a resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 3. The Indenture providing for the issuance of the Bonds, in substantially the form made available to the Commission, is hereby approved for execution by the Authority, and any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority to execute the Indenture in substantially said form, with such changes or additions as any member of the Commission with the advice of counsel to the Authority may approve, such approval to be conclusively evidenced by the execution and delivery of the Indenture. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 4. The Purchase Contract providing for the sale of the Bonds, in substantially the form made available to the Commission, is hereby approved for execution by the Authority, and any Authorized Signatory is hereby authorized and directed to execute the Purchase Contract in substantially said form, with such changes or additions thereto as any member of the

Commission with the advice of counsel to the Authority may approve, such approval to be conclusively evidenced by the execution and delivery of the Purchase Contract, and the Secretary is hereby authorized and directed to deliver the Purchase Contract; provided, that, the true interest cost on the Bonds shall not exceed 7% per annum and the final maturity of the Bonds shall not be later than September 1, 2048.

Section 5. The Official Statement in preliminary form (the “Preliminary Official Statement”) relating to the Bonds, in substantially the form made available to the Commission, is hereby approved, and any Authorized Signatory is hereby authorized and directed to certify to the Underwriter that the Preliminary Official Statement is deemed to be final as of its date, except for certain final pricing and related information permitted to be omitted in accordance with the Rule, and the Underwriter is hereby authorized and directed to distribute or cause the distribution of copies of the Preliminary Official Statement to prospective purchasers of the Bonds, and any Authorized Signatory is hereby authorized to execute and deliver an Official Statement in final form (the “Final Official Statement”) relating to the Bonds in substantially the form of the Preliminary Official Statement, which Final Official Statement shall include final pricing and related information and other changes, as any member of the Commission with the advice of counsel to the Authority may approve, such approval to be conclusively evidenced by such execution and delivery of the Final Official Statement, and the Underwriter is hereby authorized and directed to distribute or cause the distribution of copies of the Final Official Statement to all purchasers of the Bonds.

Section 6. The form and substance of the Continuing Disclosure Certificate is hereby approved. Any Authorized Signatory is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate in substantially the form made available to the Commission, with such changes or additions, as any member of the Commission with the advice of counsel to the Authority may approve, such approval to be conclusively evidenced by such execution and delivery.

Section 7. The Chair, Vice Chair, Secretary, Treasurer, any other members of the Commission and other appropriate officers and agents of the Authority, including the Authorized Signatories are hereby authorized and directed, jointly and severally, to do all things and to execute and deliver all documents and contracts they deem necessary or advisable for consummating the sale, execution, and delivery of the Bonds and otherwise to carry out, give effect to, and comply with the terms and intent of this Resolution, the Indenture, the Bonds, the Purchase Contract, the Continuing Disclosure Certificate, the Preliminary Official Statement, and the Official Statement. All such actions previously taken by the Authorized Signatories are hereby ratified, confirmed, and approved.

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

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this 17th day of May, 2018.

I, the undersigned, a duly appointed and qualified Authorized Signatory of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called and noticed meeting of the Commission of said Authority held in accordance with law on May 17, 2018.

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



## **ATTACHMENT B**

**TABLE 2**  
**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
**COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

**STATUS OF DEVELOPMENT**  
**(As of May 1, 2018)**

<b>Neighborhood</b>	<b>Conveyed to Individual Homeowners</b>	<b>Completed Homes (Sold, Not Closed)</b>	<b>Finished Lots (Building Permit)</b>	<b>Final Mapped Lots (No Building Permit)</b>	<b>Total Lots</b>
Chaparral Pointe	32	17	17	40	106
Brindle Pointe	26	15	16	67	124
Oakmont	30	13	7	86	136
Westbury	19	10	19	27	75
Bridlegate	8	6	38	12	64
Saratoga Estates	-	-	14	106	120
Promontory	-	-	16	100	116
<b>Total</b>	<b>115</b>	<b>61</b>	<b>127</b>	<b>438</b>	<b>741</b>
<b>Percent of Total</b>	15.52%	8.23%	17.14%	59.11%	100.00%

**TABLE 7**  
**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
**COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

**ESTIMATED TAX RATES**

<b>Planned Development</b>	<b>Units</b>	<b>Anticipated Home Size (square feet)</b>	<b>Land Use Class</b>	<b>Estimated Base Price</b>	<b>Estimated 2018-19 Special Tax (per unit)</b>	<b>Total Effective Tax Rate</b>	<b>Estimated Total Special Tax Levy</b>
<b>Single Family Detached</b>							
Oakmont							
Plan 1	19	1,799	≤ 2,000	\$431,990	\$1,176	1.64%	\$22,345
Plan 2	34	2,022	2,001 - 2,200	\$446,990	\$1,263	1.64%	\$42,934
Plan 3	40	2,213	2,201 - 2,400	\$466,990	\$1,377	1.64%	\$55,080
Plan 4	43	2,445	2,401 - 2,600	\$486,990	\$1,491	1.64%	\$64,123
Westbury							
Plan 1	22	2,285	2,201 - 2,400	\$481,990	\$1,377	1.62%	\$30,294
Plan 2	26	2,486	2,401 - 2,600	\$502,990	\$1,491	1.62%	\$38,772
Plan 3	27	2,656	2,601 - 2,800	\$531,990	\$1,748	1.64%	\$47,204
Bridlegate							
Plan 1	19	2,654	2,601 - 2,800	\$556,990	\$1,748	1.62%	\$33,217
Plan 2	21	3,006	3,001 - 3,200	\$586,990	\$2,062	1.64%	\$43,311
Plan 3	24	3,240	3,201 - 3,400	\$606,990	\$2,178	1.64%	\$52,265
Saratoga Estates							
Plan 1	22	2,437	2,401 - 2,600	\$538,990	\$1,491	1.59%	\$32,807
Plan 2	31	2,755	2,601 - 2,800	\$564,990	\$1,748	1.61%	\$54,197
Plan 3	35	2,967	2,801 - 3,000	\$579,990	\$2,023	1.64%	\$70,793
Plan 4	32	2,905	2,801 - 3,000	\$599,990	\$2,023	1.62%	\$64,725
Promontory							
Plan 1	23	3,205	3,201 - 3,400	\$614,990	\$2,178	1.63%	\$50,087
Plan 2	29	3,373	3,201 - 3,400	\$624,990	\$2,178	1.62%	\$63,153
Plan 3	33	3,844	> 3,800	\$664,990	\$2,509	1.64%	\$82,804
Plan 4	31	3,719	3,601 - 3,800	\$649,990	\$2,424	1.64%	\$75,129
<b>Detached Condos</b>							
Chaparral							
Plan 1	36	1,568	≤ 1,700	\$390,000	\$1,004	1.58%	\$36,132
Plan 2	35	1,753	1,701 - 1,900	\$410,000	\$1,118	1.58%	\$39,127
Plan 3	35	2,037	1,901 - 2,100	\$430,000	\$1,232	1.58%	\$43,126
Brindle							
Plan 1	39	1,579	≤ 1,700	\$377,990	\$1,004	1.59%	\$39,144
Plan 2	42	1,911	1,901 - 2,100	\$412,990	\$1,232	1.61%	\$51,751
Plan 3	43	2,156	> 2,100	\$431,990	\$1,489	1.64%	\$64,036
<b>Total</b>	<b>741</b>						<b>\$1,196,556</b>

**TABLE 11A**  
**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
**COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

**VALUE-TO-LIEN RATIOS BY NEIGHBORHOOD BASED ON OWNERSHIP AND DEVELOPMENT STATUS**

Neighborhood	Property Ownership & Development Status	Estimated			2018 Bonds*	Overlapp- ing Debt	Appraised Value	Building Permit Value	Total Adjusted Value	Value- to- Debt Ratio*
		No. of Units	Fiscal Year 2018-19 Special Tax	% of FY 2018-19 Special Tax						
<b>Developed Property</b>										
Chaparral Pointe	D.R. Horton									
	Completed Homes (Sold, Not Closed)	17	18,776	1.57%	323,566	-	2,434,255	4,036,786	6,471,041	20.00
	Finished Lots	17	19,119	1.60%	329,472	-	2,434,255	4,149,254	6,583,509	19.98
	Individual Homeowners	32	35,888	3.00%	618,445	-	4,963,830	7,762,020	12,725,849	20.58
	Subtotal Chaparral Pointe	66	73,783	6.17%	1,271,482	-	9,832,340	15,948,060	25,780,400	20.28
Brindle Pointe	D.R. Horton									
	Completed Homes (Sold, Not Closed)	15	19,825	1.66%	341,635	-	2,200,413	4,020,139	6,220,553	18.21
	Finished Lots	16	19,143	1.60%	329,894	-	2,347,107	3,955,041	6,302,148	19.10
	Individual Homeowners	26	32,293	2.70%	556,502	-	3,913,967	6,614,878	10,528,845	18.92
	Subtotal Brindle Pointe	57	71,261	5.96%	1,228,031	-	8,461,488	14,590,058	23,051,546	18.77
Oakmont	D.R. Horton									
	Completed Homes (Sold, Not Closed)	13	17,586	1.47%	303,053	-	2,332,061	3,839,460	6,171,522	20.36
	Finished Lots	14	18,789	1.57%	323,794	-	2,511,450	4,065,749	6,577,199	20.31
	Individual Homeowners	30	41,077	3.43%	707,879	-	5,584,733	8,940,560	14,525,293	20.52
	Subtotal Oakmont	57	77,453	6.47%	1,334,726	-	10,428,244	16,845,770	27,274,014	20.43
Westbury	D.R. Horton									
	Completed Homes (Sold, Not Closed)	10	15,712	1.31%	270,763	-	1,986,957	3,402,177	5,389,133	19.90
	Finished Lots	19	30,076	2.51%	518,289	-	3,775,217	6,463,703	10,238,920	19.76
	Individual Homeowners	19	28,819	2.41%	496,633	-	4,023,043	6,317,265	10,340,309	20.82
	Subtotal Westbury	48	74,607	6.24%	1,285,685	-	9,785,217	16,183,145	25,968,363	20.20
Bridlegate	D.R. Horton									
	Completed Homes (Sold, Not Closed)	6	11,862	0.99%	204,408	-	1,248,000	2,376,029	3,624,029	17.73
	Finished Lots	38	77,191	6.45%	1,330,209	-	7,904,000	15,508,069	23,412,069	17.60
	Individual Homeowners	8	16,102	1.35%	277,478	-	1,852,000	3,221,363	5,073,363	18.28
	Subtotal Bridlegate	52	105,154	8.79%	1,812,094	-	11,004,000	21,105,461	32,109,461	17.72
Saratoga Estates	D.R. Horton									
	Finished Lots	14	25,900	2.16%	446,327	-	2,756,833	5,286,922	8,043,755	18.02
	Subtotal Saratoga Estates	14	25,900	2.16%	446,327	-	2,756,833	5,286,922	8,043,755	18.02
Promontory	Richmond American									
	Finished Lots	16	37,398	3.13%	644,477	-	3,611,034	7,723,854	11,334,888	17.59
	Subtotal Promontory	16	37,398	3.13%	644,477	-	3,611,034	7,723,854	11,334,888	17.59
<b>Total Developed</b>		<b>310</b>	<b>465,556</b>	<b>38.91%</b>	<b>8,022,822</b>	<b>-</b>	<b>55,879,158</b>	<b>97,683,269</b>	<b>153,562,427</b>	<b>19.14</b>
<b>Undeveloped Property</b>										
Chaparral Pointe	D.R. Horton - Final Mapped Lots	40	63,162	5.28%	1,088,449	-	5,727,660	-	5,727,660	5.26
Brindle Pointe	D.R. Horton - Final Mapped Lots	67	83,779	7.00%	1,443,748	-	9,828,512	-	9,828,512	6.81
Oakmont	D.R. Horton - Final Mapped Lots	79	120,883	10.10%	2,083,149	-	14,171,756	-	14,171,756	6.80
Westbury	D.R. Horton - Final Mapped Lots	27	49,584	4.14%	854,479	-	5,364,783	-	5,364,783	6.28
Bridlegate	D.R. Horton - Final Mapped Lots	12	25,419	2.12%	438,048	-	2,496,000	-	2,496,000	5.70
Saratoga Estates	D.R. Horton - Final Mapped Lots	106	194,241	16.23%	3,347,322	-	20,873,167	-	20,873,167	6.24
Promontory	Richmond American - Final Mapped Lots	100	193,932	16.21%	3,341,982	-	22,568,966	-	22,568,966	6.75
<b>Total Undeveloped</b>		<b>431</b>	<b>731,000</b>	<b>61.09%</b>	<b>12,597,178</b>	<b>-</b>	<b>81,030,842</b>	<b>-</b>	<b>81,030,842</b>	<b>6.43</b>
<b>Total</b>		<b>741</b>	<b>1,196,556</b>	<b>100.00%</b>	<b>20,620,000</b>	<b>-</b>	<b>136,910,000</b>	<b>97,683,269</b>	<b>234,593,269</b>	<b>11.38</b>

**TABLE 11B**  
**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
**COMMUNITY FACILITIES DISTRICT NO. 2017-01 (HORSE CREEK RIDGE)**

**VALUE-TO-LIEN RATIOS AND SUMMARY BASED ON OWNERSHIP**

<b>Property Ownership &amp; Development Status</b>	<b>No. of Units</b>	<b>Estimated Fiscal Year 2018-19 Special Tax</b>	<b>% of FY 2018-19 Special Tax</b>	<b>2018 Bonds*</b>	<b>Appraised Value</b>	<b>Building Permit Value</b>	<b>Total Adjusted Value</b>	<b>Value- to- Debt Ratio*</b>
<b>Developed Property</b>								
Individual Homeowners	115	154,179	12.89%	2,656,937	20,337,573	32,856,086	53,193,659	20.02
D.R. Horton								
Completed Homes (Sold, Not Closed)	61	83,760	7.00%	1,443,425	10,201,686	17,674,592	27,876,278	19.31
Finished Lots	118	190,218	15.90%	3,277,983	21,728,864	39,428,738	61,157,601	18.66
Subtotal D.R. Horton	179	273,978	22.90%	4,721,408	31,930,550	57,103,330	89,033,879	18.86
Richmond American								
Finished Lots	16	37,398	3.13%	644,477	3,611,034	7,723,854	11,334,888	17.59
Subtotal Richmond American	16	37,398	3.13%	644,477	3,611,034	7,723,854	11,334,888	17.59
<b>Total Developed</b>	<b>310</b>	<b>465,556</b>	<b>38.91%</b>	<b>8,022,822</b>	<b>55,879,158</b>	<b>97,683,269</b>	<b>153,562,427</b>	<b>19.14</b>
<b>Undeveloped Property</b>								
D.R. Horton - Finished Lots	331	537,069	44.88%	9,255,196	58,461,877	-	58,461,877	6.32
Richmond American - Finished Lots	100	193,932	16.21%	3,341,982	22,568,966	-	22,568,966	6.75
<b>Total Undeveloped</b>	<b>431</b>	<b>731,000</b>	<b>61.09%</b>	<b>12,597,178</b>	<b>81,030,842</b>	<b>-</b>	<b>81,030,842</b>	<b>6.43</b>
<b>Total</b>	<b>741</b>	<b>1,196,556</b>	<b>100.00%</b>	<b>20,620,000</b>	<b>136,910,000</b>	<b>97,683,269</b>	<b>234,593,269</b>	<b>11.38</b>



## Agenda Item No. 7

### Agenda Report

**DATE:** May 17, 2018

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Bando, Executive Director

**PURPOSE:** Consider Resolutions for the Statewide Community Infrastructure Program (SCIP) 2018B Assessment Districts:

- a. Resolutions of intention to finance the payment of capital improvements and development impact fees, including approval of proposed boundary maps.
- b. Resolutions preliminarily approving the engineer's reports, setting the public hearing of protests and providing property owner ballots.

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#### BACKGROUND AND SUMMARY:

The actions requested today by the Commission are the first steps in connection with two initial projects in the SCIP 2018B pool. The projects will be selling homes in July/August and need the district to be formed in order to qualify for the financing. SCIP 2018B is anticipated to be approximately \$45,000,000 to \$50,000,000 for 12-14 projects. Subsequent resolutions of intention will be brought to the Commission at a later date. Attachment A includes a breakdown of the two projects.

The attached resolutions (Attachment B) include the following actions:

1. Intent to finance the capital improvements and development impact fees, including approval of proposal boundary maps (included in Documents for Commissioner Review);
2. Preliminary approval of the engineer's reports (included in Documents for Commissioner Review);
3. Setting the public hearing of protests and providing property owner ballots for July 19, 2018 at 2:00 pm at the California State Association of Counties.

The approval of the financing will be brought back to the Commission at a subsequent meeting.

#### RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the resolutions as presented to the Commission in the form of Attachment B and setting the public hearing for July 19, 2018 at 2:00 pm at the California State Association of Counties.

**ATTACHMENT A**

<b>County</b>	<b>Local Agency</b>	<b>Project</b>	<b>Developer</b>	<b>Land Use Type</b>	<b>Projected Assessment</b>
<b>Sacramento</b>	<b>Folsom, City of</b>	<a href="#"><u>Gala and Braeburn at Harvest Veranda</u></a>	<b>Lennar</b>	<b>Single-Family</b>	<b>4,786,168</b>
<b>Sacramento</b>	<b>Rancho Cordova, City of</b>	<a href="#"><u>Veranda</u></a>	<b>Elliott Homes, Inc.</b>	<b>Single-Family</b>	<b>3,510,004</b>

**ATTACHMENT B**

**RESOLUTION NO. 18SCIP-38**

**RESOLUTION OF INTENTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE CAPITAL IMPROVEMENTS AND/OR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR PUBLIC CAPITAL IMPROVEMENTS IN THE PROPOSED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 18-08 (CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA), APPROVING A PROPOSED BOUNDARY MAP, MAKING CERTAIN DECLARATIONS, FINDINGS AND DETERMINATIONS CONCERNING RELATED MATTERS, AND AUTHORIZING RELATED ACTIONS IN CONNECTION THEREWITH**

**WHEREAS**, under the authority of the Municipal Improvement Act of 1913 (the “1913 Act”), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code (the “Code”), the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) intends to finance, through its Statewide Community Infrastructure Program, the payment of certain development impact fees for public improvements (the “Improvement Fees”) and/or to finance certain public capital improvements to be constructed by or on behalf of the property owner(s) and to be acquired by the City of Rancho Cordova or another local agency (the “Improvements”) as described in Exhibit A attached hereto and by this reference incorporated herein, all of which are of benefit to the proposed Statewide Community Infrastructure Program Assessment District No. 18-08 (City of Rancho Cordova, County of Sacramento, California) (the “Assessment District”);

**WHEREAS**, the Commission finds that the land specially benefited by the Improvements and/or the Improvement Fees is shown within the boundaries of the map entitled “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-08 (City of Rancho Cordova, County of Sacramento) State of California,” a copy of which map is on file with the Secretary and presented to this Commission meeting, and determines that the land within the exterior boundaries shown on the map shall be designated “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-08 (City of Rancho Cordova, County of Sacramento) State of California”;

**WHEREAS**, the City of Rancho Cordova is a member of the Authority and has approved the adoption on its behalf of this Resolution of Intention and has consented to the levy of the assessments in the Assessment District;

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

Section 1. The above recitals are true and correct.

Section 2. Pursuant to Section 2961 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the “1931 Act”), being Division 4 (commencing with Section 2800) of the Code, the Commission hereby declares its intent to comply with the requirements of the 1931 Act by complying with Part 7.5 thereof.



Section 3. The Commission has designated a registered, professional engineer as Engineer of Work for this project, and hereby directs said firm to prepare the report containing the matters required by Sections 2961(b) and 10204 of the Code, as supplemented by Section 4 of Article XIID of the California Constitution.

Section 4. The proposed boundary map of the Assessment District is hereby approved and adopted. Pursuant to Section 3111 of the Code, the Secretary of the Authority is directed to file a copy of the map in the office of the County Recorder of the County of Sacramento within fifteen (15) days of the adoption of this resolution.

Section 5. The Commission determines that the cost of financing the Improvements and/or the payment of the Improvement Fees shall be specially assessed against the lots, pieces or parcels of land within the Assessment District benefiting from the financing of the Improvements and/or the payment of the Improvement Fees. The Commission intends to levy a special assessment upon such lots, pieces or parcels in accordance with the special benefit to be received by each such lot, piece or parcel of land, respectively, from the financing of the Improvements and/or the payment of the Improvement Fees.

Section 6. The Commission intends, pursuant to subparagraph (f) of Section 10204 of the Code, to provide for an annual assessment upon each of the parcels of land in the proposed Assessment District to pay various costs and expenses incurred from time to time by the Authority and not otherwise reimbursed to the Authority which result from the administration and collection of assessment installments or from the administration or registration of the improvement bonds and the various funds and accounts pertaining thereto.

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

Section 8. The procedure for the collection of assessments and advance retirement of bonds under the Improvement Bond Act of 1915 shall be as provided in Part 11.1 thereof.

Section 9. Neither the Authority nor any member agency thereof will obligate itself to advance available funds from its or their own funds or otherwise to cure any deficiency which may occur in the bond redemption fund. A determination not to obligate itself shall not prevent the Authority or any such member agency from, in its sole discretion, so advancing funds.

Section 10. The amount of any surplus remaining in the improvement fund after acquisition of the Improvements and/or payment of Improvement Fees and all other claims shall be distributed in accordance with the provisions of Section 10427.1 of the Code.

Section 11. To the extent any Improvement Fees are paid to the Authority in cash with respect to property within the proposed Assessment District prior to the date of issuance of the bonds, the amounts so paid shall be reimbursed from the proceeds of the bonds to the property owner or developer that made the payment.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this 17th day of May, 2018.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 17, 2018.

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

## EXHIBIT A

### DESCRIPTION OF WORK

The payment of development impact fees levied within the Assessment District and/or public capital improvements to be acquired and owned by the City of Rancho Cordova or another local agency upon or for the benefit of parcels within the Assessment District, for the project known as Veranda, which are authorized to be financed pursuant to the Municipal Improvement Act of 1913 and as to which the owners of the applicable parcels within the Assessment District have applied for participation in SCIP, as more particularly described below.

#### PAYMENT OF IMPACT FEES

1. Transportation Impact Fee (Ordinance 3-2013) – All amounts collected from Transportation Impact Fees from Area 1 and Area 2 shall be expended by the City of Rancho Cordova solely to pay the costs identified in the transportation capital improvement plan and/or development impact fee program and nexus study.
2. Sacramento Area Sewer District Sewer Impact Fees (Ordinance SDI-0074) – A fee to pay for users' proportionate share of sewer capacity, infrastructure, and associated costs.
3. Sacramento Regional County Sanitation District Sewer Impact Fees (Ordinance #SRSD-0120) – A fee to recover users' proportionate share of sewer capacity and associated costs, including financing for the planning, design, construction, inspection, administrative, and other related costs for the District's wastewater conveyance, treatment, and disposal facilities.

#### CAPITAL IMPROVEMENTS\*

N/A

*\*Capital improvements includes funding for incidental costs associated with the capital improvements, including but not limited to, contingency, design, engineering, and construction management.*

## RESOLUTION NO. 18SCIP-39

### RESOLUTION OF INTENTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE CAPITAL IMPROVEMENTS AND/OR THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR PUBLIC CAPITAL IMPROVEMENTS IN THE PROPOSED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 18-09 (CITY OF FOLSOM, COUNTY OF SACRAMENTO, CALIFORNIA), APPROVING A PROPOSED BOUNDARY MAP, MAKING CERTAIN DECLARATIONS, FINDINGS AND DETERMINATIONS CONCERNING RELATED MATTERS, AND AUTHORIZING RELATED ACTIONS IN CONNECTION THEREWITH

**WHEREAS**, under the authority of the Municipal Improvement Act of 1913 (the “1913 Act”), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code (the “Code”), the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) intends to finance, through its Statewide Community Infrastructure Program, the payment of certain development impact fees for public improvements (the “Improvement Fees”) and/or to finance certain public capital improvements to be constructed by or on behalf of the property owner(s) and to be acquired by the City of Folsom or another local agency (the “Improvements”) as described in Exhibit A attached hereto and by this reference incorporated herein, all of which are of benefit to the proposed Statewide Community Infrastructure Program Assessment District No. 18-09 (City of Folsom, County of Sacramento, California) (the “Assessment District”);

**WHEREAS**, the Commission finds that the land specially benefited by the Improvements and/or the Improvement Fees is shown within the boundaries of the map entitled “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-09 (City of Folsom, County of Sacramento) State of California,” a copy of which map is on file with the Secretary and presented to this Commission meeting, and determines that the land within the exterior boundaries shown on the map shall be designated “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-09 (City of Folsom, County of Sacramento) State of California”;

**WHEREAS**, the City of Folsom is a member of the Authority and has approved the adoption on its behalf of this Resolution of Intention and has consented to the levy of the assessments in the Assessment District;

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

Section 12. The above recitals are true and correct.

Section 13. Pursuant to Section 2961 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the “1931 Act”), being Division 4 (commencing with Section 2800) of the Code, the Commission hereby declares its intent to comply with the requirements of the 1931 Act by complying with Part 7.5 thereof.

Section 14. The Commission has designated a registered, professional engineer as Engineer of Work for this project, and hereby directs said firm to prepare the report containing the matters required by

Sections 2961(b) and 10204 of the Code, as supplemented by Section 4 of Article XIID of the California Constitution.

Section 15. The proposed boundary map of the Assessment District is hereby approved and adopted. Pursuant to Section 3111 of the Code, the Secretary of the Authority is directed to file a copy of the map in the office of the County Recorder of the County of Sacramento within fifteen (15) days of the adoption of this resolution.

Section 16. The Commission determines that the cost of financing the Improvements and/or the payment of the Improvement Fees shall be specially assessed against the lots, pieces or parcels of land within the Assessment District benefiting from the financing of the Improvements and/or the payment of the Improvement Fees. The Commission intends to levy a special assessment upon such lots, pieces or parcels in accordance with the special benefit to be received by each such lot, piece or parcel of land, respectively, from the financing of the Improvements and/or the payment of the Improvement Fees.

Section 17. The Commission intends, pursuant to subparagraph (f) of Section 10204 of the Code, to provide for an annual assessment upon each of the parcels of land in the proposed Assessment District to pay various costs and expenses incurred from time to time by the Authority and not otherwise reimbursed to the Authority which result from the administration and collection of assessment installments or from the administration or registration of the improvement bonds and the various funds and accounts pertaining thereto.

Section 18. Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12%) per annum, will be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10 of the Code), and the last installment of the bonds shall mature not to exceed twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

Section 19. The procedure for the collection of assessments and advance retirement of bonds under the Improvement Bond Act of 1915 shall be as provided in Part 11.1 thereof.

Section 20. Neither the Authority nor any member agency thereof will obligate itself to advance available funds from its or their own funds or otherwise to cure any deficiency which may occur in the bond redemption fund. A determination not to obligate itself shall not prevent the Authority or any such member agency from, in its sole discretion, so advancing funds.

Section 21. The amount of any surplus remaining in the improvement fund after acquisition of the Improvements and/or payment of Improvement Fees and all other claims shall be distributed in accordance with the provisions of Section 10427.1 of the Code.

Section 22. To the extent any Improvement Fees are paid to the Authority in cash with respect to property within the proposed Assessment District prior to the date of issuance of the bonds, the amounts so paid shall be reimbursed from the proceeds of the bonds to the property owner or developer that made the payment.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this 17th day of May, 2018.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 17, 2018.

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

## EXHIBIT A

### DESCRIPTION OF WORK

The payment of development impact fees levied within the Assessment District and/or public capital improvements to be acquired and owned by the City of Folsom or another local agency upon or for the benefit of parcels within the Assessment District, for the project known as Harvest, which are authorized to be financed pursuant to the Municipal Improvement Act of 1913 and as to which the owners of the applicable parcels within the Assessment District have applied for participation in SCIP, as more particularly described below.

#### PAYMENT OF IMPACT FEES

1. Transportation Improvement Fee (*Folsom Municipal Code, or ("FMC") 12.04.060, last updated October 1, 2017*) – The purpose of the fee is to establish a fund for financing transportation facilities as identified in the circulation element of the City General Plan and those studies which identify specific transportation facility improvements called for in the circulation element and the estimated costs thereof. Improvements include construction of new transportation facilities where there are none and reconstruction of existing transportation facilities which are not sufficient to accommodate increased traffic caused by new development.
2. Sewer Connection Fee (*FMC 13.25.010, last updated October 1, 2017*) – The purpose of the fee is to establish a fund for financing equipment and capital improvement projects required to maintain municipal services at adequate levels as service requirements increase with the construction of commercial/industrial developments and dwelling units.
3. Drainage Fee (*FMC 17.95.030, last updated October 1, 2017*) – The purpose of the fee is for the improvement and construction of trunk and collection drainage facilities, including waterways, pumping plants, levees, and other facilities utilized for controlling drainage and storm waters within the City in order to promote and protect the public health, safety, comfort, convenience, and general welfare from uncontrolled drainage and storm water.
4. Park Construction Capital Impact Fee (*FMC 4.10, last updated October 1, 2017*) – The purpose of the fee is to offset new development, and the expansion of existing development, within the City that imposes a burden on the existing park and recreation facilities.
5. Water Impact Fee (*FMC 13.30.010, last updated October 1, 2017*) – The purpose of water impact fee which shall be imposed on the construction of all new commercial, industrial, and residential buildings that are to be served with water supplies owned and treated by the City. All fees collected pursuant to this chapter shall be deposited in this fund and shall be expended solely to finance the planning, construction, development, and acquisition of alternative dry-year water supplies and related facilities.
6. Water Connection Fee (*FMC 13.24.010, last updated October 1, 2017*) – The funds collected from this charge shall be deposited in the water fund of the City, to be expended therefrom for water system purposes only.
7. Regional County Sanitation Sewer Impact Fees (Ordinance SRSD-0120) - A fee to recover users' proportionate share of sewer capacity and associated costs, including financing for

the planning, design, construction, inspection, administrative, and other related costs for the District's wastewater conveyance, treatment, and disposal facilities.

#### CAPITAL IMPROVEMENTS\*

1. Street and Streetlight Improvements – Funding for capital improvements including, but not limited to, local streets with related grading; installation maintenance, concrete curb, gutter and sidewalk; aggregate base; asphaltic concrete paving; and street lighting improvements.
2. Sewer Improvements – Funding for capital improvements for the collection of sewage, including but not limited to, pump station, manholes, gravity mainline, and force mains necessary to meet the project service demands of the Harvest development.
3. Water Improvements – Funding for capital improvements for the water system, including but not limited to, the removal and installation of water mains and appurtenances, and the installation of fire hydrants, backflow preventer and irrigation, necessary to meet the potable and non-potable water needs of the Harvest development.
4. Storm Drain Improvements – Funding for capital improvements including, but not limited to, facilities for the collection and disposal of storm waters for drainage and flood control purposes, including mainline and connector pipes, drainage inlets, manholes, retention basin, bubblers, risers, and outfall pumps.

*\*Capital improvements includes funding for incidental costs associated with the capital improvements, including but not limited to, contingency, design, engineering, and construction management.*



**RESOLUTION NO. 18SCIP-40**

**RESOLUTION PRELIMINARILY APPROVING ENGINEER'S REPORT, SETTING DATE FOR PUBLIC HEARING OF PROTESTS AND PROVIDING FOR PROPERTY OWNER BALLOTS FOR CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 18-08 (CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, CALIFORNIA)**

WHEREAS, at the direction of this Commission, David Taussig & Associates, Inc., as Engineer of Work for improvement proceedings in California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-08 (City of Rancho Cordova, County of Sacramento, California) has filed with the Authority the report described in Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913, hereafter in this resolution referred to as the "Act"), and containing the matters required by Article XIID of the California Constitution ("Article XIID"), and it is appropriate for this Commission to preliminarily approve said report and to schedule the public hearing of protests respecting said report.

NOW, THEREFORE, THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY HEREBY FINDS, DETERMINES AND RESOLVES as follows:

Section 1. The foregoing recital is true and correct, and this Commission so finds and determines.

Section 2. This Commission preliminarily approves the report without modification, for the purpose of conducting a public hearing of protests as provided in the Act, Article XIID, and Section 53753 of the California Government Code ("Section 53753"). Said report shall stand as the report for the purpose of all subsequent proceedings under the Act and Section 53753, except that it may be confirmed, modified, or corrected as provided in the Act.

Section 3. This Commission hereby sets 2:00 p.m., or as soon thereafter as the matter may be heard, on July 19, 2018, at the office of the California State Association of Counties, 1100 K Street, 1st Floor, Sacramento, California 95814, as the time and place for a public hearing of protests to the proposed financing of development impact fees and/or public capital improvements, the proposed levy of assessments, the amounts of individual assessments, and related matters as set forth in said report, and any interested person may appear and object to said financing of development impact fees and/or public capital improvements, or to the extent of said assessment district or to said proposed assessment.

Section 4. Staff is hereby directed to cause a notice of said public hearing to be given by mailing notices thereof, together with assessment ballots, in the time, form and manner provided by Section 53753, and upon the completion of the mailing of said notices and assessment ballots, staff is hereby directed to file with the Engineer of Work an affidavit setting forth the time and manner of the compliance with the requirements of law for mailing said notices and assessment ballots.

Section 5. David Taussig & Associates, Inc., Engineer of Work, 100 West San Fernando Street, Suite 430, San Jose, California 95113, (800) 969-4382, is hereby designated to answer inquiries regarding the report and the protest proceedings.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this 17th day of May, 2018.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 17, 2018.

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

**RESOLUTION NO. 18SCIP-41**

**RESOLUTION PRELIMINARILY APPROVING ENGINEER'S REPORT, SETTING DATE FOR PUBLIC HEARING OF PROTESTS AND PROVIDING FOR PROPERTY OWNER BALLOTS FOR CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 18-09 (CITY OF FOLSOM, COUNTY OF SACRAMENTO, CALIFORNIA)**

WHEREAS, at the direction of this Commission, David Taussig & Associates, Inc., as Engineer of Work for improvement proceedings in California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 18-09 (City of Folsom, County of Sacramento, California) has filed with the Authority the report described in Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913, hereafter in this resolution referred to as the "Act"), and containing the matters required by Article XIII D of the California Constitution ("Article XIII D"), and it is appropriate for this Commission to preliminarily approve said report and to schedule the public hearing of protests respecting said report.

NOW, THEREFORE, THE COMMISSION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY HEREBY FINDS, DETERMINES AND RESOLVES as follows:

Section 1. The foregoing recital is true and correct, and this Commission so finds and determines.

Section 2. This Commission preliminarily approves the report without modification, for the purpose of conducting a public hearing of protests as provided in the Act, Article XIII D, and Section 53753 of the California Government Code ("Section 53753"). Said report shall stand as the report for the purpose of all subsequent proceedings under the Act and Section 53753, except that it may be confirmed, modified, or corrected as provided in the Act.

Section 3. This Commission hereby sets 2:00 p.m., or as soon thereafter as the matter may be heard, on July 19, 2018, at the office of the California State Association of Counties, 1100 K Street, 1st Floor, Sacramento, California 95814, as the time and place for a public hearing of protests to the proposed financing of development impact fees and/or public capital improvements, the proposed levy of assessments, the amounts of individual assessments, and related matters as set forth in said report, and any interested person may appear and object to said financing of development impact fees and/or public capital improvements, or to the extent of said assessment district or to said proposed assessment.

Section 4. Staff is hereby directed to cause a notice of said public hearing to be given by mailing notices thereof, together with assessment ballots, in the time, form and manner provided by Section 53753, and upon the completion of the mailing of said notices and assessment ballots, staff is hereby directed to file with the Engineer of Work an affidavit setting forth the time and manner of the compliance with the requirements of law for mailing said notices and assessment ballots.

Section 5. David Taussig & Associates, Inc., Engineer of Work, 100 West San Fernando Street, Suite 430, San Jose, California 95113, (800) 969-4382, is hereby designated to answer inquiries regarding the report and the protest proceedings.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this 17th day of May, 2018.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on May 17, 2018.

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



## Agenda Item No. 8

### Agenda Report

**DATE:** May 17, 2018

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Bando, Executive Director

**PURPOSE:** Consideration of Petros PACE Finance as a commercial PACE administrator for the CSCDA Open PACE program

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#### **EXECUTIVE SUMMARY:**

CSCDA's current Open PACE program has four program administrators: Renew Financial, AllianceNRG, PACE Funding and CleanFund Commercial Capital. The concept of Open PACE is to provide CSCDA member cities and counties with a number of qualified program administrators that have been vetted and approved by the CSCDA Commission.

CSCDA Staff received a proposal from Petros PACE Finance ("Petros") for commercial PACE only under the CSCDA Open PACE program. After a review of the proposal and in-person interviews by the Executive Director and Commissioners Snellings and Moura, the recommendation before you today is to approve Petros as a program administrator under the CSCDA Open PACE platform.

#### **OVERVIEW:**

##### **Petros:**

Petros is Austin, Texas based and a national leader in providing low-cost, long-term PACE financing to commercial property owners. Petros PACE Finance has significant institutional backing and was founded by a team with a collective 60+ years of experience in building and assisting companies with strategic capital, advice, and strong business relationships.

Petros has been involved in the PACE market since 2010 and has played a major role in the implementation of many PACE programs across the country. They have closed and funded eight transactions in California, five of which have been under CSCDA program administrators.

Petros is currently operating under the California Municipal Financing Authority (CMFA) PACE platform. They will be terminating the relationship with CMFA due to the exclusivity requirement of the CSCDA Open PACE program. In addition, Petros anticipates hiring origination resources in California.

**RECOMMENDED ACTION:**

CSCDA's Executive Director recommends the approval of Petros PACE Finance as a new commercial program administrator under Open PACE. A contract for services will be brought back to the Commission for approval at a later date.