



REGULAR MEETING AGENDA
May 7, 2020 at 2:00 p.m.

Pursuant to Governor Newsom’s Executive Order, Commissioners of the California Statewide Community Development Authority or staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public may participate in the meeting telephonically. Members of the public may observe and offer comment at this meeting telephonically by dialing 267-930-4000, Passcode 977427837. If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”) please contact info@cscda.org or 1-800-531-7476 prior to the meeting for assistance.

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Kevin O’Rourke, Chair	_____ Brian Stiger, Member
_____ Tim Snellings, Vice Chair	_____ Marcia Raines, Member
_____ Brian Moura, Secretary	_____ Michael Cooper, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Niroop Srivatsa, Alt. Member
_____ Dan Mierzwa, Member	
2. Consideration of the Minutes of the April 16, 2020 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION

5. Community Facilities District No. 2020-01 (Sand Creek).
 - a. Conduct second reading and adopt “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2020-01 (Sand Creek), City of Antioch, County of Contra Costa, State of California”.

6. Community Facilities District No. 2019-01 (333 North Prairie).
 - a. Consideration of a resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2019-01, (333 North Prairie) Special Tax Bonds, Series 2020; 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.
7. Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney).
 - a. Consideration of a Resolution of the California Statewide Communities Development Authority amending Resolution 19SCIP-80, which approved the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney) Special Tax Bonds, Series 2019 among other things and authorized related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.
8. Consideration of ratification of Open PACE resolution related to refinancing of improvements for commercial properties under the CaliforniaFirst program.
9. Consideration of update to useful life term for HVAC under CSCDA Open PACE eligible measures.
10. Consideration of Open PACE Handbook & Documents for Global Pacific Capital.
11. Consideration of request for proposals for CSCDA short-term cash flow financing program.
12. CSCDA 3rd Quarter Financial Update. (Information Only)

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

13. Executive Director Update.
14. Staff Updates.
15. Adjourn.

NEXT MEETING: Thursday, May 21, 2020 at 2:00 p.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of Redwood Gardens Renewal LP (Redwood Gardens Apartments), City of Berkeley, County of Alameda; issue up to \$90 million in multi-family housing revenue bonds.
2. Inducement of OneEleven Ventures, LP (Centennial Square Apartments), City of Santa Maria, County of Santa Barbara; issue up to \$30 million in multi-family housing revenue bonds.
3. Consideration of membership to PACENation.

May 7, 2020



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

April 16, 2020 at 2:00 p.m.

Commission Chair Kevin O'Rourke called the meeting to order at 2:00 pm.

1. Roll Call.

Commission members participating via teleconference: Kevin O'Rourke, Tim Snellings, Brian Moura, Jordan Kaufman, Dan Mierzwa, Marcia Raines and Michael Cooper.

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sedy Young, CSAC Finance Corporation; Tricia Ortiz, Richards Watson & Gershon; Patricia Eichar, Orrick, Herrington & Sutcliffe; Besorah Won, Orrick, Herrington & Sutcliffe, and Holly Cordova, Public Member.

2. Consideration of the Minutes of April 2, 2020 Regular Meeting.

The Commission approved the April 2, 2020 Regular Meeting minutes.

Motion to approve by D. Mierzwa. Second by M. Raines. Unanimously approved by roll-call vote.

3. Public Comment.

There was no public comment.

4. 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. Viewpoint Educational Foundation (Viewpoint School), City of Calabasas, County of Los Angeles; issue up to \$40,000,000 in nonprofit tax-exempt obligations.

Executive Director Bando gave an overview of the project, and the financing complies with CSCDA's general and issuance policies. Viewpoint School has requested that CSCDA issue tax-exempt nonprofit revenue obligations to refinance certain educational facilities located on

its main campus. This is Viewpoint's fourth financing with CSCDA. CSCDA's Executive Director recommends that the Commission adopt the resolution.

Motion to approve and adopt by T. Snellings. Second by J. Kaufman. Unanimously approved by roll-call vote.

- b. Fairfield Hilltop LP (Hilltop Commons Apartments), Unincorporated County of Contra Costa; issue up to \$100,000,000 in multi-family housing revenue 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 acquisition and rehabilitation of a 324-unit rental affordable housing project. 53% of the units will remain rent restricted for low-income tenants. This is Fairfield's eighth financing with CSCDA. CSCDA's Executive Director recommended that the Commission adopt the resolution.

Motion to approve and adopt by B. Moura. Second by M. Raines. Unanimously approved by roll-call vote.

5. Community Facilities District No. 2020-01 (Sand Creek) ("CFD No. 2020-01"):

- a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):
 - i. Open CFD No. 2019-01 Public Hearing.
 - ii. Close CFD No. 2019-01 Public Hearing.

Commission Chair Kevin O'Rourke opened the public hearing with respect to Community Facilities District No. 2020-01 (Sand Creek). There were no oral or written comments from the public. The hearing was closed. All ballots have been cast in favor of formation of the community facilities district, and no ballots have been cast opposed. The community facilities district is being formed for the purpose of financing certain improvements and/or development impact fees.

Motion to close the public hearing by T. Snellings. M. Raines. Unanimously approved by roll-call vote.

- b. Consideration of the following resolutions with respect to formation of CFD No. 2020-01:
 - i. Resolution of formation establishing CFD No. 2020-01, designating Improvement Area No. 1 therein and providing for the levy of a special tax to finance certain public improvements, and identifying territory proposed for annexation to CFD No. 2020-01 in the future to levy special taxes therein.

Motion to approve by B. Moura. Second by J. Kaufman. Unanimously approved by roll-call vote.

- ii. Resolution deeming it necessary to incur bonded indebtedness to finance certain public improvements to mitigate the impacts of development within Improvement Area No. 1 of CFD No. 2020-01.

Motion to approve by B. Moura. Second by T. Snellings. Unanimously approved by roll call vote.

- iii. Resolution calling special mailed-ballot election within Improvement Area No. 1 of CFD No. 2020-01.

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

- c. Conduct special election within Improvement Area No. 1 of CFD No. 2020-01.
- d. Consider resolution declaring result of special mailed-ballot election within Improvement Area No. 1 of CFD No. 2020-01.

Motion to approve by T. Snellings. Second by B. Moura. Unanimously approved by roll-call vote.

- e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2020-01 (Sand Creek), City of Antioch, County of Contra Costa, State of California”.

Motion to waive the reading of the full ordinance and read by title only by M. Raines. Second by J. Kaufman. Unanimously approved by roll-call vote.

- 6. Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney)
 - a. Consideration of a Resolution of the California Statewide Communities Development Authority amending Resolution 19SCIP-80, which approved the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney) Special Tax Bonds, Series 2019 among other things and authorized related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

This item was postponed.

- 7. Consideration of resolution abandoning assessment district proceedings for Statewide Community Infrastructure Program Assessment District No. 17-03 (City of Rocklin, County of Placer, California).

Executive Director Bando informed the Commission that in May 2019 Toll Brothers purchased the above-referenced property from Granite Bay Development/Anthem United. Toll Brothers does not wish to proceed with the District, and is requesting the District be abandoned prior to homeowners moving in. CSCDA’s Executive Director recommends adopting the resolution abandoning assessment above.

Motion to approve by D. Mierzwa. Second by M. Raines. Unanimously approved by roll-call vote.

8. Consideration of the addition of Los Angeles County cities to Renovate America's Open PACE program.

CSCDA's Executive Director recommends authorizing Renovate America to operate in the referenced cities in the CSCDA Staff Report, and Renovate America applications received from April 3rd to April 16th, 2020 be processed under CSCDA's Open PACE program.

Motion to approve by B. Moura. Second by T. Snellings. Unanimously approved by roll-call vote

9. Consideration of Addendum to Richards, Watson Gershon Professional Services Agreement.

Executive Director Bando explained that Richards, Watson Gershon is contemplated for a current healthcare transaction CSCDA is processing that RWG serve as issuer counsel since Orrick, HerringtonSutcliffe is serving as bond and borrower counsel and would be conflicted to serve as issuer counsel. CSCDA's existing professional services agreement does not contemplate these services, and as such they are being added to the agreement. As with all issuer counsel service the fees are charged to the conduit borrower and not CSCDA. CSCDA's Executive Director recommends approval of the addendum to the Richards, Watson Gershon Professional Services Agreement.

Motion to approve by B. Moura. Second by T. Snellings. Unanimously approved by roll-call vote.

10. Market Update of CSCDA Activities (Informational Only).

Staff gave an in-depth overview of each CSCDA partner. Staff predicts that in the upcoming months some programs will slow down. Staff will provide a monthly report to the Commission, the League of California Cities, and CSAC.

11. Discuss Appointment of COVID-19 Related Solutions Ad-Hoc Committee.

The Commission discussed appointing Commission Members Stiger, Kaufman, and Moura to serve on the COVID-19 Related Solutions Ad-Hoc Committee. The committee will focus on aiding CSCDA through the COVID-19 pandemic.

12. Executive Director Update.

Executive Director Bando had no update

13. Staff Update.

Staff had no updates.

14. Adjourn.

The meeting was adjourned at 2:46 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, May 7, 2020 at 2:00 p.m.



Agenda Item No. 3

Agenda Report

DATE: May 7, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

1. Consideration of membership to PACENation.

PACENation is the nonprofit membership organization that advocates for expanded access to PACE financing. PACENation provides resources and support to local governments, businesses, and nonprofit organizations that are committed to allowing property owners to improve the efficiency and resiliency of their homes and businesses with PACE. CSCDA has a voice within PACENation as James Hamill was recently elected to the Board of Directors and appointed to the Executive Committee. The membership fee is \$1,000.

RESOLUTION NO. 20H-__

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY SETTING
FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE
MULTIFAMILY HOUSING REVENUE BONDS TO UNDERTAKE
THE FINANCING OF VARIOUS MULTIFAMILY RENTAL
HOUSING PROJECTS AND RELATED ACTIONS**

WHEREAS, the Authority is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue mortgage revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing multifamily rental housing projects; and

WHEREAS, the borrowers identified in Exhibit A hereto and/or related entities (collectively, the "Borrowers") have requested that the Authority issue and sell multifamily housing revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation or construction as set forth in Exhibit A, of certain multifamily rental housing developments identified in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Authority, in the course of assisting the Borrowers in financing the Projects, expects that the Borrowers have paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects within 60 days prior to the adoption of this Resolution and prior to the issuance of the Bonds for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the Authority wishes to declare its intention to authorize the issuance of Bonds for the purpose of financing costs of the Projects (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and condition as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to each Project set forth in Exhibit A; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued on behalf of for-profit borrowers in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (the “Committee”) for such allocation, and the Committee has certain policies that are to be satisfied in connection with any such application;

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

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby determines that it is necessary and desirable to provide financing for the Projects (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrowers to undertake the Projects, and nothing contained herein shall be construed to signify that the Projects comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and construction or rehabilitation of the Projects, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Project.

Section 3. This resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In such regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures.

Section 4. The officers and/or the program managers of the Authority are hereby authorized and directed to apply to the Committee for an allocation from the state ceiling of private activity bonds to be issued by the Authority for each of the Projects in an amount not to exceed the amounts set forth in Exhibit A, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this May 7, 2020.

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 said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on May 7, 2020.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Redwood Gardens Apartments	City of Berkeley, County of Alameda	169	Acquisition and Rehabilitation	Redwood Gardens Renewal LP	\$90,000,000
Centennial Square Apartments	City of Santa Maria, County of Santa Barbara	138	New Construction	OneEleven Ventures, LP	\$30,000,000



Agenda Item No. 5

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Sand Creek (City of Antioch) – Community Facilities District (CFD)

PURPOSE: Conduct second reading and adopt “Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2020-01 (Sand Creek), City of Antioch, County of Contra Costa, State of California”.

EXECUTIVE SUMMARY:

- On March 5, 2020 the Commission approved the joint community facilities agreement and the resolution of intention to establish the Sand Creek CFD in the City of Antioch.
- On April 16, 2020 the public hearing and election were held.
- On April 16, 2020 the Commission approved a resolution to form the CFD, and the first reading of the ordinance was conducted.

Today’s action is the second reading and adoption of the ordinance for the Sand Creek CFD.

The CFD is being formed to finance public facilities as outlined below.

BACKGROUND:

The proposed project consists of a residential development on 141.6 total acres, including up to 650 single-family residential units on 127.5 acres; 31.6 acres of parks and landscaped areas (some of which overlap with the residential area); extension of Heidorn Ranch Road, Hillcrest Avenue, and Sand Creek Road; extension of a portion of the Sand Creek Trail for connection to other City and regional trails; and utility improvements. The proposed project would be constructed in two main phases arranged into six neighborhoods. On-site infrastructure for the project would consist of subdivision roads, including curbs, gutters, and sidewalks, and water, sewer, and storm drainage connections and improvements.

The financing will not exceed \$15,000,000 and will be brought back to the Commission for final approval of the bond issuance.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following:

1. Conduct second reading and adopt "Ordinance Levying a Special Tax for Fiscal Year 2020-2021 and Following Fiscal Years Solely Within and Relating to Improvement Area No. 1 of the California Statewide Communities Development Authority Community Facilities District No. 2020-01 (Sand Creek), City of Antioch, County of Contra Costa, State of California". (Attachment A)

ATTACHMENT A

ORDINANCE NO. 20ORD-3

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**ORDINANCE LEVYING A SPECIAL TAX FOR FISCAL YEAR 2020-2021
AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO
IMPROVEMENT AREA NO. 1 OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY
FACILITIES DISTRICT NO. 2020-01 (SAND CREEK), CITY OF ANTIOCH,
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

BE IT ENACTED BY THE COMMISSION OF THE CALIFORNIA
STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY:

SECTION 1. Pursuant to California Government Code Sections 53316 and 53340, and in accordance with the Rate and Method of Apportionment (the “RMA”), as set forth in Exhibit E of Resolution No. 20SCIP-30 (the “Resolution of Intention”) adopted March 5, 2020, as incorporated into Resolution No. 20SCIP-31 (the “Resolution of Formation”) adopted April 16, 2020, with respect to the California Statewide Communities Development Authority Community Facilities District No. 2020-01 (Sand Creek), City of Antioch, County of Contra Costa, State of California (the “Community Facilities District”) including Improvement Area No. 1 therein (the “Improvement Area”), a special tax is hereby levied on all taxable parcels within the Improvement Area for the 2020-2021 fiscal year and for all subsequent fiscal years in the amount determined by the Community Facilities District in accordance with the RMA, until collection of the Special Tax by the Commission ceases and a Notice of Cessation of Special Tax is recorded in accordance with Section 53330.5 of the Act, provided that this amount may in any fiscal year be levied at a lesser amount by resolution of the Commission.

SECTION 2. The Authority’s special tax consultant, currently DTA, Inc. 99 Almaden Blvd, Suite 875, San Jose, California 95113, telephone (800) 969-4382, is authorized and directed, with the aid of the appropriate officers and agents of the Authority, to determine each year, without further action of the Commission, the appropriate amount of the Special Tax (pursuant to, and as that term is defined in, the Resolution of Formation) to be levied for the Improvement Area, to prepare the annual Special Tax roll in accordance with the RMA, and to present the roll to the Commission for consideration.

SECTION 3. Upon approval by the Commission, whether as submitted or as modified by the Commission, the special tax consultant is authorized and directed, without further action of the Commission, to provide all necessary and appropriate information to the Contra Costa County Auditor in proper form, and in proper time, necessary to effect the correct and timely billing and collection of the Special Tax on the secured property tax roll of the County; provided, that as stated in the Resolution of Formation and in Section 53340 of the California Government

Code, the Commission has reserved the right to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the Authority, including but not limited to, direct billing by the Authority to the property owners, supplemental billing and, under the circumstances provided by law, judicial foreclosure, all or any of which the Commission may implement in its discretion by resolution.

SECTION 4. The appropriate officers and agents of the Authority are authorized to make adjustments to the Special Tax roll prior to the final posting of the Special Tax to the Contra Costa County tax roll each fiscal year, as may be necessary to achieve a correct match of the Special Tax levy with the assessor's parcel numbers finally utilized by the Contra Costa County Auditor in sending out property tax bills.

SECTION 5. The Authority agrees that, in the event the Special Tax is collected on the secured tax roll of Contra Costa County, the County may charge its reasonable and agreed charges for collecting the Special Tax as allowed by law, prior to remitting the Special Tax collections to the Authority.

SECTION 6. Taxpayers claiming that the amount of the Special Tax on their property is not correct are referred to Section F of the RMA for the proper claims procedure.

SECTION 7. If for any cause any portion of this Ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel by a court of competent jurisdiction, the balance of this Ordinance, and the application of the Special Tax to all other parcels, shall not be affected.

SECTION 8. This Ordinance shall take effect and be in force thirty (30) days after its final passage; and before the expiration of fifteen (15) days after its passage the same shall be published, with the names of the members voting for and against the same, at least once in a newspaper of general circulation published and circulated in the area of the Community Facilities District.

* * *

I, the undersigned, the duly appointed and qualified representative of the Commission of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing ordinance was first read at a regular meeting of the Commission on April 16, 2020, and was duly passed and 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 7, 2020.

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
Authorized Signatory
California Statewide Communities
Development Authority



Agenda Item No. 6

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: 333 North Prairie (City of Inglewood) – Community Facilities District

PURPOSE: Consideration of a resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2019-01, (333 North Prairie) Special Tax Bonds, Series 2020; 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.

EXECUTIVE SUMMARY:

- On January 24, 2019 the Commission approved the following to initiate the formation of the 333 North Prairie CFD for the City of Inglewood: (1) a joint community facilities agreement; (2) a declaration of intention to levy a special tax; and (3) a resolution to incur bond indebtedness;
- On March 7, 2019 the public hearing was conducted, a resolution forming the district was approved and the election was conducted.

The actions requested today are the third and final step for the issuance of bonds for the 333 North Prairie CFD.

BACKGROUND:

The development project known as “333 North Prairie” in the City of Inglewood is owned by Harridge Development Group, LLC (the “Developer”) who bought the property in May of 2017.

The redevelopment of this 18-acre site included demolition of the shuttered Daniel Freeman Hospital. The Developer has requested the City to consider the formation of a community facilities district by CSCDA. 333 North Prairie is final mapped for 226 single-family detached condo units which are in contract to be built by two (2) national homebuilders, Pulte & KB Homes. The project is located on North Prairie Ave and Grace Ave in downtown Inglewood, and is one mile north of the new Los Angeles Stadium at Hollywood Park (new home of the NFL’s Los Angeles Rams & Chargers) which is scheduled for completion in 2020. The new stadium is expected to bring significant redevelopment opportunities to

Inglewood and the surrounding region in Los Angeles County with Super Bowl LVI being held there in 2022, hosting soccer matches as well as the opening & closing ceremonies of the 2028 Summer Olympics. The 333 North Prairie development project will promote economic development, the stimulation of economic activity, and increase the tax base within the City.

THE CFD:

The CFD will be authorized to finance public capital facilities and improvements including: City of Inglewood Sewer Connection Fees, Water Connection & Meter Fees & Park Fees as well as the Inglewood Unified School District's Development Impact Fee.

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Underwriter: RBC Capital Markets, San Francisco
Special Tax Consultant: DTA, Newport Beach

SB 450 Good Faith Estimates:

1. TIC: 5.15%
2. Sum of all fees and charges paid to third parties: \$459,276
3. Net Proceeds: \$4,583,244
4. Total Net Debt Service (+Annual Fees): \$12,507,875

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds	\$ 5,930,000
Premium	<u>\$ 0</u>
	\$ 5,930,000

Uses:

Project Fund	\$ 4,583,244
Capitalized Interest	\$ 370,625
Debt Service Reserve Fund	\$ 516,854
Cost of Issuance	\$ 340,676
Underwriter Discount	<u>\$ 118,600</u>
	\$ 5,930,000

FINANCE TERMS:

Rating: Non-rated
Term: 30 years
Structure: Fixed Rate
Method of Sale: Public Offering

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following actions and approving the resolutions:

1. Approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2019-01, (333 North Prairie) Special Tax Bonds, Series 2020;
2. Authorizing the execution and delivery of an indenture providing for the issuance of such bonds;
3. Approving a bond purchase contract providing for the sale of such bonds;
4. Approving an official statement;
5. Approving a continuing disclosure certificate;
6. 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.

Documents:

https://www.dropbox.com/sh/5w7jt4bf7ecilyx/AADxv0linpgvUYUkYLBfQy_fa?dl=0



Agenda Item No. 7

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: McSweeny (City of Hemet) – Community Facilities District

PURPOSE: Consideration of a Resolution of the California Statewide Communities Development Authority amending Resolution 19SCIP-80, which approved the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeny) Special Tax Bonds, Series 2019.

EXECUTIVE SUMMARY:

On July 25, 2019, the Commission approved the issuance of bonds for McSweeny Community Facilities District (CFD) No. 2018-02 located in the City of Hemet. Due to various delays in the bidding for the public improvements, the financing was delayed. The financing is now moving forward, however with the economic impact of COVID-19, the borrowing rate and lien to value ratio estimates for the financing have changed, and the authorizing resolution needs to be amended.

Exception to CSCDA Land Secured Policy:

Due to the decrease in the appraised value and the anticipated increase in the interest rate, the financing will not meet CSCDA's lien to value ratio Land Secured Financing Policy of a 3:1. The developer is requesting the approval of a 2.5:1 lien to value ratio for this financing. The attached letter from the City of Hemet (the "City") indicates that the 2.5:1 lien to value ratio is acceptable to the City. Due to the lower lien to value threshold the sale of the bonds will be restricted to qualified institutional buyers and/or accredited investors which prevents the sale of the bonds to unsophisticated investors. Furthermore, the sale of the bonds in the secondary market will be restricted to qualified institutional buyers and/or accredited investors until the lien to value ratio meets or exceeds a 4:1 value per an appraisal by CSCDA's engaged appraiser.

The McSweeny CFD will finance the following:

- Public Facilities
- State Street Improvements
- McSweeny Parkway Improvements
- Newport Road Improvements
- North Village Loop Improvements
- Master Plan Landscaping & Park Improvements (Park Areas 36 & 37)
- Drainage Improvements
 - Avery Canyon Wash
 - Lorenz Canyon Wash

Updated Estimates:

The updated estimates are outlined below.

1. TIC: 6.42%
2. Sum of all fees and charges paid to third parties: \$555,400
3. Net Proceeds: \$9,795,109
4. Total Net Debt Service (+Annual Fees): \$20,903,594

ESTIMATED SOURCES & USES:

Sources:	Current	July 25, 2019
Bond Proceeds	\$ 8,510,000	7,470,000.00
Developer Contribution	\$ 2,824,478	0
Premium	\$ 0	298,277.10
	\$ 11,334,478	7,768,277.10
Uses:		
Project Fund	\$ 9,795,109	6,260,000.00
Capitalized Interest	\$ 132,969	376,612.50
Debt Service Reserve Fund	\$ 851,000	653,739.76
Cost of Issuance	\$ 385,200	325,400.00
Underwriter Discount	\$ 170,200	149,400.00
Contingency	\$ 0	3,124.84
	\$ 11,334,478	7,768,277.10

The not-to-exceed amount for the bonds is also increasing from \$8MM to \$9MM.

FINANCE TERMS:

Rating: Non-rated
Term: 30 years
Structure: Fixed Rate
Method of Sale: Limited Offering to Qualified Institutional Buyers and/Accredited Investors

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following actions:

1. Consideration of a Resolution of the California Statewide Communities Development Authority amending Resolution 19SCIP-80, which approved the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeny) Special Tax Bonds, Series 2019.

ATTACHMENT A

RESOLUTION NO. 20SCIP-40

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AMENDING RESOLUTION 19SCIP-80, WHICH APPROVED THE ISSUANCE OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2018-02, IMPROVEMENT AREA NO. 1 (MCSWEENY) SPECIAL TAX BONDS, SERIES 2019 AMONG OTHER THINGS AND AUTHORIZED RELATED ACTIONS AND THE EXECUTION OF RELATED DOCUMENTS IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SUCH BONDS

WHEREAS, on July 25, 2019, the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) adopted Resolution 19SCIP-80 (the “Prior Resolution”), which, among other things, approved the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney) Special Tax Bonds, Series 2019 (the “Bonds”) for Improvement Area No. 1 of its Community Facilities District No. 2018-02 (McSweeney) (the “District”), as authorized by a joint community facilities agreement with the City of Hemet (the “Program Participant”); and

WHEREAS, due to development related delays, the sale of the Bonds was also delayed;

WHEREAS, as a result of the COVID-19 pandemic, the appraised value of the property was reevaluated and market conditions necessitate modification of the original bond sale parameters;

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 Authority as follows:

Section 1. The above recitals, and each of them, are true and correct. Capitalized terms used but not defined in this resolution shall have the meanings given to such terms in the Prior Resolution

Section 2. The Commission hereby amends Resolution 19SCIP-80 to provide that the aggregate principal amount of the Bonds shall not exceed \$9,000,000, the true interest cost on the Bonds shall not exceed 8.50%, the final maturity of the Bonds shall be not later than September 1, 2051, and the Bonds shall be designated “California Statewide Communities Development Authority Community Facilities District No. 2018-02, Improvement Area No. 1 (McSweeney) Special Tax Bonds, Series 2020.”

Section 3. Due to valuation adjustments as a result of the coronavirus outbreak, it is likely that the value of the property within the District will not equal three times the principal amount of bonds to be sold. Pursuant to Section 53345.8(c) of the Act, the Commission finds and determines that the proposed bond issue should proceed at an appraised value not less than two times the principal amount of bonds to be sold for the following policy reasons, provided by the Program Participant: (1) the Program Participant has already obtained bids from to construct the improvements, based on the expected value prior to the COVID-19 crisis; (2) the infrastructure to be financed is necessary and important to alleviate the flood plain for certain parcels within the District; and (3) the financing is important to the Program Participant because development of the District will provide additional necessary homes for the Program Participant. The Authority determines in its sole discretion that it is necessary and desirable to waive certain of its Local Goals and Policies, including those relating to value to lien ratios, to the extent the issuance of the Bonds does not conform thereto. In connection with such waiver of the Authority's Local Goals and Policies, the Authority finds and determines that the Bonds shall be sold and transferred only to Qualified Institutional Buyers as defined under Rule 144A of the Securities Act of 1933, as amended, and other Accredited Investors as defined under Regulation D of the Securities Act of 1933, as amended, and shall be subject to such restriction on transfer until the value to lien ratio is at least 4:1.

Section 4. Except as provided herein, the Prior Resolution remains in full force and effect. This resolution shall take effect from the date of its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 7th day of May, 2020.

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 7, 2020, by the following roll call vote:

AYES:

NOES

ABSENT:

ABSTAINED:

By: _____

Authorized Signatory
California Statewide Communities
Development Authority



City of Hemet

510 EAST FLORIDA AVENUE - HEMET, CALIFORNIA 92543 - (951) 765-2360

From the
Office of
ENGINEERING DEPT.

April 21, 2020

Via Email Delivery

California Statewide Communities
Development Authority
1100 K Street, Suite 101
Sacramento, CA 95814
Email: jhamill@cscda.org

To the Commission of the California Statewide Communities Development Authority:

The City of Hemet (the "City") has previously entered into a joint community facilities agreement with the California Statewide Communities Development Authority (the "Authority"), pursuant to which the Authority formed the California Statewide Communities Development Authority Community Facilities District No. 2018-02 (McSweeny) (the "District") and designated two improvement areas therein. The initial bond issuance for the District will be used to finance certain necessary public capital improvements for development within the City, including but not limited to the Cactus Valley Wash Overcrossings, which will assist the City with alleviating flood plain.

Although the property within the first improvement area initially appraised at three times the proposed bond issuance necessary to fund the improvements, since the COVID-19 pandemic has become a crisis, the appraisal has been reduced such that the appraiser's estimate of value is now not quite three times the proposed bond issuance.

Pursuant to Section 53345.8 of the Government Code, the Authority must determine prior to the award of sale of bonds that the value of the real property that would be subject to the special tax to pay debt service on the bonds will be at least three times the principal amount of the principal amount of the bonds to be sold and any other parity debt. However, if the Commission finds and determines by a vote of not less than four-fifths of all of its members that the proposed bond issue should proceed for specified public policy reasons, the requirement for a three times value to lien ratio may be disregarded.

California Statewide Communities

Development Authority

April 2, 2020

Page 2

The City, as the local agency participant for the District, requests that the Authority consider the following public policy reasons to disregard the value to lien ratio requirement:

1. The City has already obtained bids from to construct the improvements, based on the expected value prior to the COVID-19 crisis;
2. The infrastructure is necessary and important to alleviate the flood plain for certain parcels within the District; and
3. The financing is important to the City because development of the District will provide additional necessary homes for the City of Hemet.

Sincerely,



Steve Loriso
City of Hemet
Acting City Engineer



Agenda Item No. 8

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of ratification of Open PACE resolution related to refinancing of improvements for commercial properties under the CaliforniaFirst program.

SUMMARY:

In 2014 the Commission approved the documents associated with the Open PACE program. The Open PACE program expanded CSCDA PACE offerings from one provider, CaliforniaFirst, to multiple providers. The 2014 Open PACE documents incorporated a PACE statute provision which allows the refinancing of eligible improvements to commercial properties for up to three years. This PACE statute provision was not incorporated in the CaliforniaFirst documents that were approved in 2012.

The request to the Commission today is to ratify the 2012 CaliforniaFirst resolution to incorporate the refinancing mechanism for commercial PACE. This will only apply to commercial PACE and not residential PACE.

RECOMMENDATION:

The Executive Director recommends adoption of the attached resolution that ratifies the Open PACE resolution related to refinancing of improvements for commercial properties under the CaliforniaFirst program.

ATTACHMENT A

RESOLUTION NO. _____

**A RESOLUTION APPROVING THE REFINANCING OF PROPERTY
ASSESSED CLEAN ENERGY IMPROVEMENTS
BY CSCDA OPEN PACE**

CSCDA Open PACE

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is authorized under Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") and a joint exercise of powers agreement entered into by a number of California cities, counties and special districts in accordance with the Act to authorize assessments to finance or refinance the installation of distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, seismic strengthening improvements, electric vehicle charging infrastructure and such other work, infrastructure or improvements as may be authorized by law from time to time that are permanently fixed to real property (the "Authorized Improvements"), all in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California, as amended ("Chapter 29"); and

WHEREAS, the Authority operates a platform to provide financing for Authorized Improvements under Chapter 29 known as "CSCDA Open PACE"; and

WHEREAS, the CSCDA Open PACE platform allows program administrators and capital providers to finance Authorized Improvements for residential property with fewer than four residential units ("Residential PACE") and nonresidential property and residential property with four or more units ("C-PACE"); and

WHEREAS, under Section 5898.18 of Chapter 29, the Authority may provide refinancing of Authorized Improvements only if the Commission concludes that it will result in an increased adoption of Authorized Improvements; and

WHEREAS, various C-PACE administrators and capital providers have asked the Authority to provide refinancing of Authorized Improvements, including, but not limited to, refinancing of outstanding loans (including prior PACE financing and non-PACE financing) and reimbursing property owners for self-financing; and

WEREAS, the Commission has been presented with information that the refinancing of Authorized Improvements will result in an increased adoption of Authorized Improvements.

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

1. The foregoing recitals are true and correct.
2. The Commission hereby concludes and ratifies its prior conclusion that the refinancing of Authorized Improvements will result in an increased adoption of Authorized Improvements and is in the public interest and in the best interest of CSCDA Open PACE

3. The Commission hereby authorizes and ratifies its prior authorization for the Authority to provide refinancing of Authorized Improvements.

3. The Commission directs the Executive Director and CSCDA PACE Subcommittee to establish rules for the refinancing of Authorized Improvements.

4. All actions heretofore taken by the officers and agents of the Authority with respect to the matters contemplated by this Resolution are hereby approved, confirmed and ratified, and the proper officers of the Authority, including any Authorized Signatory, are hereby authorized, 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, assignments, notes and other documents that they, or any of them, may deem necessary or advisable in order to consummate the matters contemplated by this Resolution.

5. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this ____ day of _____ 2020.

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 _____, 2020.

By: _____
Authorized Signatory
California Statewide
Communities Development Authority



Agenda Item No. 9

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of update to useful life term for HVAC under CSCDA Open PACE eligible measures.

SUMMARY:

Pursuant to the authorizing statutes for PACE the financing of eligible measures cannot exceed the useful life of such measure. The current useful life for HVAC systems under the Open PACE program is 15 years. We have been made aware that this useful life is no longer in line with current standards, and other PACE joint powers authorities, such as the Western Riverside Council of Governments (WRCOG), have increased the useful life to 20 years.

DISCUSSION:

CSCDA staff have researched various measurements of useful life for HVAC systems. This includes data from the U.S. Department of Energy, manufacturers of HVAC systems and depreciation measures from the IRS. The range of useful life for such HVAC systems is from 20-27 years. In light of this data, and that WRCOG is offering useful life terms of 20 years, the recommendation is for CSCDA to adjust the useful life term from 15 years to 20 years.

RECOMMENDATION:

The Executive Director recommends updating the useful life term for HVAC systems under the Open PACE program from 15 years to 20 years.



Agenda Item No. 10

Agenda Report

DATE: May 7, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consideration of Open PACE Handbook & Documents for Global Pacific Capital LLC

EXECUTIVE SUMMARY:

CSCDA's Open PACE program currently has eleven program administrators: Renew Financial, AllianceNRG/Counterpointe, PACE Funding, CleanFund Commercial Capital, Petros PACE Finance, Greenworks Lending, PACE Equity, White Oak Advisors, Fortifi, LordCap and Stonehill.

The request today is for the approval of form documents for Global Pacific Capital LLC to finance commercial PACE projects through CSCDA on a conduit basis, not as a program administrator.

About Global Pacific Capital LLC

Global Pacific Capital LLC is a specialty finance company providing capital to unique projects across real estate, private equity, and commercial PACE. Its mission is to provide innovative solutions to capital needs.

Tom Neukranz is the Founder of Global Pacific Capital LLC, (GPC), and is responsible for the overall direction and day to day operations of the firm. He is the Chairman of the Global Pacific Capital Executive Committee and ultimately responsible for investment decisions. Prior to GPC, Tom spent many years in the investment management and capital markets derivatives businesses both in San Francisco and New York. He has investment management experience with RS Investments and ING, where he was Head of Institutional sales nationally, and in the Western US, and capital markets derivatives experience with Goldman Sachs, JP Morgan, and Lehman Brothers.

GPC will engage a team comprised of firms similar to those required for an assessment district financing or community facilities district, in order to administer each PACE financing.

In order to complete this structure with CSCDA the program documents that outline the parameters of the commercial PACE financing are required to be approved.

OVERVIEW:

Attached are the documents GPC is proposing to utilize. Staff and counsel, Jones Hall, have reviewed the program handbook and related documents. The documents meet all of CSCDA's general, issuance and PACE guidelines.

All commercial PACE transactions originated by GPC will be brought back to the Commission for approval.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the documents for Global Pacific Capital LLC relating to commercial PACE projects.

Attachment: Global Pacific Capital, LLC Documents:

<https://www.dropbox.com/sh/80d7hld71u2ntov/AABD1XzJCQwygG2-zuqWr6n9a?dl=0>

ATTACHMENT A

RESOLUTION NO. 20R-__

A RESOLUTION DIRECTING AND APPROVING THE FORMS OF CERTAIN DOCUMENTS TO BE USED IN CONNECTION WITH THE ISSUANCE OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY OPEN PACE LIMITED OBLIGATION IMPROVEMENT BONDS WHERE GLOBAL PACIFIC CAPITAL, LLC PROVIDES FINANCING, DIRECTING STAFF TO REPORT TO THE COMMISSION, AND APPROVING RELATED DOCUMENTS AND ACTIONS

CSCDA Open PACE

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized under Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the “Act”) and a joint exercise of powers agreement entered into by a number of California cities, counties and special districts in accordance with the Act to authorize assessments to finance or refinance the installation of distributed generation renewable energy sources, energy efficiency improvements, water efficiency improvements, seismic strengthening improvements, electric vehicle charging infrastructure and such other work, infrastructure or improvements as may be authorized by law from time to time that are permanently fixed to real property (the “Authorized Improvements”), all in accordance with Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California, as amended (“Chapter 29”); and

WHEREAS, the Authority operates a platform to provide financing for Authorized Improvements under Chapter 29 known as “CSCDA Open PACE”; and

WHEREAS, as part of CSCDA Open PACE, the Authority has established (i) the CaliforniaFIRST Program pursuant to the resolutions listed in Exhibit A hereto under the headings “Resolution of Intention” and “Resolution Confirming Report” and (ii) the CSCDA Open PACE Program pursuant to the resolutions listed in Exhibit B hereto under the headings “Resolution of Intention” and “Resolution Confirming Report”; and

WHEREAS, pursuant to the Resolutions of Intention described above, the Commission of the Authority provided for the issuance of one or more series of improvement bonds pursuant to the Improvement Bond Act of 1915, Division 10 of the Streets and Highways Code of the State of California (the “Bond Law”); and

WHEREAS, pursuant to the resolutions listed in Exhibit A and Exhibit B hereto under the headings “Bond Resolution,” the Commission of the Authority authorized the issuance of limited obligation improvement bonds in one or more series from time to time (the “Bonds”) for the purpose, among others, of financing or refinancing the installation of Authorized Improvements; and

WHEREAS, Global Pacific Capital, LLC (“Global Pacific Capital, LLC”) has asked the Commission to approve the forms of documents to be used in commercial CSCDA Open PACE

financings when Global Pacific Capital, LLC provides financing, and has made the forms of certain documents available to the Commission; and

WHEREAS, this Commission wishes to direct and approve the forms of such documents.

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

Section 1. For financings under the CSCDA Open PACE Program where Global Pacific Capital, LLC provides financing, this Commission hereby approves the forms of Indenture and Assessment Contract on file with the Secretary.

For financings under the CaliforniaFIRST Program where Global Pacific Capital, LLC provides financing, this Commission hereby directs the use of the forms of Indenture and Assessment Contract approved by this Commission pursuant to Resolution No. 17R-2.

The Commission hereby authorizes and directs an Authorized Representative to execute the agreements approved by this Commission for and in the name of the Authority in connection with the issuance of Bonds, with such changes to the forms of such agreements as are approved by an Authorized Representative. The Commission hereby further authorizes the delivery and performance by this Authority of such agreements in connection with the issuance of Bonds.

Section 2. No later than the date on which the Authority issues \$250 million of Bonds where Global Pacific Capital, LLC provides financing, staff shall return to the Commission with a report on Global Pacific Capital, LLC's participation in CSCDA Open PACE and all such outstanding Bonds.

Section 3. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this ____ day of ____ 2020.

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 _____, 2019.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

CaliforniaFIRST Program Resolution of Intention, Resolution Confirming Report and Bond Resolution

Resolution of Intention:

Covered Jurisdiction	Resolution #	Date
Alameda County	10R-15	1/27/2010
Fresno County	10R-2	1/27/2010
Kern County	10R-3	1/27/2010
Marin County	13R-21	9/20/2013
Monterey County	10R-4	1/27/2010
Napa County	13R-22	9/20/2013
Sacramento County	10R-5	1/27/2010
San Benito County	10R-6	1/27/2010
San Diego County	10R-7	1/27/2010
San Luis Obispo County	10R-8	1/27/2010
San Mateo County	10R-9	1/27/2010
Santa Clara County	10R-10	1/27/2010
Santa Cruz County	10R-11	1/27/2010
Solano County	10R-12	1/27/2010
Tulare County	13R-23	9/20/2013
Ventura County	10R-13	1/27/2010
Yolo County	10R-14	1/27/2010
2014 Program Expansion	14R-18	4/17/2014
All Covered Jurisdictions	15R-59*	10/8/2015

* Added seismic improvements, electric car charging infrastructure and all other improvements authorized by Chapter 29.

Resolution Confirming Report:

Covered Jurisdiction	Resolution #	Date
Alameda County	10R-45	3/10/2010
Fresno County	10R-46	3/10/2010
Kern County	10R-47	3/10/2010
Marin County	13R-29	10/24/2013
Monterey County	10R-48	3/10/2010
Napa County	13R-30	10/24/2013
Sacramento County	10R-51	3/10/2010
San Benito County	10R-52	3/10/2010
San Diego County	10R-53	3/10/2010
San Luis Obispo County	10R-54	3/10/2010
San Mateo County	10R-55	3/10/2010
Santa Clara County	10R-49	3/10/2010
Santa Cruz County	10R-50	3/10/2010
Solano County	10R-56	3/10/2010
Tulare County	13R-28	10/24/2013
Ventura County	10R-57	3/10/2010
Yolo County	10R-58	3/10/2010
2014 Program Expansion	14R-32	7/17/2014

Bond Resolution:

Covered Jurisdiction	Resolution #	Date
Alameda County	10R-29	3/10/2010
Fresno County	10R-30	3/10/2010
Kern County	10R-31	3/10/2010
Marin County	13R-35	10/24/2013
Monterey County	10R-32	3/10/2010
Napa County	13R-36	10/24/2013
Sacramento County	10R-35	3/10/2010
San Benito County	10R-36	3/10/2010
San Diego County	10R-37	3/10/2010
San Luis Obispo County	10R-38	3/10/2010
San Mateo County	10R-39	3/10/2010
Santa Clara County	10R-33	3/10/2010
Santa Cruz County	10R-34	3/10/2010
Solano County	10R-40	3/10/2010
Tulare County	13R-34	10/24/2013
2014 Program Expansion	14R-31	7/17/2014
Ventura County	10R-41	3/10/2010
Yolo County	10R-42	3/10/2010

EXHIBIT B

CSCDA Open PACE Program Resolution of Intention, Resolution Confirming Report and Bond Resolution

Resolution of Intention:

Resolution #	Date
14R-61	11/06/2014

Resolution Confirming Report:

Resolution #	Date
14R-66	12/04/2014

Bond Resolution:

Resolution #	Date
14R-67	12/04/2014



Agenda Item No. 11

Agenda Report

DATE: May 7, 2020

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of request for proposals for CSCDA short-term cash flow financing program.

SUMMARY/DISCUSSION:

Due to the economic impacts of COVID-19, many cities, counties and special districts are or will be facing significant budget shortfalls and constraints. The CSCDA COVID-19 ad hoc committee met and recommends that the Commission approve a form of request for proposals (RFP) to bond underwriters to create a financing solution for CSCDA's members.

RECOMMENDATION:

The Executive Director recommends the approval a Draft RFP, and requests that the Commission authorize the CSCDA COVID-19 ad hoc committee to make changes to the Draft RFP and to determine the appropriate timing of the distribution of the RFP to the public finance community. If proposals are received, the ad hoc committee will review proposals and will bring back recommendations to the Commission for approval before proceeding with a new financing program. (Attachment A)

ATTACHMENT A

May __, 2020

REQUEST FOR PROPOSAL FOR UNDERWRITING SERVICES California Statewide Communities Development Authority (CSCDA)

The California Statewide Communities Development Authority (CSCDA) is inviting qualified firms to submit proposals to develop, manage or participate in the development and management of a short term financing program to be offered to California local agencies that have been economically impacted by the COVID-19 health crisis. The financing program may involve the sale by CSCDA of Tax and Revenue Anticipation Notes (TRANs) or other securities identified by the proposer.

BACKGROUND

CSCDA was created in 1988, under California's Joint Exercise of Powers Act, by the League of California Cities and California State Association of Counties to provide California's local governments with an effective tool for the timely financing of community-based public benefit projects.

Currently, more than 530 cities, counties and special districts are members of CSCDA – which serves as their conduit issuer and provides access to an efficient mechanism to finance locally-approved projects. CSCDA helps local governments build community infrastructure, provide affordable housing, create jobs, make access available to quality healthcare and education, and more. CSCDA provides an important resource to our local government members.

Since 1988, CSCDA has issued bonds in excess of \$60 billion for various financings for public agencies, including operating a TRAN program for over 15 years. Due to the economic difficulties many CSCDA members are facing due to the COVID-19 health crisis, the goal of the CSCDA Commission is to offer its members a short-term cash flow financing tool.

SCOPE OF SERVICES

The scope of services to be provided by the selected firm(s) will include, but not be limited to, the following:

1. Evaluate and assist in establishing plans and objectives regarding the development of a short-term financing program; assist in the identification of financing alternatives; and recommend adjustments where appropriate.
2. Assist CSCDA in the successful structuring, marketing, and sale of the debt obligations to achieve the lowest possible borrowing costs.
3. Assist CSCDA and its administrators, the League of California Cities and the California

State Association of Counties (CSAC), with communication and outreach to member agencies.

4. Assist in the preparation of the official statement and other legal and disclosure documents used in connection with the sale of the notes.
5. Manage the rating agency process for participating local agencies.
6. Recommend credit structures which most efficiently achieve CSCDA and its member agencies' financing objectives while providing feedback regarding investor acceptance and preferences.
7. Manage or participate in an underwriting syndicate selected by CSCDA to underwrite and market the debt obligations to investors to achieve the most beneficial overall interest cost.
8. Assist CSCDA in the post-financing evaluation process through the timely submittal of all required reports, post-sale descriptions which include: the manner in which the CSCDA's debt obligations were sold, feedback from investors, and sales performance of the various members of the underwriting team.

PROPOSAL CONTENT

Proposals shall be limited to **a maximum of 12 pages (no smaller than 12 point font shall be used)**, excluding appendices. The proposal shall be delivered in electronic format only.

Firm Overview

1. Briefly describe the structure of your firm, including the number of nationwide municipal finance employees as well as those based in California. Identify the location of your firm's offices in California.
2. Answer the following questions, and, if the response is affirmative, provide details and explanation in an appendix:
 - a. Within the past 24 months, has your firm and/or any of its employees been the subject of any investigation relating to the municipal industry by the SEC, NASD, NYSE, or any other State or Federal organization that oversees, regulates, licenses or is otherwise responsible for the municipal industry?
 - b. Within the past 24 months, has your firm and/or any of its employees been involved in any litigation, arbitration, disciplinary, or other actions arising from the firm's underwriting, management, derivatives, or municipal securities activities?
 - c. Is there any compensation arrangement or relationship between your firm and any other non-affiliated firm(s) or individuals that may be associated with or impact your possible engagement in the CSCDA's financing program? Is your firm receiving/paying any payment or consideration of any kind for securing the CSCDA's work?

Personnel

Please identify personnel from your firm who will be involved in the debt offering. Short professional resumes of the individuals may be provided in an Appendix (which will not count

against the page limit). In the body of the proposal, provide the following information:

1. Identify the individual (Day-to-Day Contact) who will have the primary responsibility for your firm's relationship with CSCDA. Provide a brief summary of the Day-to-Day Contact's relevant experience. (Additional experience may be provided in the Appendix with resumes.)
2. Identify a second individual (Back-Up Day-to-Day Contact) who will also have responsibility for your firm's relationship with CSCDA. Provide a brief summary of the Back-Up Day-to-Day Contact's relevant experience. (Additional experience may be provided in the Appendix with resumes.)
3. Identify additional personnel from your firm who will be involved in the structuring and marketing of the program to local agencies.
4. Identify sales, trading and underwriting personnel at your firm who will be involved in the marketing and distribution of the debt offering to investors.

Relevant Experience/Bond Structuring

1. Describe your firm's California TRAns and other short-term financing underwriting experience. In an Appendix, include a list of short term financing experience for the last five years including the name of the issuer, the size of the issue, the date of the financing, the structure of the issue, ratings, coupon, reoffering yield and the role of your firm
2. Provide a discussion of your recommended financing approach for the debt issue. Discuss credit structuring options including whether credit enhancement would be available at a cost that would lower the borrowing cost to local agencies. If credit enhancement is recommended, how would the costs be equitably allocated to the various credits in a pooled structure?
3. Discuss the timing requirements to develop a financing program and identify how quickly CSCDA could access the market.
4. Discuss the applicability of other financing vehicles and other alternative products your institution may offer.

Municipal Advisor

What recommendations to you have regarding municipal advisors? Do you recommend that CSCDA appoint a single municipal advisory firm for the entire transaction? Do you recommend that CSCDA allow local agencies to engage their own municipal advisor? Do you recommend that CSCDA appoint a municipal advisory firm that would be available for local agencies that do not have an advisor?

Local Agency Marketing

1. Discuss your marketing plan to local agencies.
2. How would you involve municipal advisory firms in the marketing of the financing program to local agencies?

Marketing and Distribution of Debt Offering

1. Discuss your marketing and distribution plan for the debt offering.
2. Identify the primary investors. Will the offering be sold primarily to retail or institutional investors?

Bond Counsel

Please identify and rank law firms (first, second, third, etc.) that you recommend serve as Bond Counsel on the transaction. Please describe the basis of your recommendation.

Syndicate Structure

Discuss your recommendations for the syndicate structure, including number of co-managers, syndicate liabilities and designation rules for the note sale.

Compensation

Include your proposal for underwriter's spread, specifying management fee (if any), takedown and estimated expenses. Please specify expenses to be covered, including underwriter's counsel.

References

Provide a minimum of three (3) references for work similar to the services being solicited in this RFP. Furnish the name, title, address, telephone number, and e-mail address of the person(s) at the client organization who is most knowledgeable about the work performed. References may also be supplied from other work not cited in this section as related experience.

ADDITIONAL INFORMATION

1. CSCDA will not be liable for any cost incurred in the preparation of proposals.
2. The submission of a proposal shall be evidence that the Proposer has full knowledge of the scope, nature, quantity and quality of work to be performed; the detailed requirements of the specifications; and the conditions under which the work will be performed.
3. The Proposer shall furnish CSCDA such additional information as CSCDA may reasonably require.
4. CSCDA reserves the right to conduct personal interviews of any or all Proposers prior to selection. While CSCDA expects to conduct such interviews by video conference, CSCDA will not be liable for any costs incurred by the Proposer in connection with such interview.
5. CSCDA reserves the right to conduct pre-contract negotiations with any or all potential Proposers.
6. CSCDA reserves the right to reject any or all proposals, the right of CSCDA in its sole discretion to accept the proposal(s) it considers most favorable to CSCDA's interest and the right to waive minor irregularities in the procedures. CSCDA further reserves the right to reject all proposals

and seek new proposals when such procedure is reasonably in the best interest of CSCDA.

QUESTIONS

Questions should be directed to James Hamill at jhamill@cscda.org by no later than _____ at 5:00pm Pacific. CSCDA Commissioners, League of California Cities and CSAC personnel should not be contacted in connection with this RFP.

SELECTION CRITERIA AND EVALUATION OF PROPOSALS

Your proposal will be evaluated in accordance with your response to the questions listed in the Proposal Content above. Proposals will be evaluated for specificity, completeness, demonstrated knowledge of TRANS, experience with and ability to underwrite and market TRANS, historical and ongoing support of CSCDA efforts, relevant experiences and qualifications of personnel, and your estimate of fees. A panel, made up of CSCDA staff and CSCDA Commissioners will evaluate your proposal. CSCDA will determine the size and composition of the management group as part of the selection process.

SCHEDULE

Underwriter RFP Sent	_____
Questions from Proposers Due	_____
RFP Due to the CSCDA	_____
Interviews will be held	_____
Underwriter Selection	_____

SUBMITTAL INSTRUCTIONS

Due Date: _____ **12:00 NOON PST**

Please submit your proposal via email to:

Cathy Bando
Executive Director
CSCDA
cbando@cscda.org

James Hamill
Managing Director
CSCDA
jhamill@cscda.org



Agenda Item No. 12

Agenda Report

DATE: May 7, 2020
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Review of Third Quarter FY 2019-20 Financials and Bank Account Activity

CSCDA's third quarter bank account activity and budget to actual figures for FY 2019-20 are provided on the attached financial reports.

FY 2019-20 Q3 BUDGET REPORT:

The budget report provides FY 2018-19 actual figures for CSCDA, 2019-20 budget information, and actual figures for the quarter ending March 31, 2020. The variances represent 2019-20 budget figures compared to actual amounts received or disbursed through March 31, 2020. While CSCDA's receipts and disbursements are annual figures and not budgeted on a quarterly basis, a variance of 75% reflects that the amount is on target for the third quarter while variances below 75% are below budget and variances above 75% are above budget.

1. **Issuance Fee Receipts** - Issuance fees received through the second quarter were \$4.06 million which represented 81.2% of the annual budget, or \$312 thousand over the third quarter budget amount.
 - **Qualified 501(c)(3)** issuance fees were at 46% of the amount budgeted for the year and behind the third quarter budget by about \$100 thousand.
 - **Affordable Housing** was above budget at 105% of the amount budgeted for the fiscal year, representing \$331 thousand above the third quarter budget amount.
 - **PACE** generated \$1.7 million in fees representing 88% of the amount budgeted for the year, or \$266 thousand above the third quarter budget amount.
 - **SCIP/CFD** issuance fees were at 60% of the amount budgeted for the year and behind the third quarter budget amount by \$225 thousand.
 - **Other Municipal Bond Programs** are above budget at 87% reflecting the cyclical and infrequent nature of other municipal bond programs.
2. **Bond Administrative Fee Receipts** - Bond administrative fee collections were \$7.3 million and on target for the budget for the third quarter of the year.
3. **Issuance Fee Disbursements** - Issuance fee disbursements were \$4 million representing 80% of the amount budgeted for the year.
4. **Bond Administration Fee Disbursements** - Bond Administration Fee Disbursements were \$6.7 million at 71% of the amount budgeted for the year.

5. **General Administrative** - General Administrative disbursements equal to \$269 thousand were below the amount budgeted through the third quarter of the year at 62% of the annual amount.

BANK ACCOUNT ACTIVITY:

CSCDA's fee collections are disbursed monthly after funding the professional services and operations accounts. Receipts, disbursements and balances as of March 31, 2020 in the two accounts are provided below.

1. **Professional Services Account**

- Deposits of \$331 thousand and disbursements of \$299 thousand have been made through the third quarter of the fiscal year.
- The balance as of March 31, 2020 was \$125 thousand.

2. **Operations Account**

- The balance as of March 31, 2020 was \$312 thousand and is slightly above the targeted amount of \$300 thousand for the account.

SUMMARY AND QUESTIONS

CSCDA staff and League accounting personnel are available to respond to any questions the Commissioners may have about the attached FY2020 Q3 financial reports.

CSCDA
Budget-to-Actual Comparison for the Nine Months Ended March 31, 2020

	Actual 2018-19	Budget 2019-20	YTD 2019-20	Variance 2019-20
Amounts collected				
Issuance fees				
Qualified 501 (c)(3)	484,368	350,000	162,033	46.30%
Qualified residential rental program	807,450	1,100,000	1,156,244	105.11%
PACE	1,931,478	2,000,000	1,766,013	88.30%
SCIP / Mello Roos	1,651,675	1,500,000	899,700	59.98%
Other municipal bond programs	44,375	50,000	43,750	87.50%
Investment income	35,531	0	34,360	
Total issuance fees	4,954,877	5,000,000	4,062,100	81.24%
Bond administrative fees				
Qualified 501 (c)(3)	2,084,257	1,800,000	1,359,543	75.53%
Qualified residential rental program	6,941,473	7,200,000	5,050,777	70.15%
SCIP / Mello Roos	481,890	500,000	470,511	94.10%
Other municipal bond programs	386,670	370,000	193,600	52.32%
Investment income	262,930	0	281,755	
Total bond administrative fees	10,157,219	9,870,000	7,356,186	74.53%
Total amounts collected	15,112,097	14,870,000	11,418,286	76.79%
Amounts disbursed				
Issuance				
Program management fees - BSP	2,374,239	2,600,000	2,051,775	78.91%
Program governance fees - CSAC	1,272,554	1,200,000	987,983	82.33%
Program governance fees - League	1,272,554	1,200,000	987,983	82.33%
Total issuance	4,919,346	5,000,000	4,027,740	80.55%
Bond administration				
Program administration fees - BSP	685,918	720,000	699,226	97.11%
Compliance/portfolio monitoring fees - BSP	369,988	385,000	319,548	83.00%
Prior administration fees - HB Capital	4,901,494	4,775,000	3,141,479	65.79%
Program governance fees - CSAC	1,637,478	1,690,000	1,218,819	72.12%
Program governance fees - League	1,637,478	1,690,000	1,218,819	72.12%
Compliance fees - Urban Futures	185,300	175,000	138,600	79.20%
Total bond administration	9,417,656	9,435,000	6,736,490	71.40%
Subtotal Issuance & Bond Administration	14,337,002	14,435,000	10,764,230	74.57%

CSCDA
Budget-to-Actual Comparison for the Nine Months Ended March 31, 2020

	Actual 2018-19	Budget 2019-20	YTD 2019-20	Variance 2019-20
General administrative				
Executive Director	68,271	72,000	47,543	66.03%
General Counsel - Richards Watson Gershon	155,006	60,000	30,151	50.25%
Insurance	26,954	30,000	542	1.81%
Board travel reimbursements	1,914	2,000	1,759	87.93%
Issuer counsel - Orrick	90,000	100,000	50,000	50.00%
Auditor - MUN CPAs	15,900	20,000	15,900	79.50%
Other professional services	6,729	5,000	0	0.00%
BSP municipal advisor fee	24,000	24,000	18,000	75.00%
Bank service fees	3,150	7,000	3,150	45.00%
Marketing and Sponsorships	94,993	65,000	59,099	90.92%
Annual meeting		40,000	40,634	101.58%
Other	9,290	10,000	2,530	25.30%
Total general administrative	496,207	435,000	269,307	61.91%
Total amounts disbursed	14,833,209	14,870,000	11,033,537	74.20%
Net surplus (deficit)	278,888	(0)	384,749	

CSCDA
Bank Account Activity
For the Nine Months Ended March 31, 2020

	Beg Bal	Add:	Less:	End Bal
	06/30/19	Deposits	Disbursements	03/31/20
Bank account:				
Professional Services	93,847	331,136	(299,108)	125,875
Operations	308,865	3,059	0	311,924
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	402,712	334,195	(299,108)	437,799
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