



REGULAR MEETING AGENDA

June 21, 2018 at 2:00 p.m.

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

Telephonic Locations:

County of Solano
675 Texas Street, Fairfield, CA 94533

3252 Southern Hills Drive
Fairfield, CA 94534

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

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

709 Portwalk Place
Redwood City, CA 94061

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

<input type="checkbox"/> Dan Harrison, Chair	<input type="checkbox"/> Jordan Kaufman, Member
<input type="checkbox"/> Larry Combs, Vice Chair	<input type="checkbox"/> Dan Mierzwa, Member
<input type="checkbox"/> Kevin O'Rourke, Treasurer	<input type="checkbox"/> Brian Moura, Member
<input type="checkbox"/> Tim Snellings, Secretary	<input type="checkbox"/> Michael Cooper, Alt. Member
2. Consideration of the Minutes of the June 7, 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. UHC 00661 Morgan Hill, L.P. (Crossings on Monterey Apartments), City of Morgan Hill, County of Santa Clara; issue up to \$15,500,000 in multi-family housing bonds.

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6. Consideration of update to CSCDA PACE Eligible Measures.
7. Consideration of 2018/19 CSCDA Budget.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, July 5, 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 Sponsorship of the California City Management Foundation.
2. Approve and ratify the addition of the City of San Juan Bautista and the City of Indian Wells as CSCDA program participants.
3. Consideration of special tax administrator agreement with Willdan Financial Services for Horse Creek Ridge CFD 2017-01.
4. Inducement of Sonrise Senior Citizen Villa, Inc. (Cascade Sonrise), City of Fontana, County of San Bernardino; issue up to \$13 million in multi-family housing revenue bonds.

June 21, 2018



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

June 7, 2018 at 2:00 p.m.

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

Commission Vice Chair Larry Combs called the meeting to order at 2:02 pm.

1. Roll Call.

Commission members participating via teleconference: Larry Combs, Kevin O'Rourke, Tim Snellings, Jordan Kaufman, Dan Mierzwa, Brian Moura (joined via teleconference during Item 5), and Michael Cooper.

Others present: James Hamill, Bridge Strategic Partners; and Sendy Young, CSAC Finance Corporation.

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; and Greg Stepanicich, Richards Watson & Gershon.

2. Consideration of the Minutes of the May 17, 2018 Regular Meeting.

The Commission approved the May 17, 2018 minutes.

Motion to approve by K. O'Rourke. Second by D. Mierzwa. Unanimously approved by roll-call vote. Brian Moura was not present for the roll call and did not vote.

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar, with the exception of item #2 that was pulled.

1. Approval of San Diego Housing Federation Sponsorship.
2. Consideration of special tax administrator agreement with Willdan Financial Services for Horse Creek Ridge CFD 2017-01.
3. Consideration of Director & Officer Liability Insurance Coverage for 2018-19.

4. Consideration of approval of agreement with Petros PACE Finance, LLC

Item 2 was pulled from consideration on the Consent Calendar. Motion to approve by T. Snellings. Second by J. Kaufman. Unanimously approved with the exception of Item 2 by roll-call vote. Brian Moura was not present for the roll call and did not 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. Palmdale Park Apartment, LP (Palmdale Park Apartments), City of Palmdale, County of Los Angeles; issue up to \$12,000,000 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 58 low-income units. This project will be Community Development Partners' sixth financing with CSCDA. Executive Director Bando recommended approval of the financing.

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

- b. Vision 17, L.P. (Hunter Street Apartments), City of Stockton, County of San Joaquin; issue up to \$17,487,476 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 a 74 low-income rental units. This will be VHB's first 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. Consider the following resolutions to initiate proceedings to form Statewide Community Infrastructure Program (SCIP) Assessment Districts:

- a. Resolutions of intention to finance capital improvements and/or the payments 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 for August 2, 2018 and providing for the property owner ballots.

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

7. Closed Session: Conference with Legal Counsel-Initiation of Litigation, Government Code Section 54956.9 (d)(4), One Case

The meeting was convened to Closed Session at 2:19 pm.

8. Report, if any, from Closed Session.

The Commission reconvened at 2:47 pm. CSCDA General Counsel reported that staff was provided direction by the Commission and there was no action taken.

9. Executive Director Update.

Executive Director Bando had no update.

10. Staff Update.

Staff had no update.

11. Adjourn.

The meeting was adjourned at 2:49 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, June 21, 2018 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814



Agenda Item No. 3

Agenda Report

DATE: June 21, 2018
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

1. Consideration of Sponsorship of the California City Management Foundation (CCMF).

CSCDA sponsored CCMF at the Foundation Circle level in the amount of \$10,000 for 2017-18. This is a request for the same level for 2018-19. The sponsorship provides benefits such as CSCDA logo on the CCMF website, social media announcements, and city manager dinners. The same sponsorship level is recommended for 2018-19.

3. Consideration of special tax administrator agreement with Willdan Financial Services for Horse Creek Ridge CFD 2017-01.

As part of the upcoming issuance for the Horse Creek Ridge CFD, Willdan Financial Services will serve as the special tax administrator. Staff and CSCDA General Counsel have reviewed the agreement's terms and they meet the requirements for services. Approval is recommended.

RESOLUTION NO. 18R-4

RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY APPROVING AND RATIFYING THE ADDITION OF PROGRAM PARTICIPANTS TO THE AUTHORITY

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is a public entity of the State of California, duly organized and existing pursuant to the provisions relating to the joint exercise of powers found in Chapter 5 of Division 7 of Title 1 of the California Government Code, and the Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the “JPA Agreement”); and

WHEREAS, pursuant to Section 13 of the JPA Agreement, the Authority may add a qualifying public agency to become a Program Participant (as defined in the JPA Agreement) upon (i) receipt from such public agency of an executed counterpart of the JPA Agreement, together with a certified copy of the resolution of the governing body of such public agency approving the JPA Agreement and the execution and delivery thereof and (ii) the approval of the Commission of the Authority to add such public agency as a Program Participant; and

WHEREAS, this Commission of the Authority desires to approve and ratify the admission of the public entities listed in Schedule A attached hereto and incorporate herein by reference (the “Applicants”) as Program Participants of the Authority; and

WHEREAS, this Commission hereby finds and determines that the Applicants are qualified to be added as parties to the JPA Agreement and to become Program Participants of the Authority; and

WHEREAS, the Applicants have, respectively, filed with the Authority executed counterparts to the JPA Agreement, together with certified copies of the resolutions approving the JPA Agreement and the execution and delivery thereof;

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

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

Section 2. The addition of the Applicants as Program Participants is hereby approved, confirmed and ratified, and any actions heretofore taken on behalf of any such Applicants is hereby approved, confirmed and ratified.

Section 3. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Statewide Communities Development Authority on June 21, 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 meeting of the Commission of said Authority held in accordance with law on June 21, 2018.

By _____
Authorized Signatory

EXHIBIT A

ADDITION OF PROGRAM PARTICIPANTS TO THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

- 1. San Juan Bautista**
- 2. City of Indian Wells**

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this _____ day of _____, 2018, by and between **WILLDAN FINANCIAL SERVICES (“WFS”)**, a corporation, and the **CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**, HEREINAFTER referred to as “Client.”

WHEREAS, Client desires to employ WFS to furnish ongoing professional services in connection with **Community Facilities District Administration Services specific to Horse Creek Ridge**, hereinafter referred to as the “Project.”

NOW, THEREFORE, in consideration of the mutual premises, covenants and conditions herein contained, the parties agree as follows:

SECTION I – BASIC SERVICES

WFS shall provide to the Client the basic services described in detail in “Exhibit A,” Scope of Services, attached hereto and incorporated herein by this reference.

SECTION II – ADDITIONAL SERVICES

If authorized, WFS shall furnish additional services, which are in addition to the basic services. To the extent that the additional services have been identified in this Agreement, they are itemized in “Exhibit A” and will be paid for by Client as indicated in Section III hereof. As further additional services are requested by Client, this Agreement may be modified and subject to mutual consent by execution of an addendum by authorized representatives of both parties, setting forth the additional scope of services to be performed, the performance time schedule and the compensation for such services.

SECTION III – COMPENSATION

WFS shall be compensated for basic services rendered under Section I, as in accordance with the terms and conditions indicated in “Exhibit B,” Fees for Services; and WFS will be compensated for any additional services rendered under Section II as more particularly described in a fully approved and executed addendum to this Agreement. If no addendum is executed, then WFS shall be compensated at its then-prevailing hourly rates for such additional services.

WFS may submit monthly statements for basic and additional services rendered. It is intended that Client will make payments to WFS within thirty (30) days of invoice. All invoices not paid within thirty (30) days shall bear interest at the rate of one and one-half (1½) percent per month or the then-legal rate allowed, whichever is the lower of either.

SECTION IV – INDEMNITY; INSURANCE REQUIRED

A. **Indemnity.** WFS shall indemnify and hold harmless Client, its officers, officials, directors, employees, designated agents, and appointed volunteers from and against all claims, damages, losses and expenses, including attorney fees, arising out of the performance of the services described herein, to the extent caused in whole or in part by the negligent acts, errors, or omissions of WFS, any subconsultant, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, except where caused by the active negligence or willful misconduct of Client or Client's officers, agents, or employees.

B. **Insurance.** Without in any way limiting WFS' liability pursuant to the indemnification described above, WFS shall maintain, during the term of this contract, the following insurance:

Coverage	Minimum Limits
General Liability Comprehensive General Liability, including: Premises and Operations Contractual Liability Personal Injury Liability Independent Contractors Liability (if applicable)	\$2,000,000 Combined Single Limit, per occurrence and general aggregate
Automobile Liability Comprehensive Automobile Liability (including owned, non-owned and hired autos)	\$1,000,000 Combined Single Limit, per occurrence
Workers' Compensation and Employer's Liability Workers' Compensation Insurance Employer's Liability	Statutory, \$1,000,000
Professional Liability Professional Liability Insurance	\$1,000,000 per claim and annual aggregate

SECTION V – INDEPENDENT CONTRACTOR STATUS

WFS shall be an independent contractor and shall have responsibility for and control over the details and means of providing the services under this Agreement.

SECTION VI – OWNERSHIP AND MAINTENANCE OF DOCUMENTS

WFS may rely upon the accuracy of any documents provided to WFS by Client. All documents, including without limitation, reports, plans, specifications, field data, field notes, laboratory test data, calculations, estimates, schedules, spreadsheets, or other documents furnished by WFS pursuant to this Agreement, regardless of media (e.g., paper, electronic, magnetic, optical, Mylar, etc), are instruments of WFS' services in respect to this Project and not products. All such documents shall remain the property of WFS provided, however, that a copy of the final documents shall be made available to Client upon request. These documents are not intended, nor represented to be suitable for reuse by Client or any others on extensions of this Project or on any other project. These documents shall not be changed or reused without the prior written consent of WFS. Any modification or reuse without specific written verification and adoption by WFS for the specific purposes intended will be at user's sole risk.

Client acknowledges that its right to utilize the services and instruments of services of WFS will continue only so long as Client is not in default of the terms and conditions of this Agreement and Client has performed all obligations under this Agreement. Client further acknowledges that WFS has the unrestricted right to use the services provided pursuant to this Agreement, as well as to all instruments of service provided pursuant to this Agreement.

WFS shall be entitled to rely upon, with no obligation to verify, the completeness and accuracy of all information, data, reports, studies, plans and specifications provided by Client or by Client's attorney(s), engineer(s), accountant(s), consultant(s) or employee(s) to Consultant. Client shall make no claim against WFS alleging that WFS should not have relied upon such information provided by Client to WFS.

WFS' records, documents, calculations, test information and all other instruments of service shall be kept on file in legible form for a period of not less than two (2) years after completion of the services covered in this Agreement.

SECTION VII – SUSPENSION OF SERVICES

Client may, at any time, by thirty (30) days' written notice, suspend further performance by WFS. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and WFS shall be paid for all services performed and reimbursable expenses incurred prior to the suspensions date.

SECTION VIII – TERMINATION

Either party may terminate this Agreement at any time by giving thirty (30) days' written notice to the other party of such termination. If this Agreement is terminated as provided herein, WFS will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of WFS covered by this Agreement, less payments of compensation previously made.

SECTION IX – COMPLIANCE WITH LAW

Each party hereto will use reasonable care to comply with applicable laws in effect at the time the services are performed hereunder, which to the best of their knowledge, information and belief apply to their respective obligations under this Agreement.

SECTION X – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the successors and assigns of the parties; but either party, without written consent of the other party, shall not assign it.

SECTION XI – ATTORNEYS' FEES

In the event that any judgment is entered in any action upon this Agreement, the party hereto against whom such judgment is rendered agrees to pay the amount equal to the reasonable attorneys' fees of the prevailing party in such action and that such amount may be added to and made a part of such judgment.

SECTION XII – ALTERNATIVE DISPUTE RESOLUTION

If a dispute arises between the parties relating to this Agreement, the parties agree to use the following procedure prior to either party pursuing other available remedies:

A. A meeting shall be held promptly between the parties, attended by individuals with decision-making authority regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute.

B. If, within thirty (30) days after such meeting, the parties have not succeeded in negotiating a resolution of the dispute, they will jointly appoint a mutually-acceptable neutral person not affiliated with either of the parties (the "neutral"), seeking assistance in such regard if they have been unable to agree upon such appointment within forty (40) days from the initial meeting. The parties shall share the fees of the neutral equally.

C. In consultation with the neutral, the parties will select or devise an alternative dispute resolution procedure (“ADR”) by which they will attempt to resolve the dispute, and a time and place for the ADR to be held, with the neutral making the decision as to the procedure, and/or place and time (but unless circumstances require otherwise, not later than sixty (60) days after selection of the neutral) if the parties have been unable to agree on any of such matters within twenty (20) days after initial consultation with the neutral.

D. The parties agree to participate in good faith in the ADR to its conclusion, as designated by the neutral. If the parties are not successful in resolving the dispute through the ADR, then the parties may agree to submit the matter to binding arbitration or a private adjudicator, or either party may seek an adjudicated resolution through the appropriate court.

SECTION XIII – RECORDS

Records of WFS’ direct labor costs, payroll costs, and reimbursable expenses pertaining to the Project covered by this Agreement will be kept on a generally recognized accounting basis and made available during normal business hours upon reasonable notice.

WFS’ records will be available for examination and audit if and as required.

SECTION XIV – MISCELLANEOUS PROVISIONS

This Agreement is subject to the following special provisions:

A. The titles used in this Agreement are for general reference only and are not a part of the Agreement.

B. This Agreement shall be interpreted as though prepared by both parties.

C. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.

D. This Agreement shall be interpreted under the laws of the State of California.

E. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement.

F. Any notices given pursuant to this Agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.

G. WFS shall not be liable for damages resulting from the actions or inactions of governmental agencies, including, but not limited to: permit processing, environmental impact reports, dedications, General Plans, and amendments thereto; zoning matters, annexations, or consolidations; use or Conditional Use Permits; project or plan approvals; and building permits.

H. WFS' waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition, or covenant.

I. Client acknowledges that WFS is not responsible for the performance of services by third parties, provided that said WFS has not retained third parties.

IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this Agreement upon the terms, conditions, and provisions above stated, as of the day and year first above written.

WILLDAN FINANCIAL SERVICES

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

By: _____

Name: Gladys Medina

Title: Vice President, Group Manager

Address: 27368 Via Industria, Suite 200
Temecula, CA 92590

By: _____

Name: James Hamill

Title: Managing Director

Address: 1700 North Broadway, Suite 405
Walnut Creek, CA 94596

Exhibit A

SCOPE OF SERVICES

Willdan Financial Services (“WFS”) will perform the following tasks to annually administer the California Statewide Communities Development Authority (“CSCDA”) Community Facilities District Horse Creek Ridge (“CFD”).

Community Facilities District Administration

The following section outlines Willdan’s scope of services for:

- Annual administration of Horse Creek Ridge;
 - Delinquency management; and
 - Continuing disclosure.
1. Develop and maintain annually an electronic database containing parcel data and annual special tax levy amounts by Assessor's Parcel Number. This includes researching final tract and/or parcel map recordation information; and gathering building permits, along with the appropriate building and parcel information, and certificate of compliance information for properties located within the boundaries of the CFD.
 2. Annually calculate and apportion the special taxes, as specified in the Rate and Method of Apportionment of Special Tax (RMA). This process includes: identification of CFD administrative cost items eligible for recovery by CSCDA; review of fund balances to identify any surplus funds; requirements for debt services; assignment of special tax classes per each RMA, and the setting of annual special tax rates that are necessary to satisfy the Special Tax Requirement.
 3. Use, if applicable, the listing of any approved exemptions provided by CSCDA; identify each parcel, and modify the proposed special tax, accordingly.
 4. Prepare, if necessary, an annual resolution that establishes the budget for the fiscal year and application of the special tax to be submitted to the County, including the special tax summary for the fiscal year.
 5. Provide special tax levies for each parcel by Assessor's Parcel Number to the County Auditor/Controller's Office in the media, format, and configuration required by the County for placement on the annual property tax roll.
 6. Research parcel exceptions provided by the County and, if possible, resubmit installment amounts that are unapplied by the County Auditor/Controller's Office. Willdan will manually invoice special tax installments that cannot be collected on the County property tax roll on behalf of CSCDA.
 7. Provide a toll-free number to field inquiries from CSCDA staff, property owners and other interested parties regarding special tax installments and related information.
 8. Prepare an annual special tax report. This report will include: delinquency summaries; Charge Detail Report listing all parcels and their annual charge amount; and a cover letter to the report providing related recommendations or issues, if any. The cover letter is not intended to be a component of the report.
 9. Provide, as applicable, an annual report to the California Debt and Investment Advisory Commission (CDIAC) by October 30, if required by the California Government Code, Section 53359.5(b), as amended.
 10. Prepare “Notice of Special Tax” as required by the California Government Code, Sections 53340.2(b) and 53341.5, as amended. The fee for this service is \$15 per notice and *is to be paid by the requestor*.

Exhibit A

11. Prepare Annual Report, as required by California Government Code Section 53343.1, and as requested by CFD property owner. The fee for this service is at our then-current hourly rates (see Compensation section of this submittal), which *is to be paid by the requestor*.
12. Calculate written prepayment quotes for individual special tax liens, as described in the RMA of Special Tax or by resolution. For parcels prepaying the special tax, Willdan will coordinate the removal of the lien. The fee for this service is \$500 per calculation, to be paid by the requestor.
13. Monitor compliance with the fiscal agent's/trust agreement.
14. Perform, as applicable, required bond call spreads and coordinate the early redemption of outstanding bonds. Additional efforts needed to complete bond calls, such as cash flow certificates, special analyses and/or atypical spread calculations, shall be charged hourly using our then-current hourly rates (see "Compensation" section). However, Willdan will not begin any additional work without prior approval from CSCDA.

Client Responsibilities

For district administration services, Willdan will rely on assistance from CSCDA in obtaining the following information:

- Information related to the district, such as historical data, formation and associated bond facts. This information will assist in the initial setup of the district and may include, but is not limited to, diagrams and recorded notices for the district; Annual Reports; assessment rolls; copies of resolutions approved during the formation process for the district; copies of pertinent bond documents; and databases of parcels in the CFD, including historical levy information and historical information relative to the bonds and payoffs within the district.
- Annual information related to fund balances for the district.
- The budget summary to be incorporated into the annual resolution establishing the budget and special tax rates for the district.
- An annually updated listing of all parcels that have been approved for any applicable exemptions, if necessary.
- Information regarding land subdivision, issuance of building permits and/or certificates of occupancy (as required by CSCDA). Although Willdan will annually research information, it may still be necessary to obtain additional assistance from the County.
- Existing delinquency information.
- Current development plan/tentative maps and annual changes, modifications or updates, if necessary.
- Confirmed assessment roll and other district information for new districts as they become available, if required.

Delinquency Management Services

1. Monitor delinquent tax bill payments in February and May of each year.
2. Provide periodic delinquency reports to CSCDA, including a detailed listing of current and prior year unpaid tax installments and recommendations for collections.
3. Send (upon approval by CSCDA staff) a delinquency reminder letter after the first installment of the tax bill becomes delinquent.
4. Send (upon approval by CSCDA staff) a delinquency demand letter after the second installment of the tax bill becomes delinquent. Each demand letter will include a brochure providing answers to commonly asked

Exhibit A

questions concerning delinquencies. If the property owner pays CSCDA directly, coordinate the removal of the paid installments with the County.

5. Remove the delinquent installments of special taxes for the current and/or prior tax year(s) from the County tax roll. Such removal will comply with SB 1471.
6. Send a final 21-day delinquency foreclosure letter to each delinquent property owner after confirmation from the County for the removal of the delinquent special taxes. Foreclosure letters shall contain a brochure providing answers to frequently asked questions regarding delinquencies and judicial foreclosures.
7. Send those parcels, whose special taxes continue to remain delinquent after 21 days from the mailing of foreclosure letters, to the foreclosure attorney for collection of the delinquent special taxes, applicable penalties, interest, fees, and other authorized costs. The CSCDA retained foreclosure counsel will collect these fees.
8. Provide a toll-free telephone number at Willdan to field inquiries from staff, parcel owners, lenders, and other interested parties concerning annual installments and delinquencies throughout the entire Delinquency Management/foreclosure process.
9. Assist foreclosure counsel to initiate judicial foreclosure proceedings; and in accordance with bond foreclosure covenants, prosecute those parcels sent to foreclosure.
10. Provide, upon request, payoff quotes for all interested parties for stripped delinquent tax installments. Fees for this service are paid by the requesting party and may be charged to a credit card; there is no charge to CSCDA.
11. Negotiate (if requested) a repayment schedule (payment plan) with property owner(s) to cure the delinquency and avoid initiation of judicial foreclosure.

Subsequent Foreclosure Services

Once the delinquent taxes have been forwarded to judicial foreclosure counsel, Willdan can provide the following services:

1. Prepare and forward a detailed report of the parcels to be foreclosed to foreclosure counsel.
2. Provide foreclosure counsel with the necessary resolutions and other documents to proceed with the judicial foreclosure process.
3. Keep CSCDA and foreclosure counsel apprised of special arising situations of which we become aware, such as bankruptcies of parcel owners, tax foreclosure sales, Deed of Trust "Trustee" foreclosure sales, and so forth.
4. Provide foreclosure counsel with "subsequent year" delinquency information consisting of any installments/years that become delinquent on parcels already in foreclosure.
5. Generally, respond to inquiries from CSCDA staff and foreclosure counsel regarding the status of a foreclosure action and other relevant information.

Exhibit A

Continuing Disclosure

The following outlines the steps required to provide annual disclosure services per the request of CSCDA.

1. Review pertinent documents and data related to debt issuance.
2. Collect requisite information from trustee, fiscal agent, state and county agencies, and others, as applicable.
3. Prepare a draft Annual Continuing Disclosure Information Statement for CSCDA's review.
4. Finalize and disseminate disclosure reports to EMMA, the Willdan website, the appropriate State Information Repository, and other parties as required.
5. Prepare, upon notification by CSCDA and/or if Willdan becomes aware of such an occurrence, Notices of Occurrence of Listed Events.

Exhibit B

FEES FOR SERVICES

Community Facilities District Administration

The annual administration fees below reflect application of the scope of services. It is based on the time WFS estimates will be spent on average for the year. Unless another billing format is mutually agreed upon between the Client and WFS, fees are payable as the work progresses, on a percentage-completion basis. The following fees and rates are subject to increase no more than one time each year, which will not exceed the most recent annual change in the Consumer Price Index (CPI) within the applicable area, as calculated by the United States Department of Labor. WFS shall notify Client within 30 days before implementation of increase.

CFD Annual Administration	
District	Annual Fee
Horse Creek Ridge	\$ 5,000
Total Annual Admin Fee	\$ 5,000

CFD Payoff Quote

The fee for this service is \$500 per calculation, to be paid by the requestor.

Continuing Disclosure

The fee to provide continuing disclosure services per district/bond issuance will be \$1,250 per report. The fee for filings of Notices of Occurrence of Listed Events will be \$500 per occurrence.

Delinquency Management Services

As the service is rendered, the following fees will be invoiced to CSCDA. They are ultimately paid by, or on behalf of, the delinquent property owners.

Delinquency Management Services	Fees
Fees Ultimately Reimbursed to Agency by Property Owner	
<i>Delinquency Reminder Letter</i>	\$ 15
<i>Delinquency Demand Letter</i>	45
<i>Foreclosure Letter</i>	65
<i>Effect Removal from Tax Roll & Record Subsequent Notice of Satisfaction</i>	125
<i>Payment Plan</i>	200
<i>Subsequent Foreclosure Services</i>	150
Fees Paid Directly to Willdan by Requestor	
<i>Delinquency Demand Payoff ⁽¹⁾</i>	\$ 50
<i>Zero Demand ⁽¹⁾</i>	50

⁽¹⁾ This fee is waived for the property owner (except for escrow purposes). This fee complies with Section 8833 of the California Streets and Highways Code and/or Section 53356.2 of the California Government Code, which requires recording of a Notice of Intent to Remove Delinquent Special Assessments and/or Special Taxes from the County tax roll. It DOES NOT include the County tax roll removal charge, or similar fee, if any.

Exhibit B

Reimbursable Expenses

WFS will be reimbursed for out-of-pocket expenses. Examples of reimbursable expenses include, but are not limited to: postage, travel expenses, mileage (current federal prevailing rate), maps, electronic data provided from the County and/or other applicable resources, construction cost periodicals, and copying (currently 6¢ per copy). Any additional expense for reports or from outside services will be billed to the Client. Charges for meeting and consulting with counsel, the Client, or other parties regarding services not listed in the scope of work above will be at our then-current hourly rates (see “Hourly Rates” section).

In the event that a third party requests any documents, WFS may charge such third party for providing said documents in accordance with WFS’ applicable rate schedule.

CSCDA shall reimburse Consultant for any costs Consultant incurs, including without limitation, copying costs, digitizing costs, travel expenses, employee time and attorneys' fees, to respond to the legal process of any governmental agency relating to CSCDA or relating to the Project. Reimbursement shall be at Consultant's rates in effect at the time of such response.

Hourly Rates

Additional authorized services will be billed at WFS’ then-current hourly consulting rates. Our current hourly rates are presented below.

Willdan Financial Services	
Position	Hourly Rate
Group Manager	\$ 210
Principal Consultant	200
Senior Project Manager	165
Project Manager	145
Senior Project Analyst	130
Senior Analyst	120
Analyst	100
Analyst Assistant	75
Property Owner Services Representative	55
Support Staff	50



Agenda Item No. 5a

Agenda Report

DATE: June 21, 2018

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Crossings on Monterey Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Morgan Hill, County of Santa Clara

AMOUNT: Not to Exceed \$15,500,000

EXECUTIVE SUMMARY:

The Crossings on Monterey Apartments (the “Project”) is the new construction of a 39-unit rental housing project located in the City of Morgan Hill. 100% of the units will be rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Construction of a 39-unit affordable rental housing facility located in the City of Morgan Hill.
- Consists of five one-bedroom, 18 two-bedroom units, 15 three-bedroom units, and a manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Urban Housing Communities (UHC) is a family-owned, mission-driven company dedicated to developing affordable, sustainable housing that benefits communities and stakeholders. UHC communities offer seniors and families earning 60% or less than area median income, attractive, safe, healthy, vital places to live in California. UHC’s on-site social services ensure their residents’ basic needs are met: health, education, and financial stability. Then UHC programming goes beyond the basics, tailoring services to a resident’s specific needs. UHC has established strong relationships with local vendors, jurisdictional departments, state organizations, and political leadership throughout California. The Project is UHC’s 9th financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: December 20, 2017 – City of Morgan Hill – Unanimous Approval.

CDLAC Approval: May 16, 2018

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 72% (31 units) restricted to 50% or less of area median income households.
 - 18% (7 units) restricted to 60% or less of area median income households.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 14,000,000
Deferred Developer Fee:	\$ 1,341,856
City of Morgan Hill Note:	\$ 750,000
County of Santa Clara Note:	\$ 5,800,000
Tax Credits:	<u>\$ 1,625,000</u>
Total Sources:	\$ 23,516,856

Uses of Funds:

Acquisition:	\$ 2,532,000
Construction Costs:	\$ 12,961,531
Architecture/Engineering:	\$ 609,999
Reserves:	\$ 222,000
Costs of Issuance:	\$ 334,000
Construction Loan Interest:	\$ 1,467,669
Hard Cost Contingency:	\$ 1,296,153
Developer Fee:	\$ 1,700,000
Permits/Other Soft Costs:	<u>\$ 2,393,504</u>
Total Uses:	\$ 23,516,856

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco

Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento

Bond Purchaser: Citibank

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: August 15, 2018

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

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

RESOLUTION NO. 18-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,500,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT TO BE GENERALLY KNOWN AS THE CROSSINGS ON MONTEREY 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, UHC 00661 Morgan Hill, L.P., 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 (The Crossings on Monterey Apartments) 2018 Series J (the “Note”) to assist in the financing of the acquisition, construction and development of a 39-unit multifamily housing rental development located in the City of Morgan Hill, County of Santa Clara, California, and to be known as The Crossings on Monterey Apartments (the “Project”);

WHEREAS, on May 16, 2018, the Authority received an allocation in the amount of \$14,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the City of Morgan Hill is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Note;

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$15,500,000, provided that the portion of such Note executed and delivered as a federally tax-exempt obligation 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 Note will be executed and delivered to Citibank, N.A. (the “Funding Lender”), as the initial holder of the Note; 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 Note, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

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

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

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

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

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (The Crossings on Monterey Apartments) 2018 Series J” 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 \$15,500,000; provided that the aggregate principal amount of any tax-exempt Note executed and delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of any Authorized Signatory (as defined below). The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the

Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 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 June 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 Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Note are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, 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 Note and to effectuate the purposes thereof

and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

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

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 21, 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 June 21, 2018.

By _____
Authorized Signatory

Agenda Item No. 6

Agenda Report

DATE: June 21, 2018
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consideration of PACE Eligible Measures Update

SUMMARY:

As part of CSCDA's oversight role of the Open PACE program staff continually review ways to improve the program to meet the intent of the PACE legislation. As the PACE market has evolved some of the eligible measures approved by the Commission for PACE have been removed by other PACE programs, and upon review staff recommend the following measures be removed from eligibility:

1. **Appliances** – Clothes dryer, clothes washer, dishwasher, freezer and refrigerators. Since many of these are not affixed to a property it is recommended these measures be removed.
2. **Heat Reflective/Cool Wall Coverings** – These types of coverings have been subject to questions as to whether they are providing energy savings and/or efficiency. In addition, they have been subject to abuse by contractors in using this measure to finance regular paint jobs for a home.
3. **Exterior Shade Products** – This includes awnings, exterior window shades, patio covers and roof overhangs. It has not been determined how/if you can measure energy savings from these types of measures.

In order for CSCDA's PACE administrators to implement with in-flight applications, and changing application systems staff recommends 30 days to remove the above referenced measures. After July 21, 2018 the measures would be ineligible.

RECOMMENDATION:

The Executive Director recommends removal from eligibility from the Open PACE program the above-referenced measures after July 21, 2018.

Agenda Item No. 7

Agenda Report

DATE: June 21, 2018

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of CSCDA budget for fiscal year 2018-19

BACKGROUND AND SUMMARY:

Attached for the consideration of the Commission is the proposed 2018-19 CSCDA budget. The proposed budget is a compilation of projections compiled by the Executive Director, League of California Cities (League), California State Association of Counties (CSAC) and CSCDA Staff. Highlights of the budget include the following:

- 1. Collections** – Collections include issuance fees and bond administrative fees.
 - a. Issuance Fees** – We project that PACE issuance fees will fall slightly in the next fiscal year and have budgeted \$2 million in collections compared to \$2.5 million in 2017-18. This amount is 20% less than the prior year's budget to reflect the impact of the new PACE regulations. Qualified 501(c)(3) financing fees are projected to be the same as the 2017-18. New residential housing projects are projected to fall slightly to reflect a general decline in new residential housing projects primarily due to new limitations on tax credits for income restricted residential housing projects. Other municipal bond programs are projected to be the same as the 2017-18 budget.
 - b. Bond Administrative Fees** – Bond administrative fees are projected to be slightly lower than the 2017-18 budget which is consistent with the trend for prior years because of CSCDA's lower fee schedule. Residential housing and SCIP/Mello Roos fees are projected to increase slightly. The SCIP/Mello Roos increase reflects the increased amount of SCIP/Mello Roos transactions that have been completed.
- 2. Disbursements** – Disbursements consist of issuance fees, bond administrative fees and general administrative costs. The proposed budget is balanced with the disbursement of all collections.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the 2018-19 budget.

CSCDA

Budget-to-Actual Comparison for the Eleven Months Ended May 31, 2018 + DRAFT 2018-19 BUDGET

	Actual 2016-17	Budget 2017-18	YTD 2017-18	Budget 2018-19
Amounts collected				
Issuance fees				
Qualified 501 (c)(3)	733,688	700,000	838,793	700,000
Qualified residential rental program	1,425,322	1,100,000	967,593	1,000,000
PACE	2,088,148	2,500,000	2,278,919	2,000,000
SCIP / Mello Roos	930,827	1,000,000	600,825	1,250,000
Other municipal bond programs	70,085	50,000	53,125	50,000
Investment income	1,504	0	12,821	0
Total issuance fees	5,249,574	5,350,000	4,752,076	5,000,000
Bond administrative fees				
Qualified 501 (c)(3)	2,498,265	2,400,000	1,836,417	2,100,000
Qualified residential rental program	7,202,949	6,900,000	6,387,246	7,000,000
SCIP / Mello Roos	314,918	298,000	328,739	340,000
Other municipal bond programs	439,768	452,000	342,662	400,000
Investment income	(109,976)	0	(14,677)	0
Total bond administrative fees	10,345,924	10,050,000	8,880,387	9,840,000
Total amounts collected	15,595,498	15,400,000	13,632,463	14,840,000
Amounts disbursed				
Issuance				
Program management fees - BSP	2,481,225	2,443,334	2,214,882	2,253,332
Program governance fees - CSAC	1,375,902	1,453,333	1,262,186	1,373,334
Program governance fees - League	1,375,902	1,453,333	1,262,186	1,373,334
Total issuance	5,233,029	5,350,000	4,739,255	5,000,000
Bond administration				
Program management fees - BSP	380,828	420,000	423,636	525,000
Compliance monitoring fees - BSP	209,913	200,000	235,082	275,000
Administration fees - HB Capital	5,610,941	5,600,000	4,269,865	5,000,000
Program governance fees - CSAC	1,526,770	1,571,000	1,280,331	1,686,500
Program governance fees - League	1,526,770	1,571,000	1,280,331	1,686,500
Compliance fees - Urban Futures	717,108	205,750	156,850	175,000
Charitable Contribution	28,826	0	0	0
Total bond administration	10,001,156	9,567,750	7,646,096	9,348,000
Subtotal Issuance & Bond Administration	15,234,186	14,917,750	12,385,350	14,348,000

CSCDA

Budget-to-Actual Comparison for the Eleven Months Ended May 31, 2018 + DRAFT 2018-19 BUDGET

	Actual 2016-17	Budget 2017-18	YTD 2017-18	Budget 2018-19
General administrative				
Executive Director	65,841	72,000	43,196	72,000
General Counsel - Richards Watson Gershon	95,907	115,000	62,441	115,000
Insurance	26,939	30,000	26,939	30,000
Board travel reimbursements	3,067	5,000	1,046	5,000
Issuer counsel - Orrick	114,079	80,000	20,000	80,000
Auditor - MUN CPAs	21,200	30,000	15,900	30,000
Other professional services	45,995	2,000	17,585	20,000
BSP municipal advisor fee	24,000	24,000	22,000	24,000
Bank service fees	0	7,000	2,663	7,000
Marketing and Sponsorships	20,765	100,000	46,935	100,000
Other	4,551	17,250	3,541	9,000
Total general administrative	422,343	482,250	262,245	492,000
Total amounts disbursed	15,656,529	15,400,000	12,647,595	14,840,000
Net surplus (deficit)	(61,031)	(0)	984,868	0



CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



MEETING AGENDA

June 21, 2018

2:15 p.m. or upon adjournment of the regularly scheduled CSCDA Commission Meeting

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

Telephonic Locations:

County of Solano
675 Texas Street, Fairfield, CA 94533

709 Portwalk Place
Redwood City, CA 94061

3252 Southern Hills Drive
Fairfield, CA 94534

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

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

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Dan Harrison, President	_____ Jordan Kaufman, Member
_____ Larry Combs, Vice President	_____ Dan Mierzwa, Member
_____ Kevin O'Rourke, Treasurer	_____ Brian Moura, Member
_____ Tim Snellings, Secretary	_____ Michael Cooper, Alt. Member

2. Consideration of the minutes of the April 5, 2018 Meeting.

3. Public Comment.

B. ITEMS FOR CONSIDERATION

4. Consider appointment of Debbie Koski and Lisa Salaices to CSCDC's Advisory Board.

5. Consider resolution approving the filing of an application requesting an allocation of New Markets Tax Credits.

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

C. ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

6. Executive Director Update.
7. Staff Updates.
8. Adjourn.



CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

**April 5, 2018 at 2:15 p.m. or upon adjournment of the regularly scheduled CSCDA
Commission Meeting**

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

Commission Chair Dan Harrison called the meeting to order at 2:41 pm.

1. Roll Call.

Commission members present: Dan Harrison

Commission members participating via teleconference: Jordan Kaufman, Dan Mierzwa, Irwin Bornstein (non-voting member) and Brian Moura.

Others present: Cathy Bando, CSCDA Executive Director; Jon Penkower, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sedy Young, CSAC Finance Corporation.

Others participating via teleconference: Tricia Ortiz, Richards Watson & Gershon; James Hamill, Bridge Strategic Partners; and Laura Labanieh, CSAC Finance Corporation.

2. Consideration of the Minutes of the February 1, 2018 Regular Meeting.

The Commission approved the minutes.

Motion to approve by B. Moura. Second by D. Mierzwa. Unanimously approved by roll-call vote.

3. Public Comment.

There was no public comment.

4. Approve all necessary action; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:



- a. Approve the making of up to \$15,000,000 in qualified low income community investments by CSCDC 13 LLC to Primestor Jordan Downs, LLC, City of Los Angeles, California.

Executive Director Bando gave an overview of the project. CSCDC's Advisory Board unanimously recommended approval of the project on January 20, 2017. The proposed master plan is a five-phase plan to rebuild one of Los Angeles' most distressed public housing areas. It is proposed to build up to 1,400 affordable and market rate units with a family resource center, a new shopping center, and eight acres of park space. Executive Director Bando recommended approval of the project.

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

5. Executive Director Update.

Executive Director Bando had no updates.

6. Staff Update.

Jon Penkower informed the Commission that this is the last project from the \$70 million New Markets Tax Credit allocation the CSCDA received. CSCDC staff is currently working on the application for the next New Markets Tax Credit allocation. Staff will have an update on the process later in the year.

7. Adjourn.

The meeting was adjourned at 2:47 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

Agenda Report

DATE: June 21, 2018

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Bando, Executive Director

PURPOSE: Consider appointment of Debbie Koski and Lisa Salaices to CSCDC's Advisory Board

SUMMARY:

CSCDC is a Community Development Entity (CDE) and must comply with the regulations set forth by the U.S. Treasury through the CDFI Fund. A CDE must demonstrate that it maintains accountability to residents of low income communities through their representation on a governing board or an advisory board for the CDE. At least 20% of the governing board or advisory board members must be representative of a low-income community (but not necessarily a resident in the community). CSCDC's current advisory board is comprised of six members, all of whom are representative of low income communities. Two members, TJ Cox and Lori Goyne, have served on CSCDC's advisory board for the past few years and will be stepping down to pursue other opportunities. CSCDC staff have identified two qualified candidates to replace Mr. Cox and Ms. Goyne on the CSCDC advisory board. The proposed candidates, Debbie Koski and Lisa Salaices, are also representative of low income communities and CSCDC's advisory board will remain 100% accountable to low income communities.

BACKGROUND ON CANDIDATES:

1. Debbie Koski:

Ms. Koski serves as a Senior Program Officer at Tipping Point Community, a nonprofit organization that is dedicated to fighting poverty in the Bay Area for the 1.3 million people too poor to meet their basic needs. Since 2005, Tipping Point has raised and donated more than \$150 million to educate, employ, house and support those in need in the Bay Area. Tipping Point serves individuals in Marin, Contra Costa, Alameda, Santa Clara, San Mateo and San Francisco Counties.

Ms. Koski has been active in community development finance and nonprofit lending for over 15 years. She previously served as Assistant Vice President of Community Development Finance at Union Bank, and most recently served as a Senior Investment Officer for Nonprofit Finance Fund, a national nonprofit and financial intermediary that provides tailored investment options for mission-driven organizations.

Ms. Koski has a Bachelor of Arts and Master of Public Policy from University of California, Berkeley. She also has served as a Board Member for the past four years for HealthRight 360, a

nonprofit FQHC that provides primary medical, mental health, substance use disorder treatment and re-entry services for low-income persons in 13 counties throughout California.

2. Lisa Salaices:

Ms. Salaices has been actively involved in community development efforts in the Sacramento area for 15 years. She is the Owner of Focus & Flow, a consulting firm in Sacramento that works with community businesses to strengthen operations and meet business goals.

Ms. Salaices was the co-founder of Alchemist CDC, a nonprofit organization dedicated to supporting Sacramento area residents in their efforts to create vibrant, equitable, healthy and diverse communities. From its inception, Alchemist had a primary focus on increasing access to fresh, healthy foods in underserved neighborhoods.

Ms. Salaices also served as CFO and COO of Mutual Housing California, a nonprofit organization that seeks to revitalize low-income communities in Sacramento and Yolo Counties by improving housing opportunities for lower income families. Ms. Salaices also have over 20 years of finance, accounting and operations experience at publicly-traded corporations, private corporations, nonprofits and small businesses. She holds a Bachelor of Business Administration from University of Michigan and a Master of Science in Community & Regional Development from University of California - Davis.

RECOMMENDED ACTION:

CSCDC's Executive Director recommends approval of the appointment of Debbie Koski and Lisa Salaices to CSCDC's Advisory Board.

Agenda Report

DATE: June 21, 2018

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Bando, Executive Director

PURPOSE: Consider resolution approving the filing of an application requesting an allocation of New Markets Tax Credits

SUMMARY:

On April 24, 2013, CSCDC was awarded \$35,000,000 in New Markets Tax Credit (NMTC) allocation during Round 10; on June 5, 2014, CSCDC was awarded \$38,000,000 in NMTC allocation during Round 11; and on November 17, 2016, CSCDC was awarded \$70,000,000 in NMTC allocation during Round 13. The next round of allocation availability (Round 15) has commenced and the U.S. Treasury Department's CDFI Fund will be receiving applications from community development entities seeking NMTC allocation. Staff has been working diligently on the Round 15 application and a brief overview of the Round 15 application can be found in Attachment A. If the resolution is adopted, the application will be submitted on or before June 28, 2018 and awards are expected in early 2019.

RECOMMENDED ACTION:

CSCDC's Executive Director recommends that the directors of CSCDC approve the Resolution (in the form of Attachment B) as submitted to the directors, which:

1. Approves the filing of an application for an allocation of New Markets Tax Credits; and
2. Authorizes any member of the Board of Directors or a designated agent of the Board of Directors (each, an "Authorized Officer") to do any and all things and to execute and deliver any and all documents which such Authorized Officer may deem necessary or appropriate to complete the allocation application.

Attachment A

Overview of Allocation Application

CSCDA created a Community Development Entity (“CDE”), California Statewide Communities Development Corporation (“CSCDC”), to provide below-market rate “gap financing” to communities throughout the State of California, enhancing the subsidized financing programs already offered by CSCDA (such as industrial development bonds, affordable housing bonds, nonprofit bonds and other tax-exempt bonds for over 530 cities, counties and special districts. CSCDC will be seeking a \$70 Million allocation of New Markets Tax Credits from the U.S. Treasury’s CDFI Fund.

Similarly to its Round 10, 11 and 13 Applications, CSCDC will focus on communities that traditionally lack access to capital in both minor urban areas, such as cities throughout the Central Valley, as well as major urban areas where vulnerable populations are in need of services. CSCDC will target communities that suffer chronic underinvestment due to perceptions of poor credit worthiness. CSCDC will have a special emphasis on projects that have difficulty attracting sufficient financing and create public benefit by providing critical community services that promote economic development, health, and education.

The focus of CSCDC is driven by that of the founding members of the League and CSAC, which are the leading advocates for the interests of California’s cities and counties, and the enhancement of the quality of life and welfare of citizens. CSCDC anticipates that it will be able to access high impact projects that uniquely cater to the provision of public benefits for communities, through leveraging the deep existing networks of relationships of the CSCDA, the League, and CSAC in small cities and districts that receive fewer public resources and investment.

CSCDC will provide NMTC financing for businesses and facilities that promote public benefit through: 1) economic development through creating jobs, technologies, and goods and services with an emphasis on benefits for Low Income Persons; 2) health and social welfare and healthy living; 3) education and job training. Such businesses and projects are particularly challenged to fund capital gaps, as the State’s poor credit and finances have made raising conventional debt and equity financing more expensive, and made government subsidies even scarcer. CSCDC anticipates that it will be able to access high impact projects that uniquely cater to the provision of public benefits for communities, through leveraging the deep existing networks of relationships of CSCDA in small cities and districts that receive fewer public resources and investment.

Attachment B

RESOLUTION NO. 18-01

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION APPROVING THE FILING OF AN APPLICATION REQUESTING AN ALLOCATION OF NEW MARKETS TAX CREDITS AND APPROVING SUCH OTHER ACTIONS AS NECESSARY OR APPROPRIATE THERETO

WHEREAS, on May 25, 2011, the California Statewide Communities Development Corporation (the "Corporation") approved the filing of an application for certification as a Community Development Entity (the "Certification Application"); and

WHEREAS, the Corporation now desires to approve the filing of an application with the U.S. Treasury for an allocation of New Markets Tax Credits.

NOW, THEREFORE, BE IT RESOLVED, by the California Statewide Communities Development Corporation as follows:

Section 1. The Board of Directors of the Corporation hereby approves the filing of an application for an allocation of New Markets Tax Credits and hereby authorizes any member of the Board of Directors or a designated agent of the Board of Directors (each, an "Authorized Officer") to do any and all things and to execute and deliver any and all documents which such Authorized Officer may deem necessary or appropriate to complete the application for such allocation of New Markets Tax Credits, and any such actions previously taken by an Authorized Officer are hereby ratified and confirmed.

PASSED AND ADOPTED by the California Statewide Communities Development Corporation this 21st day of June, 2018.

I, the undersigned, the duly appointed and qualified member of the Board of Directors or Authorized Signatory of the California Statewide Communities Development Corporation, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the California Statewide Communities Development Corporation at a duly called meeting of the Board of said Corporation held in accordance with law on June 21, 2018.

By: _____
Authorized Signatory