



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



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

June 26, 2014

10:00 a.m.

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

3252 Southern Hills Drive
Fairfield, CA 94534

709 Portwalk Place
Redwood City, CA 94065

County of Monterey
168 West Alisal Street
Salinas, CA 93901

- I. Call the Roll (alternates designate which member they are representing).
- II. Consideration of the Minutes of the June 12, 2014 Regular Meeting.
- III. Staff Updates.
- IV. Consideration of the Consent Calendar.
- V. Consideration of the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:
 - a. Hollenbeck Palms, City of Los Angeles, County of Los Angeles; up to \$10 million in revenue bonds. (Staff: Scott Carper)

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2014 at __: __ m,
Signed _____. Please fax signed page to (925) 933-8457.

- b. Los Angeles Jewish Home for the Aging, City of Los Angeles, County of Los Angeles; up to \$160 million in revenue bonds. (Staff: Scott Carper)
 - c. Presidio Hill School, City & County of San Francisco; up to \$9,350,000 in tax-exempt obligations. (Staff: Scott Carper)
- VI. Approve the following resolutions for Assessment District 14-02 (City of Rocklin, County of Placer) related to the upcoming Statewide Community Infrastructure Program (SCIP) project: (Staff: Scott Carper)
 - a. A resolution of intention to finance the payment of development impact fees and capital improvements, including approval of proposed boundary map;
 - b. A resolution preliminarily approving engineer's reports, setting public hearing of protests and providing property owner ballots for Statewide Community Infrastructure Program Assessment District.
- VII. Consideration of reassignment of HB Consulting LLC contract to GPM Municipal Advisors LLC. (Staff: Mike LaPierre)
- VIII. Consideration of additional CSCDA Commercial PACE Program Administrator. (Staff: Cathy Bando)
- IX. Public Comment
- X. Adjourn



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Consent Calendar:
 - a. Inducement of Montclair Lemoore AR, LP (Montclair Apartments), City of Lemoore, County of Kings; issue up to \$5 million in multi-family housing revenue bonds.
 - b. Inducement of FC Investment Group, LP (Firebaugh Garden Apartments & Mendota Village Apartments), City of Firebaugh, County Fresno, City of Mendota, County of Fresno; issue up to \$6 million in multi-family housing revenue bonds.

Thursday, June 26, 2014

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

Item II

Consideration of the Minutes of the June 12, 2014 Regular Meeting.

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

League of California Cities
1400 K Street, Sacramento, California

June 12, 2014

MINUTES

Commission chair Larry Combs called the meeting to order at 10:01 am.

I. Roll Call

Commission members present: Larry Combs, Terry Schutten and Dan Harrison. Irwin Bornstein, Tim Snellings, Alternate Commissioner Ron Holly, representing Dan Mierzwa, and Alternate Commissioner Brian Moura, representing Kevin O'Rourke participated by conference telephone.

CSCDA Executive Director, Catherine Bando was also present.

Others present included: Perry Stottlemeyer, Norman Coppinger and Chris McKenzie, League of California Cities; Scott Carper, HB Capital; Jean Hurst, CSAC; Mimi Frusha, Renewable Funding; Jason Gonsalves and Anthony Gonsalves, Joe Gonzalves & Sons; and Mark Paxson, State Treasurer's Office. Nancy Parrish, CSAC Finance Corporation; Caitlin Lanctot, HB Capital; and Tricia Ortiz, Richards Watson & Gershon participated by conference telephone.

II. Approval of minutes—May 29, 2014

The commission approved the minutes for the special meeting held May 29, 2014.

Motion to approve by Snellings; second by Harrison; unanimously approved by roll-call vote.

III. Staff updates

Scott Carper noted a public hearing for SCIP Assessment District 14-01 (County of Contra Costa, City of Oakley, Ironhouse Sanitary District and Diablo Water District) was originally set for today, but the formation has been delayed and so the public hearing will be postponed indefinitely.

IV. Approval of consent calendar

1. Approve the following bills for payment:

a. Wells Fargo invoice #1075154

2. Induce the following projects:

- a. Village Madera AR, LP (The Village at Madera), City of Madera, County of Madera; issue up to \$6 million in multi-family housing revenue bonds.
- b. Glenview Cameron Park AR, LP (Glenview Family Apartments), City of Cameron Park, County of El Dorado; issue up to \$8 million in multi-family housing revenue bonds.
- c. Santa Fe Hesperia AR, LP (Santa Fe Apartments), City of Hesperia, County of San Bernrdino; issue up to \$6 million in multi-family housing revenue bonds.

Motion to approve by Harrison; second by Schutten; unanimously approved by roll-call vote.

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

- a. EHDOC Senior Apartments I, LP (Minerva Manor Apartments), City of Fontana, County of San Bernardino; up to \$11 million in multi-family housing revenue bonds.

Motion to approve staff recommendation by Harrison; second by Schutten; unanimously approved by roll-call vote.

- b. LIH Liberty Village, LP (Liberty Village Apartments), City of Richmond, County of Contra Costa; up to \$13,750,000 in multi-family housing tax-exempt and taxable notes.

Motion to approve staff recommendation by Schutten; second by Harrison; unanimously approved by roll-call vote.

- c. Charlotte Drive Family Apartments, LP (Charlotte Drive Apartments), City of San Jose, County of Santa Clara; up to \$36 million in multi-family housing revenue notes.

Motion to approve staff recommendation by Harrison; second by Schutten; unanimously approved by roll-call vote.

- d. Lexington Avenue Family Apartments, LP (Lexington Avenue Apartments), City of San Jose, County of Santa Clara; up to \$25 million in multi-family housing revenue notes.

Motion to approve staff recommendation by Schutten; second by Harrison; unanimously approved by roll-call vote.

- e. Kings County Detention Facility, City of Hanford, County of Kings; up to \$7,500,000 in lease revenue bonds.

Executive Director Bando explained that prior to her appointment as Executive Director of CSCDA, she worked as a financial advisor to Kings County relating to this project. The project was originally scheduled to come before this commission in 2012, but upon Bando's recommendation, they deferred the project for two years. Therefore, her position on this project today, is not as CSCDA's executive director, but as financial advisor to Kings County.

Motion to approve staff recommendation by Schutten; second by Harrison; unanimously approved by roll-call vote.

VI. Approve David Taussig & Associates contract as assessment engineer to the PACE program.

The CSCDA Commission approved modifications to the CaliforniaFIRST PACE program policies and bond documents on May 22, 2014. CSCDA is following up those modifications by finalizing contracts with third parties for the program. Staff recommends contracting with David Taussig & Associates as the program assessment engineer.

Motion to approve staff recommendation by Snellings; second by Holly; unanimously approved by roll-call vote.

VII. Approve Wilmington Trust, N.A. contract as trustee to the PACE program.

The CSCDA Commission approved modifications to the CaliforniaFIRST PACE program policies and bond documents on May 22, 2014. CSCDA is following up those modifications by finalizing contracts with third parties for the program. Staff recommends contracting with Wilmington Trust, N.A. as the program trustee.

Motion to approve staff recommendation by Snellings; second by Bornstein; unanimously approved by roll-call vote.

VIII. Public comment.

None.

IX. Adjournment.

Commission chair Larry Combs adjourned the meeting at 10:27 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The next regular meeting of the commission is scheduled for
Thursday, June 26, at 10:00 a.m.
in CSAC's office at 1100 K Street, Sacramento, California.*

Item IV.

Consideration Consent Calendar

- a. Inducement of Montclair Lemoore AR, LP (Montclair Apartments), City of Lemoore, County of Kings; issue up to \$5 million in multi-family housing revenue bonds.
- b. Inducement of FC Investment Group, LP (Firebaugh Garden Apartments & Mendota Village Apartments), City of Firebaugh, County Fresno, City of Mendota, County of Fresno; issue up to \$6 million in multi-family housing revenue bonds.

Applicant Information

Primary Contact E-mail: peggy.lichthart@housingpartners.com

Name of Developer: **Highridge Costa Housing Partners, LLC**

TIN or EIN: **27-3320865**

Primary Contact

First Name: **Peggy**

Last Name: **Lichthart**

Title: **Project Manager**

Address:

Street: **330 W. Victoria Street**

City: **Gardena**

State: **California**

Suite:

Phone: **424-258-2808**

Ext:

Zip: **90248**

Email: peggy.lichthart@housingpartners.com

Fax: **424-258-2809**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **Montclair Lemoore AR, L.P.**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☒ Partnership

☐ Other (specify)

☐ Will you be applying for State Volume Cap?

Date Organized: **4/29/2014**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **31**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **31**

Primary Billing Contact

Organization: **Highridge Costa Housing Partners, LLC**

First Name: **Peggy**

Last Name: **Lichthart**

Title: **Project Manager**

Address

Street: **330 W. Victoria Street**

City: **Gardena**

State: **California**

Suite:

Phone: **424-258-2808**

Ext:

Zip: **90248**

Email: peggy.lichthart@housingpartners.com

Fax: **424-258-2809**

Project Information

Project Information

Project Name: **Montclair Apartments**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **Montclair Apartments**

Facility Bond Amount: \$3,609,000.00

Project Address:

Street: **150 South 19th Avenue**

City: **Lemoore**

State: **California**

Zip: **93245**

County: **Kings County**

Is Project located in an unincorporated part of the County? ☒ Y ☐ N

Total Number of Units:

Market: **1**

Restricted: **79**

Total: **80**

Lot size: **297,079 sq. ft or 6.82 acres**

Amenities:

Montclair offers a courtyard/picnic area, central laundry facility, clubhouse with common area kitchen, computer lab, on-site management, a playground, swimming pool, and perimeter fencing.

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

35 one-story garden-style buildings and a one-story clubhouse. The buildings are wood frame construction with slab concrete flooring, stucco and wood sliding, and pitched roofs.

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 100

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	2 Bedrooms	50	12	492.00	787.00	-295.00
2.	2 Bedrooms	50	1	518.00	787.00	-269.00
3.	2 Bedrooms	60	9	518.00	787.00	-269.00
4.	2 Bedrooms	60	10	544.00	787.00	-243.00
5.	3 Bedrooms	50	14	564.00	909.00	-345.00

6.	3 Bedrooms	50	5	594.00	909.00	-315.00
7.	3 Bedrooms	60	12	594.00	909.00	-315.00
8.	3 Bedrooms	60	16	625.00	909.00	-284.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
21	16	32

Financing Information

Financing Information

Maturity **40** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser:

Permanent Financing:

☐ Credit Enhancement

☐ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser:

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☒ General ☐ Mixed Income ☐ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$3,609,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$163,701.00</u>
Developer Equity:	<u>\$</u>
Other Funds (Describe):	
Costs Paid at Conversion	<u>\$818,244.00</u>
Seller Note	<u>\$1,011,807.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$5,602,752.00</u>

Uses:

Land Acquisition:	<u>\$</u>
Building Acquisition:	<u>\$3,450,000.00</u>
Construction or Remodel:	<u>\$912,000.00</u>
Cost of Issuance:	<u>\$107,401.00</u>
Capitalized Interest:	<u>\$91,428.00</u>
Reserves:	<u>\$117,786.00</u>
Other Uses (Describe):	
Developer Fee	<u>\$651,530.00</u>
TCAC/CDLAC Application Fees	<u>\$53,385.00</u>
Construction Contingency	<u>\$42,400.00</u>
Permanent Costs	<u>\$50,000.00</u>
Various Soft Costs	<u>\$126,822.00</u>
Total Uses:	<u>\$5,602,752.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick Herrington & Sutcliffe, LLP

Primary Contact

First Name: Justin

Last Name: Cooper

Title: Bond Counsel

Address:

Street: 405 Howard Street

Suite:

City: San Francisco

State: California

Zip: 94105

Phone: 415-773-5908

Ext:

Fax:

Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name: America First Tax Exempt Investor, L.P.

Primary Contact

First Name: Robert

Last Name: Schultz

Title: Senior Vice President

Address:

Street: 9090 S. Ridgeline Blvd

Suite: 100

City: Highlands Ranch

State: Colorado

Zip: 80129

Phone: 720-219-1112

Ext:

Fax:

Email: aschultz@afreg.com

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Applicant Information

Primary Contact E-mail: kbuckland@wncinc.com

Name of Developer: **Community Preservation Partners, LLC**

TIN or EIN: **87-0724333**

Primary Contact

First Name: **Karen**

Last Name: **Buckland**

Title: **Director - Community Preservation**

Address:

Street: **17782 Sky Park Circle**

Suite:

City: **Irvine**

State: **California**

Zip: **92614**

Phone: **949-236-8135**

Ext:

Fax: **714-662-6834**

Email: **kbuckland@wncinc.com**

Borrower Description:

☐ Same as developer ?

Name of Borrowing Entity: **FC Investment Group, LP**

Type of Entity:

☐ For-profit Corporation

☐ Non-profit Corporation

☒ Partnership

☐ Other (specify)

☐ Will you be applying for State Volume Cap?

Date Organized: **01/22/2014**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **54**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **54**

Primary Billing Contact

Organization: **FC Investment Group, LP**

First Name: **Karen**

Last Name: **Buckland**

Title: **Director - Community Preservation**

Address

Street: **17782 Sky Park Circle**

Suite:

City: **Irvine**

State: **California**

Zip: **92614**

Phone: **949-236-8135**

Ext:

Fax: **714-662-6834**

Email: **kbuckland@wncinc.com**

Project Information

Project Information

Project Name: **Firebaugh Garden Apartments & Mendota Village Apartments**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **Firebaugh Garden Apartments**

Facility Bond Amount: \$1,875,000.00

Project Address:

Street: **600 P Street**

City: **Firebaugh**

State: **California**

Zip: **93622**

County: **Fresno**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **0**

Restricted: **39**

Total: **39**

Lot size: **2.76 acres**

Amenities:

Unit Amenities: range, refrigerator, and window coverings. Project Amenities: Playground, basketball court, exterior storage, laundry facility, on-site management and maintenance.

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

Eight two-story wood frame, concrete slab on grade buildings, with painted stucco finish and steep-slope asphalt shingle roofs.

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

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

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	30	1	307.00	670.00	363.00
2.	2 Bedrooms	30	1	369.00	720.00	351.00
3.	3 Bedrooms	30	1	426.00	815.00	389.00
4.	4 Bedrooms	30	1	476.00	1,035.00	559.00
5.	1 Bedroom	50	1	513.00	670.00	157.00

6.	2 Bedrooms	50	7	616.00	720.00	104.00
7.	3 Bedrooms	50	4	711.00	815.00	104.00
8.	4 Bedrooms	50	2	793.00	1,035.00	204.00
9.	1 Bedroom	55	2	564.00	670.00	106.00
10.	2 Bedrooms	55	8	628.00	720.00	92.00
11.	3 Bedrooms	55	5	714.00	815.00	101.00
12.	4 Bedrooms	55	1	873.00	1,035.00	162.00
13.	2 Bedrooms	60	3	648.00	720.00	72.00
14.	3 Bedrooms	60	2	734.00	815.00	81.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly District #:
21	16	31

Facility #2

Facility Name: **Mendota Village Apartments**

Facility Bond Amount: **\$1,975,000.00**

Project Address:

Street: **1100 Second Street**

City: **Mendota**

State: **California**

Zip: **93640**

County: **Fresno**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

Total Number of Units:

Market: **0**

Restricted: **43**

Total: **43**

Lot size: **2.97 acres**

Amenities:

Unit Amenities: range, refrigerator, and window coverings. Project Amenities: Playground, basketball court, exterior storage, laundry facility, on-site management and maintenance.

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

Twelve two-story wood frame, concrete slab on grade buildings, with wood siding exteriors and steep-slope asphalt shingle roofs.

Type of Housing:

☐ New Construction

☒ Acquisition/Rehab

Facility Use:

☒ Family

☐ Senior

Is this an Assisted Living Facility? ☐

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

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

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

Total Number of Management Units: 1

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	50	1	513.00	685.00	172.00
2.	2 Bedrooms	50	4	616.00	740.00	124.00
3.	3 Bedrooms	50	3	711.00	850.00	139.00
4.	4 Bedrooms	50	1	793.00	1,060.00	267.00
5.	1 Bedroom	60	5	615.00	685.00	70.00
6.	2 Bedrooms	60	13	666.00	740.00	74.00
7.	3 Bedrooms	60	13	765.00	850.00	85.00
8.	4 Bedrooms	60	3	952.00	1,060.00	108.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information**Project/Facility is in:**

Congressional District #:

21

State Senate District #:

16

State Assembly District #:

31

Financing Information

Financing Information

Maturity **40** Years

Interest Rate Mode:

☒ Fixed

☐ Variable

Type of Offering:

☐ Public Offering

☒ Private Placement

☐ New Construction

☐ Acquisition of Existing Facility

☐ Refunding

(Refunding only) Will you be applying for State Volume Cap? ☐ Yes ☐ No

Is this a transfer of property to a new owner? ☐ Yes ☐ No

Construction Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD - Rabobank, N.A.

Permanent Financing:

☐ Credit Enhancement

☒ None

☐ Letter of Credit

☐ Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: TBD - Bellwether Enterprises Real Estate Capital, LLC

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Projected State Allocation Pool:

☐ General ☐ Mixed Income ☒ Rural

Will the project use Tax-Credit as a source of funding? ☒ Y ☐ N

Sources and Uses

Sources and Uses

Sources of Proceeds

Tax-Exempt Bond Proceeds:	<u>\$3,850,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Tax Credits:	<u>\$2,367,064.00</u>
Developer Equity:	<u>\$158,724.00</u>
Other Funds (Describe):	
Existing USDA RD 515 Loan	<u>\$3,548,626.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$9,924,414.00</u>

Uses:

Land Acquisition:	<u>\$380,000.00</u>
Building Acquisition:	<u>\$3,267,000.00</u>
Construction or Remodel:	<u>\$2,450,224.00</u>
Cost of Issuance:	<u>\$81,925.00</u>
Capitalized Interest:	<u>\$129,938.00</u>
Reserves:	<u>\$270,000.00</u>
Other Uses (Describe):	
Legal and Professional	<u>\$193,500.00</u>
Financing Costs	<u>\$178,500.00</u>
Developer Fee	<u>\$927,137.00</u>
Misc Soft Costs	<u>\$141,190.00</u>
Loan Take Out	<u>\$1,905,000.00</u>
Total Uses:	<u>\$9,924,414.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick, Herrington & Sutcliffe LLP

Primary Contact

First Name: Thomas

Last Name: Downey

Title: Special Counsel

Address:

Street: 405 Howard Street

City: San Francisco

State: California

Suite:

Phone: 415-773-5965

Ext:

Zip: 94105-2669

Email: tdowney@orrick.com

Fax: 415-773-5759

Bank/Underwriter/Bond Purchaser

Firm Name: TBD

Primary Contact

First Name: TBD

Last Name: TBD

Title: TBD

Address:

Street: TBD

City: TBD

State: California

Suite:

Phone: (949) 236-8135

Ext:

Zip: 92614

Email: kbuckland@wncinc.com

Fax:

Financial Advisor

Firm Name: N/A

Primary Contact

First Name: N/A

Last Name: N/A

Title: N/A

Address:

Street: N/A

City: N/A

State: California

Suite:

Phone: (949) 236-8135

Ext:

Zip: 92614

Email: kbuckland@wncinc.com

Fax:

Rebate Analyst

Firm Name: TBD

Primary Contact

First Name: TBD

Last Name: TBD

Title: TBD

Address:

Street: TBD

City: TBD

State: California

Suite:

Phone: (949) 236-8135

Ext:

Zip: 92614

Email: kbuckland@wncinc.com

Fax: (714) 662-8234

Item V.

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

- a. Hollenbeck Palms, City of Los Angeles, County of Los Angeles; up to \$10 million in revenue bonds. (Staff: Scott Carper)

SUMMARY AND APPROVALS

APPLICANT:	HOLLENBECK PALMS
AMOUNT:	UP TO \$10 MILLION OF NONPROFIT REVENUE BONDS
PURPOSE:	FINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, RENOVATION AND EQUIPPING OF CERTAIN CONTINUING CARE RETIREMENT FACILITIES
PRIMARY ACTIVITY:	CONTINUING CARE RETIREMENT COMMUNITIES
CSCDA PROGRAM:	QUALIFIED 501(C)(3) NONPROFIT BONDS

Background:

Hollenbeck Palms (“HP”) is a California 501(c)(3) non-profit organization founded in 1890 that provides a variety of continuing care services and programs to senior residents. In 1929, HP became the first licensed continuing care retirement community in the State of California. Over the years, HP has grown from its initial home in private residence on the site, to a complex currently containing 113 residential independent and assisted living units (171 licensed beds) and 106 Skilled Nursing Care beds.

HP offers independent residential living, assisted living and skilled nursing care at its retirement community in Los Angeles, California. All residents receive at three meals a day, laundry services, social events and activities, transportation and other supportive services including emergency call systems in all units and security personnel. Residents also enjoy a stimulating environment where not only medical needs are met, but also their social and emotional needs for volunteer opportunities, community activities, artistic endeavors, and spiritual needs in a non-denominational setting.

HP has requested that the CSCDA serve as the issuer of nonprofit revenue bonds in an aggregate principal amount not to exceed \$10,000,000 (the “Bonds”). CSCDA previously issued its Series 2007 Bonds in the original amount of \$27,000,000 and loaned the proceeds to Hollenbeck Palms for the acquisition, construction, improvement, renovation and equipping of 32 new independent living apartments and related common areas, XX parking spaces and a bistro café as a second dining venue available for all independent and assisted living residents on the campus. The proceeds of the Bonds will enable HP to finance multiple phases of a campus renovation and improvement project which will replace 74 of the existing skilled nursing beds that were constructed in 1950 with 27 new skilled nursing beds and 24 assisted living memory care apartments.

Below are a few benefits the HP Project offers to the local agencies and community:

- HP’s mission to serve others and their commitment to social accountability and public benefit
- HP’s charitable care and community outreach initiatives

- Additional services and capacity the Project will offer those residents served

Recommendations:

Based on the public benefit and finance related considerations detailed on Attachment 1, it is recommended that this Commission approve the Resolution as submitted to the Commission, which:

1. Approves the issuance of the Bonds and the financing of the Project
2. Approves all necessary actions and documents for the financing and refinancing
3. Authorizes any member of the Commission to sign all necessary documents

Attachment 1

Public Benefit:

- HP seeks to enhance the independence, well-being and security of the elderly through the provision of housing, health care and supportive services. HP provides services and employs staff without regard to religious affiliation and is committed to the provision of services and employment on a non-discriminatory basis. Hollenbeck Palms employs 134 full time equivalent employees.
- HP is committed to social accountability and public benefit throughout the organization. The organization maintains a policy of not evicting those residents who through no fault of their own (i.e. outliving their assets) are not able to fully pay for services. HP currently provide services to nearly 50 residents who have outlived their assets and have 4 endowed self-perpetuating scholarship funds to assist applicants with very limited financial resources gain residency.
- Hollenbeck Palms also participates in the Medicaid program so that an individual with limited financial resources can receive nursing care services. Hollenbeck Palms intends to maintain it's participating in the Medicaid program after the Project is completed.
- HP residents enjoy volunteer and community outreach opportunities. Many of the residents enjoy giving back to the community through inter-generational interaction by volunteering at the nearby PUENTE Learning Center
- The Project will provide additional independent living and common are capacity to seniors living in the HP community.

TEFRA Information:

The City of Los Angeles held a TEFRA hearing on June 3, 2014 and received unanimous approval.

Finance Team:

- Bond Counsel: Squire Sanders, LLP, Los Angeles
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Agent: Cain Bros, Long Beach

Financing Structure:

The unrated bonds will be placed by Cain Bros with Torrey Pines Bank, a subsidiary of Western Alliance Bank and will have a final maturity of 30 years. The Bank has committed to hold the Bonds for 20 years at a fixed rate of approximately 4.65%. The interest rate on the Bonds will be reset in 2044 for the remaining 10 years of the maturity and the Bonds may be remarketed to eligible investors in 2044. The proposed placement of the bonds will comply with the Authority's policies for the issuance of nonprofit revenue bonds.

Estimated Sources and Uses:

Sources:

Principle Amount	\$10,000,000.00
Equity Contribution	<u>\$ 2,593,417.05</u>
Total Sources	\$12,593,471.05

Uses:

Phase 2-3 Project Fund	\$ 5,433,072.00
Phase 4-5 Project Fund	\$ 5,711,856.00
Funded Interest – Phase 2-3	\$ 546,278.02
Funded Interest – Phase 4-5	\$ 554,015.05
Costs of Issuance	\$ 330,000.00
Additional Proceeds	<u>\$ 249.98</u>
Total Uses	\$12,593,471.05

Applicant Information

Primary Contact E-mail: mpappas@cainbrothers.com

Organization

Name of Organization: **Hollenbeck Palms**

TIN or EIN: **71-0876594**

Primary Contact

First Name: **Morris**

Last Name: **Shockley**

Title: **Vice President / Treasurer**

Street: **573 South Boyle Avenue**

City: **Los Angeles**

State: **California**

Suite:

Phone: **(323) 263-6195**

Ext:

Zip: **90033**

Email: **mshockley@holpalms.com**

Fax:

Primary Billing Contact

Organization: **Hollenbeck Palms**

First Name: **Morris**

Last Name: **Shockley**

Title: **Vice President / Treasurer**

Address:

Street: **573 South Boyle Avenue**

City: **Los Angeles**

State: **California**

Suite:

Phone: **(323) 263-6195**

Ext:

Zip: **90033**

Email: **mshockley@holpalms.com**

Fax:

Project Information

Project type: **Healthcare: Continuing care**

Other:

Project Name: **2014 Replacement Skilled Nursing and Memory Care Expansion Project**

☐ Small Issue Public Benefit Project?

Facility #1

Facility Name: **Series 2014, Revenue Bonds**

Facility Bond Amount: **\$10,000,000.00**

Project Address:

Street: **573 South Boyle Avenue**

City: **Los Angeles**

State: **California**

Zip: **90033**

County: **Los Angeles County**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

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

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

34

State Senate District #:

22

State Assembly District #:

53

Financing Information

Financing Information

Tax Exempt: \$ 10,000,000.00
Taxable: \$
Total Principal Amount: \$ 10,000,000.00
Maturity 30Years

Interest Rate Mode:

☒ Fixed ☐ Variable

Denominations: \$1,000.00

Type of Offering:

☐ Public Offering ☒ Private Placement
☒ New Construction ☐ Acquisition of Existing Facility
☐ Refunding

Financing:

☐ Credit Enhancement ☐ Letter of Credit
☒ None
☐ Other

Name of Credit Enhancement Provider or Private Placement Purchaser: **Private Placement Purchaser: Torrey Pines Bank, a division of Western Alliance Bank**

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Financing Team Information

Bond Counsel

Firm Name: Squire Sanders (US) LLP

Primary Contact

First Name: **Andréa**

Last Name: **Townsend**

Title: **Counsel**

Address:

Street: **555 South Flower Street**

City: **Los Angeles**

State: **California**

Suite: **31st Floor**

Phone: **(213) 689-5157**

Ext:

Zip: **90071**

Email: **andrea.townsend@squiresanders.com**

Fax:

Bank/Underwriter/Bond Purchaser

Firm Name: Western Alliance Public Finance, Inc.

Primary Contact

First Name: **Monika**

Last Name: **Suarez**

Title: **Vice President, Municipal Investment Officer**

Address:

Street: **601 W. 5th Street**

City: **Los Angeles**

State: **California**

Suite: **100**

Phone: **(213) 362-5277**

Ext:

Zip: **90071**

Email: **MSuarez@westernalliancebank.com**

Fax:

Financial Advisor

Firm Name: Cain Brothers & Company, LLC

Primary Contact

First Name: **Kathy**

Last Name: **Kirchhoff**

Title: **Managing Director**

Address:

Street: **3780 Kilroy Airport Way**

City: **Long Beach**

State: **California**

Suite: **200**

Phone: **(562) 264-0300**

Ext:

Zip: **90806**

Email: **kkirchhoff@cainbrothers.com**

Fax:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

RESOLUTION NO. __-NP-____

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$10,000,000, TO FINANCE AND REFINANCE THE COSTS OF CONSTRUCTING, IMPROVING AND EQUIPPING RESIDENTIAL ASSISTED LIVING AND NURSING FACILITIES FOR HOLLENBECK PALMS AND ITS AFFILIATES AND OTHER MATTERS RELATING THERETO

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

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

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

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

WHEREAS, the City of Los Angeles (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

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

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

WHEREAS, at the request of Hollenbeck Palms, a California nonprofit public benefit corporation (the "Borrower"), the Authority previously issued its Assisted Living Facilities

Revenue Bonds (Hollenbeck Palms/Magnolia Court) 2007 Series A (the "Series A Bonds") and its Taxable Assisted Living Facilities Revenue Bonds (Hollenbeck Palms/Magnolia Court) 2007 Series A-T (the "Series A-T Bonds" and together with the Series A Bonds, the "Series 2007 Bonds"), pursuant to that certain Indenture of Trust, dated as of February 1, 2007 (the "Original Indenture"), between the Authority and Wells Fargo Bank, National Association, as trustee (the "Trustee");

WHEREAS, the Borrower wishes to finance and refinance the costs of constructing, improving and equipping residential, assisted living and nursing facilities, including a replacement skilled nursing facility, a new memory care assisted living facility, and a new parking lot and landscaping improvements, and related facilities thereto, and including the costs of renovation, relocation and demolition of certain facilities in connection therewith, (the "Project"), at the Borrower's existing campus owned and operated by the Borrower and located at 573 S. Boyle Avenue in the City of Los Angeles, California (the "Series 2014 Project");

WHEREAS, the Series 2014 Project is located within the territorial limits of the City of Los Angeles, being a program participant of the Authority (the "Program Participant"), and a substantial portion of the persons to be employed by the Borrower at the Series 2014 Project are expected to be residents of the Program Participant;

WHEREAS, the Borrower is requesting the Authority to issue revenue bonds to (1) finance and refinance the Series 2014 Project, (2) pay interest with respect to the Series 2014 Bonds (defined below), and (3) to pay costs of issuance with respect to the Series 2014 Bonds (collectively referred to as the "Series 2014 Project");

WHEREAS, pursuant to the Original Indenture, as supplemented by the First Supplemental Indenture, the Authority will issue, in one or more series, not to exceed \$10,000,000 aggregate principal amount, the California Statewide Communities Development Authority Senior Living Facilities Revenue Bonds (Hollenbeck Palms Project) Series 2014 (the "Series 2014 Bonds"), or such other designation as provided in the Supplemental Indenture (defined below), the proceeds of which will be loaned to the Borrower to pay costs of the Series 2014 Project, pursuant to the Loan Agreement, dated as of February 1, 2007 (the "Original Loan Agreement") as amended and supplemented by the First Supplemental Loan Agreement, dated as of July 1, 2014 (the "Supplemental Loan Agreement" and together with the Original Loan Agreement, the "Loan Agreement"), among the Authority, the Borrower and the Trustee; and

WHEREAS, the Series 2014 Bonds will be issued as Additional Bonds under the Original Indenture and secured on a parity with the Series 2007 Bonds, pursuant to, and except as provided in, the Original Indenture, as amended and supplemented by that certain First Supplemental Indenture of Trust, dated as of July 1, 2014 (the "Supplemental Indenture" and together with the Original Indenture, the "Indenture"), between the Authority and the Trustee;

WHEREAS, the City Council of the City of Los Angeles, as an Authority program participant, is scheduled to approve the issuance and delivery of the Series 2014 Bonds;

WHEREAS, there have been made available to the Commissioners of the following documents and agreements has been presented to this meeting and are on file with the Authority

draft forms of the following documents relating to the Series 2014 Bonds (collectively, the “Bond Documents”):

- 1) A proposed form of the Supplemental Indenture; and
- 2) A proposed form of the Supplemental Loan Agreement.

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

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Statewide Communities Development Authority Senior Living Facilities Revenue Bonds (Hollenbeck Palms Project) Series 2014” in an aggregate principal amount not to exceed Ten Million dollars (\$10,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Supplemental Indenture as made available to the Commissioners. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Supplemental Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Supplemental Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The trustee, dated date, maturity date or dates, interest rate or rates, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed form of Supplemental Loan Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Supplemental Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee’s Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and

directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 5. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 6. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 7. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Bonds as may be required thereby and in accordance with Section 9 of the Agreement to provide financing for the Series 2014 Project.

Section 8. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this ____ day of _____, 20__.

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 _____, 20__.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

Item V.

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

- b. Los Angeles Jewish Home for the Aging, City of Los Angeles, County of Los Angeles; up to \$160 million in revenue bonds. (Staff: Scott Carper)

SUMMARY AND APPROVALS

DATE:	JUNE 26, 2014
APPLICANT:	LOS ANGELES JEWISH HOME FOR THE AGING – FOUNTAINVIEW AT GONDA
AMOUNT:	UP TO \$160 MILLION OF REVENUE BONDS
PURPOSE:	FINANCE THE CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF A CONTINUING CARE RETIREMENT COMMUNITY FOR LOS ANGELES JEWISH HOME FOR THE AGING
PRIMARY ACTIVITY:	CONTINUING CARE RETIREMENT COMMUNITY
LEGAL STRUCTURE:	501(C)(3) CORPORATION

Background:

Los Angeles Jewish Home for the Aging (“LAJHA” or the “Home”) is a California nonprofit public benefit corporation. It is a large, complex healthcare provider with a wide array of programs and services for seniors in the Greater Los Angeles area. LAJHA currently operates two residential campuses, “Grancell Village” and “Eisenberg Village” in Reseda, in Northern Los Angeles County. For more than 100 years, LAJHA has provided excellence in senior care and has grown from a skilled nursing and board and care focus to encompass community based and in-home services, short term rehabilitative care, and long-term care facilities. The community based services include ambulatory program sites and services provided directly to clients in their own homes. The Home serves more than 4,300 seniors annually through its various levels of care and services.

LAJHA and its affiliates are seeking up to \$160 million in the form of a tax-exempt bonds (the “Bonds”) to finance the construction, improvement and equipping of the Fountainview at Gonda Westside facility on a 2.5 acre site in Playa Vista, Los Angeles County (the “Project”). The Project will consist of a 460,000 square foot 6-story building including 175 supportive living apartments and 24 assisted living/memory care apartments. The Project will include 60,000 square feet of a partially subterranean level that will accommodate parking, kitchen and offices. The Project will allow LAJHA to continue to grow and provide quality supportive senior living care for the West Los Angeles area. Construction is anticipated to start in July 2014 with an estimated duration of 24 months.

This is the Authority’s fourth financing with LAJHA.

Public Benefit:

The financing of the Project will promote significant and growing opportunities for the creation and retention of employment to the California economy and the enhancement of the quality of life to residents of Los Angeles County (the “County”). The HOME has approximately 1,200 employees currently, which will increase significantly with the construction of the new Fountainview facility.

The financing of the Project will promote residential, commercial and industrial development within the County and thereby stimulate economic activity and increase the tax base.

There are currently no comparable senior living facilities located in West Los Angeles which offer residential living, assisted living and memory care on a single campus with guaranteed access to the higher levels of care. LAJHA serves a vulnerable population at all their campuses and the development of the Fountainview at Gonda Westside CCRC will bring much needed housing and services to seniors in West Los Angeles.

TEFRA Information:

TEFRA is scheduled for July 2, 2014 in Los Angeles.

Finance Team:

- Bond Counsel: Foley & Lardner, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Underwriter: Cain Brothers & Company, LLC, San Francisco
- Bond Insurer: Office of Statewide Health Planning and Development-Cal-Mortgage Loan Insurance

Financing Structure:

The Bonds will be structured in 3 tranches: \$37 million insured long-term debt repaid with ongoing operating cash flow, \$79 million insured short-term debt repaid with initial entrance fees received and \$35 million uninsured, non-rated, subordinate short-term debt repaid with initial entrance fees received. The \$116 million insured debt (\$37 million long-term and \$79 million short-term) will be publically offered and underwritten by Cain Brothers. The \$35 million uninsured, non-rated subordinate short-term debt will be placed with institutional investors by Cain Brothers.

The Cal-Mortgage commitment letter assumes:

- The interest rate on the insured long-term debt will be fixed for thirty years at approximately 4.65% and offered in \$5,000 and \$100,000 denominations.
- The interest rate on the insured short-term debt will be fixed at a rate of approximately 2.75% for up to 7 years, the final maturity of the short-term debt and offered in \$5,000 and \$100,000 denominations.
- The interest rate on the uninsured, non-rated, subordinate short-term debt will be fixed at a rate of approximately 6.00% for up to 6 years, the final maturity of the uninsured, non-rated, subordinate debt and offered in \$25,000 minimum denominations to qualified institutional buyers.

Based on current market conditions, the fixed interest rates would be approximately 4.00% on the insured long-term debt and 5.00% on the uninsured, non-rated, subordinate short-term debt.

The insured bonds are expected to be rated 'A' by S & P.

The proposed issuance is in accordance with CSCDA's issuance guidelines.

Estimated Sources and Uses:

Preliminary Sources and Uses Table	
Uninsured Entrance Fee Bonds due 2020 – (A)	\$ 34,955,000
Insured Entrance Fee Bonds due 2020 – (B)	35,085,000
Insured Entrance Fee Bonds due 2021 – (C)	44,000,000
Insured Long Term Bonds – (D)	36,840,000
Campaign for reserves	4,000,000
Land and other equity	21,000,000
Sources	\$175,880,000
Land	\$ 15,000,000
Construction	101,324,000
Mello Roos fees	1,840,000
Architect / engineer / legal	6,987,000
Furniture, fixtures and equipment	3,500,000
Local government/utility fees	1,000,000
Contingency	10,000,000
Other costs	2,344,000
Marketing	3,675,000
Working capital	2,500,000
Capitalized interest	11,838,000
Operating reserve	4,000,000
ST Debt service reserve fund	1,977,000
LT Debt service reserve fund	2,473,000
CM inspection 0,40%	464,000
CM premium 3%	4,912,000
Loan closing fees	2,046,000
Uses	\$175,880,000

Financing Approval:

Based on the overall Project public benefit and finance related considerations detailed above, the Commission shall approve the Resolution as submitted to the Commission, subject to TEFRA approval by the city of Los Angeles, which:

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

Attachment:

1. Original application

Applicant Information

Primary Contact E-mail: tshaikh@cainbrothers.com

Organization

Name of Organization: **Los Angeles Jewish Home for the Aging**

TIN or EIN:

Primary Contact

First Name: **Sherri**

Last Name: **Cunningham**

Title: **Chief Financial Officer**

Street: **7150 Tampa Ave**

Suite:

City: **Reseda**

State: **California**

Zip: **91335**

Phone: **818-774-3355**

Ext:

Fax: **818-774-3020**

Email: **sherri.cunningham@jha.org**

Primary Billing Contact

Organization: **Los Angeles Jewish Home for the Aging**

First Name: **Sherri**

Last Name: **Cunningham**

Title: **Chief Financial Officer**

Address:

Street: **7150 Tampa Ave.**

Suite:

City: **Reseda**

State: **California**

Zip: **91335**

Phone: **818-774-3355**

Ext:

Fax: **818-774-3020**

Email: **sherri.cunningham@jha.org**

Project Information

Project type: **Healthcare: Continuing care**

Other:

Project Name: **Fountainview at Gonda**

☐ Small Issue Public Benefit Project?

Facility #1

Facility Name: **Fountainview at Gonda**

Facility Bond Amount: \$**160,000,000.00**

Project Address:

Street: **12490 W. Fielding Circle**

City: **Playa Vista**

State: **California**

Zip: **90094**

County: **Los Angeles**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

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

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

43

State Senate District #:

20

State Assembly District #:

40

Financing Information

Financing Information

Tax Exempt: \$ 160,000,000.00
Taxable: \$
Total Principal Amount: \$ 160,000,000.00
Maturity 30Years

Interest Rate Mode:

☒ Fixed ☐ Variable

Denominations: 5,000 and 100,000

Type of Offering:

☒ Public Offering ☒ Private Placement
☒ New Construction ☐ Acquisition of Existing Facility
☐ Refunding

Financing:

☒ Credit Enhancement ☐ Letter of Credit
☐ None
☒ Other **Cal-Mortgage Insurance (Partial)**

Name of Credit Enhancement Provider or Private Placement Purchaser: **Cal-Mortgage Loan Insurance for a portion of debt.**

Expected Rating:

☐ Unrated

Moody's:

S&P:

Fitch:

Financing Team Information

Bond Counsel

Firm Name: Foley & Lardner LLP

Primary Contact

First Name: **Mark**

Last Name: **Schieble**

Title: **Partner**

Address:

Street: **One Maritime Plaza**

City: **San Francisco**

State: **California**

Suite: **600**

Phone: **415-984-9804**

Ext:

Zip: **94111-3404**

Email: **mschieble@foleylaw.com**

Fax: **415-434-4507**

Bank/Underwriter/Bond Purchaser

Firm Name: Cain Brothers & Company, LLC

Primary Contact

First Name: **Bill**

Last Name: **Pomeranz**

Title: **Managing Director**

Address:

Street: **601 California Street**

City: **San Francisco**

State: **California**

Suite: **1505**

Phone: **415-962-2954**

Ext:

Zip: **94108**

Email: **bpomeranz@cainbrothers.com**

Fax: **415-981-0949**

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

RESOLUTION NO. 14NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN A
PRINCIPAL AMOUNT NOT TO EXCEED \$160,000,000 TO FINANCE AND
REFINANCE THE CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF A
CONTINUING CARE RETIREMENT COMMUNITY FOR LOS ANGELES JEWISH
HOME FOR THE AGING AND OTHER MATTERS RELATING THERETO**

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

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

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

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

WHEREAS, the City of Los Angeles (the "City") is a Program Participant, and such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

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

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

WHEREAS, Los Angeles Jewish Home for the Aging, Grancell Village of the Los Angeles Jewish Home for the Aging, Eisenberg Village of the Los Angeles Jewish Home for the Aging, JHA Geriatric Services, Inc., Annenberg School of Nursing, Brandman Centers for Senior Care, Inc., each a California nonprofit public benefit corporation (the “Corporations”), Fountainview at Eisenberg Village, LLC, a California limited liability company wholly owned by one of the Corporations, and JHA West 16, LLC, a Delaware limited liability company wholly owned by one of the Corporations (collectively with the Corporations, the “Borrowers”) wish to finance and refinance the acquisition, construction, improvement and equipping of senior living facilities, including a continuing care retirement community consisting of approximately 175 licensed independent living units and approximately 24 licensed assisted living and memory care units, all to be located at 12490 W. Fielding Circle, Los Angeles (Playa Vista), California, and improvements to the Borrowers existing facilities in Los Angeles (Reseda), California (the “Project”), to be owned and operated by the Borrowers and to be located within the City;

WHEREAS, the Borrowers are requesting the assistance of the Authority in financing and refinancing the Project;

WHEREAS, pursuant to an Indenture (the “Indenture”), between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), the Authority will issue the California Statewide Communities Development Authority Insured Senior Living Bonds (Los Angeles Jewish Home for the Aging – Fountainview at Gonda) in three series, designated Series 2014A, Series 2014B and Series 2014C (such series collectively, the “Insured Bonds”) and the California Statewide Communities Development Authority Senior Living Bonds (Los Angeles Jewish Home for the Aging – Fountainview at Gonda) Series 2014D (the “Series 2014D Bonds and collectively with the Insured Bonds, the “Bonds”) for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Borrowers, the Authority will loan the proceeds of the Bonds to the Borrowers for the purpose, among others, of financing and refinancing the Project;

WHEREAS, payment of the principal of and interest on the Insured Bonds will be insured pursuant to a Contract of Insurance (the “Contract of Insurance”) among the Authority, the Borrowers and the Office of Statewide Health Planning and Development of the State of California (the “Office”);

WHEREAS, pursuant to a Bond Purchase Contract, to be dated the date of sale of the Bonds (the “Purchase Contract”), among Cain Brothers and Company, LLC, as underwriter (the “Underwriter”), the Authority and the Borrowers, the Insured Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance and refinance the Project, to reimburse the Borrower for certain pre-development costs, to fund a debt service reserve fund, to pay interest on the Bonds, and to pay certain costs of issuance of the Bonds;

WHEREAS, the Series 2014D Bonds will not be insured and will be offered for sale to Approved Institutional Buyers (as defined in the Indenture);

WHEREAS, the Authority's California Statewide Communities Development Authority Insured Health Facility Refunding Revenue Bonds (Los Angeles Jewish Home for the Aging) Series 2013 and the Authority's California Statewide Communities Development Authority Insured Health Facility Revenue Bonds (Los Angeles Jewish Home for the Aging) Series 2008 are currently outstanding and were issued to make loans of the proceeds of such bonds to the Borrowers or some of them pursuant to a Loan Agreement between the Authority and the Borrowers dated December 1, 2013 (the "2013 Loan Agreement") and a Loan Agreement between the Authority and some of the Borrowers dated as of February 1, 2008 (the "2008 Loan Agreement");

WHEREAS, the repayment and other obligations of the Borrowers under the 2013 Loan Agreement and the 2008 Loan Agreement are secured by, among other things, a pledge of and security interest in all of the Gross Revenues of the Borrowers (as defined in such loan agreements);

WHEREAS, the pledge of and grant of a security interest in the Gross Revenues under the 2013 Loan Agreement and the 2008 Loan Agreement is broad enough to include certain entrance fees from the Project (the "Entrance Fees");

WHEREAS, it is desired to give a first priority pledge of and security interest in the Entrance Fees to secure repayment of the Series 2014B Bonds, the Series 2014C Bonds and the Series 2014D Bonds, and it is desired therefore to amend the 2013 Loan Agreement and the 2008 Loan Agreement so that the pledge of Gross Revenues under such agreements does not include the Entrance Fees;

WHEREAS, there have been made available to the Commissioners of the Authority the following documents and agreements:

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Purchase Contract;
- (4) A proposed form of preliminary official statement (the "Official Statement") to be used by the Underwriter in connection with the offering and sale of the Insured Bonds;
- (5) A proposed form of Contract of Insurance;
- (6) A proposed form of Third Amended and Restated Regulatory Agreement (the "Regulatory Agreement") among the Authority, the Borrowers and the Office relating to the insurance under the Contract of Insurance;
- (7) A proposed form of First Amendment of Loan Agreement (2013) (the "First Amendment of Loan Agreement (2013)") between the Borrowers and the Authority, and consented to by the Office; and

(8) A proposed form of First Amendment of Loan Agreement (2008) (the “First Amendment of Loan Agreement (2008)”) between some of the Borrowers and the Authority, and consented to by the Office;

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

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as: (i) the “California Statewide Communities Development Authority Insured Senior Living Revenue Bonds (Los Angeles Jewish Home for the Aging – Fountainview at Gonda)” in three series designated Series 2014A, Series 2014B and Series 2014 C in an aggregate principal amount not to exceed One Hundred Sixteen Million dollars (\$116,000,000); and the “California Statewide Communities Development Authority Senior Living Revenue Bonds (Los Angeles Jewish Home for the Aging – Fountainview at Gonda) Series 2014D” in an aggregate principal amount not to exceed Forty-Four Million dollars (\$44,000,000) (all such bonds collectively, the “Bonds”). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture as made available to the Commissioners. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The trustee dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Indenture, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Purchase Contract, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract, in substantially said form, with such changes and insertions therein as any member of the

Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Official Statement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute the Official Statement, in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The proposed preliminary form of Contract of Insurance, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute the Contract of Insurance, in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed preliminary form of Regulatory Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute the Regulatory Agreement, in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 8. The proposed preliminary form of First Amendment of Loan Agreement (2013), as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute the First Amendment of Loan Agreement (2013), in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 9. The proposed preliminary form of First Amendment of Loan Agreement (2008), as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute the First Amendment of Loan Agreement (2008), in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 10. The Underwriter is hereby authorized to distribute the Official Statement in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as may be approved as aforesaid.

Section 11. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and

directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 12. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 13. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 14. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Bonds as may be required thereby and in accordance with Section 9 of the Agreement to provide financing and refinancing for the Project.

Section 15. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 26th day of June, 2014.

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 June 26, 2014.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

Item V.

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

- c. Presidio Hill School, City & County of San Francisco; up to \$9,350,000 in tax-exempt obligations. (Staff: Scott Carper)

SUMMARY AND APPROVALS

DATE: JUNE 26, 2014

APPLICANT: PRESIDIO HILL SCHOOL

AMOUNT: UP TO \$9.35 MILLION OF TAX-EXEMPT LOAN

PURPOSE: REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF K-8 EDUCATIONAL FACILITIES

PRIMARY ACTIVITY: K THROUGH 8TH GRADE EDUCATION

LEGAL STRUCTURE: 501(C)(3) CORPORATION

Background:

Presidio Hill School (“PHS”) is a K-8 co-educational independent school with an enrollment of just under 200 students distributed across one section per grade in the lower school and two sections per grade in the middle school. Our intentionally small size fosters a nurturing educational community that is responsive to each student’s particular characteristics and learning style. Our students develop critical thinking and social skills as they actively engage in projects and solve problems through a well-crafted curriculum that is academically challenging, collaborative, and creative.

PHS is seeking up to \$9.35 million in the form of a tax-exempt loan or loans (the “Loan”) to refinance the acquisition and/or the construction, renovation, expansion and equipping of certain of PHS’s educational facilities located at 3839 Washington Street, San Francisco, California 94118, and at 233 Maple Street, San Francisco, California 94118 (the “Project”). The Project will be owned and operated by PHS or the Arguello Partners, LLC, a limited liability company of which PHS is sole member, and used for educational purposes.

TEFRA Information:

A TEFRA hearing was held by the City and County of San Francisco (the “City”) on May 12, 2014 and the Budget and Finance Committee of the Board of Supervisors of the City (the “Board of Supervisors”) is scheduled to hold the next hearing on July 9, 2014. The Project is expected to be recommended for approval by the Budget and Finance Committee of the Board of Supervisors and must obtain approval by the Board of Supervisors and the signature of the City’s Mayor.

Finance Team:

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

Financing Structure:

The Loan will provide refinancing to refund existing indebtedness and to refinance the acquisition of the property located at 233 Maple Street. PHS will use \$3.35MM to refinance its existing indebtedness and \$ 6.0MM for the refinancing of the property. The Loan is a single draw loan that will amortize over 30 years, requiring principal and interest payments on a monthly basis. Interest rate will be fixed at 3.75% for all 30 years. The proposed issuance is in accordance with CSCDA's issuance guidelines.

Estimated Sources and Uses:

Sources:

Loan Proceeds:	\$ 9,350,000.00
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Uses:

Refinance Existing Indebtedness	\$ 3,250,000.00
Refinance 233 Maple St. Acquisition	\$ 6,000,000.00
Cost of Issuance	<u>\$ 100,000.00</u>
Total Uses:	\$ 9,350,000.00

Financing Approval:

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

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

Attachment 1

K-12 Public Benefit Requirements:

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

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

Community Outreach:

Presidio Hill School long ago established core values of community outreach that continue to guide our work with children today.

Quoting from our mission statement, these values include:

- A curriculum of integrated academics that inspires curiosity, critical thinking, cooperative learning and global stewardship
- A commitment to environmental sustainability in the curriculum and the operations of the school
- A community that helps each child finds his or her own voice and nurtures the confidence to use that voice creatively and compassionately
- A place where the companionship of their peers fosters community life and helps each carry a just share of the responsibility within and beyond the walls of the school
- A school that mirrors and embraces the mosaic that is San Francisco

This ethos translates directly into the community of San Francisco through a number of service learning projects. Currently the school is partnered with local institutions like the Presidio Trust, Glide Memorial Church, The Institute on Aging, A Matter of Trust, Golden Gate Park, Giants Sweep, and the San Francisco Food Bank, to name just a few.

Financial Assistance:

22% of the students at Presidio Hill School (grades K through 8) receive need-based assistance. The school has an active financial aid program and makes available financial assistance to students of need. PHS provides more than \$775,000 in financial aid to students per year, representing 15% of our annual budget.

Attachments:

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

Applicant Information

Primary Contact E-mail: tony@presidiohill.org

Organization

Name of Organization: **Presidio Hill School**

TIN or EIN: **94-1201211**

Primary Contact

First Name: **Tony**

Last Name: **Morgan**

Title: **Director of Finance and Operations**

Street: **3839 Washington Street**

City: **San Francisco**

State: **California**

Suite:

Phone: **415-728-3572**

Ext: **102**

Zip: **94118**

Email: **tony@presidiohill.org**

Fax: **415-751-9334**

Primary Billing Contact

Organization: **Presidio Hill School**

First Name: **Tony**

Last Name: **Morgan**

Title: **Director of Finance and Operations**

Address:

Street: **3839 Washington Street**

City: **San Francisco**

State: **California**

Suite:

Phone: **415-728-3572**

Ext: **102**

Zip: **94118**

Email: **tony@presidiohill.org**

Fax: **415-751-9334**

Project Information

Project type: **Education: K-12**

Other:

Project Name: **Refinance/Maple Street Property**

☐ Small Issue Public Benefit Project?

Facility #1

Facility Name: **Presidio Hill School**

Facility Bond Amount: **\$9,350,000.00**

Project Address:

Street: **3839 Washington Street**

City: **San Francisco**

State: **California**

Zip: **94118**

County: **San Francisco**

Is Project located in an unincorporated part of the County? ☐ Y ☒ N

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

Name of Agency:

First Name: **Mary**

Last Name: **Woods**

Title: **San Francisco City Planner**

Phone:

Ext:

Fax:

Email: **Mary.Woods@sfgov.org**

Public Benefit Info

For Private School Facility Only:

Tuition assistance K-8: **785,988.00**

Tuition assistance 9-12:

Total tuition K-8: **4,980,850.00**

Total tuition 9-12:

Part reimbursed K-8:

Part reimbursed 9-12:

% students receiving 50% tuition assistance: **16.2**

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly District #:

12

8

19

Financing Information

Financing Information

Tax Exempt: \$ 9,350,000.00
Taxable: \$
Total Principal Amount: \$ 9,350,000.00
Maturity 30Years

Interest Rate Mode:

☒ Fixed ☐ Variable

Denominations: \$100,000

Type of Offering:

☐ Public Offering ☒ Private Placement
☐ New Construction ☒ Acquisition of Existing Facility
☒ Refunding

Financing:

☐ Credit Enhancement ☐ Letter of Credit
☒ None
☐ Other

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

Expected Rating:

☒ Unrated

Moody's:

S&P:

Fitch:

Financing Team Information

Bond Counsel

Firm Name: Sidley Austin LLP

Primary Contact

First Name: **Gerald**

Last Name: **McGovern**

Title: **Partner**

Address:

Street: **555 California Street**

Suite:

City: **San Francisco**

State: **California**

Zip: **94104**

Phone: **415-772-1215**

Ext:

Fax: **415-397-4621**

Email: **gmcgovern@sidley.com**

Bank/Underwriter/Bond Purchaser

Firm Name:First Republic Bank

Primary Contact

First Name: **Jeff**

Last Name: **Winkel**

Title: **Managing Director**

Address:

Street: **111 Pine Street**

Suite: **10th Floor**

City: **San Francisco**

State: **California**

Zip: **94111**

Phone: **415-262-4126**

Ext:

Fax: **415-296-5708**

Email: **jwinkel@firstrepublic.com**

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

CSCDA K-12 Private School Policy

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

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

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

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

Effective Date: April 20, 2011.

RESOLUTION NO. __NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF AN OBLIGATION IN A
PRINCIPAL AMOUNT NOT TO EXCEED \$9,350,000 TO REFINANCE A PRIOR LOAN
AND TO REFINANCE THE ACQUISITION OF CERTAIN FACILITIES FOR PRESIDIO
HILL SCHOOL AND OTHER MATTERS RELATING THERETO**

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

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

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

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

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

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

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

WHEREAS, the Presidio Hill School, a California nonprofit public benefit corporation (the "Corporation"), wishes (i) to refinance the Authority's 2011 Tax-Exempt Loan (Presidio Hill) (the "Prior Loan") and (ii) to refinance the acquisition of a certain parcel of real property,

and the improvements thereon, located at 233 Maple Street, San Francisco, California 94118, which property was purchased in May 2012 by Arguello Partners, LLC a limited liability company (the “LLC”), of which the Corporation is the sole member (collectively, the “Project”) owned by the Corporation and/or the San Francisco Unified School District and operated by the Corporation and located in the City;

WHEREAS, the owner and/or operator of all capital improvements (including equipment and other costs), to be refinanced with the proceeds (defined below) has been and will be the Corporation or the LLC;

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

WHEREAS, pursuant to a Master Loan Agreement to be executed by First Republic Bank (the “Lender”), the Authority and the Corporation (the “Master Loan Agreement”), the Authority will grant a tax-exempt loan to the Corporation in a principal amount not exceeding \$9,350,000 (the “Obligation”), for the purpose of financing the Project;

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

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

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

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

Section 1. Pursuant to the Act and the Master Loan Agreement, the Authority is hereby authorized to issue the Obligation in an aggregate principal amount not to exceed Nine Million Three Hundred Fifty Thousand dollars (\$9,350,000). The Obligation shall be issued and secured in accordance with the terms of the Master Loan Agreement presented at this meeting.

Section 2. The proposed form of Master Loan Agreement, as made available to the Commissioners, is hereby approved. Any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 14R-4 of the Authority, adopted on February 6, 2014 (each, an “Authorized Signatory”) is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Master Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, methods of determining rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of

redemption and other terms of the Obligation shall be as provided in the Master Loan Agreement, as finally executed.

Section 3. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Obligation, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

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

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 26th day of June, 2014.

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 June 26, 2014.

By: _____

Authorized Signatory
California Statewide Communities
Development Authority

Item VI.

Approve the following resolutions for Assessment District 14-02 (City of Rocklin, County of Placer) related to the upcoming Statewide Community Infrastructure Program (SCIP) project:
(Staff: Scott Carper)

- a. A resolution of intention to finance the payment of development impact fees and capital improvements, including approval of proposed boundary map;
- b. A resolution preliminarily approving engineer's reports, setting public hearing of protests and providing property owner ballots for Statewide Community Infrastructure Program Assessment District.

SUMMARY AND APPROVALS

PROGRAM:	STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”)
PURPOSE:	NO. 14-02 CITY OF ROCKLIN, COUNTY OF PLACER ASSESSMENT DISTRICT 1. RESOLUTION OF INTENTION TO FINANCE THE PAYMENT OF IMPACT FEES & CAPITAL IMPROVEMENTS, INCLUDING APPROVAL OF PROPOSED BOUNDARY MAP 2. RESOLUTION PRELIMINARILY APPROVING ENGINEER’S REPORT, SETTING PUBLIC HEARING OF PROTESTS AND PROVIDING PROPERTY OWNER BALLOTS FOR STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICTS.
PRIMARY ACTIVITY:	FINANCE THE PAYMENT OF DEVELOPMENT IMPACT FEES AND IMPROVEMENTS FOR PUBLIC IMPROVEMENTS UNDER THE STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM (“SCIP”)

SCIP has received an application in the city of Rocklin, County of Placer to finance the payment of impact fees & capital improvements.

The amount of bonds to be issued will not exceed \$5,000,000 with a proposed closing date in the fall of 2014. The Commission is being requested to approve the following:

- The resolution of intention to finance development impact fees & capital improvements including the boundary map prepared by the assessment engineer, David Taussig & Associates;
- Preliminary approval of the engineers report and setting of the public hearing of protests and mailing of ballots.
- Setting of the public hearing of protests for August 21, 2014.

Orrick, Herrington & Sutcliffe and CSCDA staff have reviewed the boundary map, preliminary engineer’s report and the resolutions have been prepared by Orrick.

Attachment 1 contains the preliminary engineer’s report & Attachment 2 contains copies of the resolutions and their attachments. All final approvals for the issuance of bonds would be brought back to this Commission in the coming months after all proceedings have been completed.

Two Oaks & Parkview (Phase II) – City of Rocklin

The impact fees include local traffic fee & south placer regional traffic. Improvements include street and surface. Fees & Improvements total \$4,533,935.

Approvals:

Based upon the resolutions submitted and reviewed it is requested that this Commission:

1. Approve all necessary actions and documents;
2. Authorize any member of the Commission or Authorized Signatory to sign all necessary documents; and
3. Set the public hearing for August 21, 2014 at 10:00 a.m. at the California State Associations of Counties.

RESOLUTION NO. _____

RESOLUTION OF INTENTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE CAPITAL IMPROVEMENTS AND THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR PUBLIC IMPROVEMENTS IN THE PROPOSED STATEWIDE COMMUNITY INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 14-02 (CITY OF ROCKLIN, COUNTY OF PLACER, CALIFORNIA), APPROVING A PROPOSED BOUNDARY MAP, MAKING CERTAIN DECLARATIONS, FINDINGS AND DETERMINATIONS CONCERNING RELATED MATTERS, AND AUTHORIZING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, under the authority of the Municipal Improvement Act of 1913 (the “1913 Act”), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code (the “Code”), the Commission (the “Commission”) of the California Statewide Communities Development Authority (the “Authority”) intends to finance, through its Statewide Community Infrastructure Program, certain capital improvements (the “Improvements”) and the payment of certain development impact fees for public improvements (the “Improvement Fees”) as described in Exhibit A attached hereto and by this reference incorporated herein, all of which are of benefit to the proposed Statewide Community Infrastructure Program Assessment District No. 14-02 (City of Rocklin, County of Placer, California) (the “Assessment District”); and

WHEREAS, the Commission finds that the land specially benefited by the financing of the Improvements and the Improvement Fees is shown within the boundaries of the map entitled “Proposed Boundaries of California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 14-02, City of Rocklin, County of Placer, California,” a copy of which map is on file with the Secretary and presented to this Commission meeting, and determines that the land within the exterior boundaries shown on the map shall be designated “Statewide Community Infrastructure Program Assessment District No. 14-02 (City of Rocklin, County of Placer, California)”;

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

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

1. The above recitals are true and correct, and the Commission so finds and determines.
2. Pursuant to Section 2961 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the “1931 Act”), being Division 4 (commencing with Section

2800) of the Code, the Commission hereby declares its intent to comply with the requirements of the 1931 Act by complying with Part 7.5 thereof.

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

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

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

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

7. Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12%) per annum, will be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10 of the Code), and the last installment of the bonds shall mature not to exceed thirty (30) years from the second day of September next succeeding twelve (12) months from their date.

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

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

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

11. To the extent any Improvement Fees are paid to the Authority in cash with respect to property within the proposed Assessment District prior to the date of issuance of the bonds,

the amounts so paid shall be reimbursed from the proceeds of the bonds to the property owner or developer that made the payment.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 26, 2014.

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 June 26, 2014.

By _____
Authorized Signatory
California Statewide Communities
Development Authority

EXHIBIT A

DESCRIPTION OF WORK

The payment of development impact fees levied within the District and capital improvements to be acquired and owned by the City of Rocklin upon parcels within the District, which are authorized to be financed pursuant to the Municipal Improvement Act of 1913 and as to which the owners of the applicable parcels have applied for participation in SCIP, as more particularly described below.

PAYMENT OF IMPACT FEES

1. Local Traffic Fee
2. South Placer Regional Traffic Fee

CAPITAL IMPROVEMENTS

1. Street and Surface Improvements

RESOLUTION NO. 14R-_____

**RESOLUTION PRELIMINARILY APPROVING ENGINEER'S REPORT,
SETTING DATE FOR PUBLIC HEARING OF PROTESTS AND PROVIDING
FOR PROPERTY OWNER BALLOTS FOR CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY STATEWIDE COMMUNITY
INFRASTRUCTURE PROGRAM ASSESSMENT DISTRICT NO. 14-02 (CITY
OF ROCKLIN, COUNTY OF PLACER, CALIFORNIA)**

WHEREAS, at the direction of this Commission, David Taussig & Associates, as Engineer of Work for improvement proceedings in California Statewide Communities Development Authority Statewide Community Infrastructure Program Assessment District No. 14-02 (City of Rocklin, County of Placer, California) has filed with the Authority the report described in Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913, hereafter in this resolution referred to as the "Act"), and containing the matters required by Article XIID of the California Constitution ("Article XIID"), and it is appropriate for this Commission to preliminarily approve said report and to schedule the public hearing of protests respecting said report.

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

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

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

Section 3. This Commission hereby sets 10:00 a.m., or as soon thereafter as the matter may be heard, on August 21, 2014, at the office of the California State Association of Counties, 1100 K Street, Sacramento, California, as the time and place for a public hearing of protests to the proposed financing of public capital improvements, the proposed levy of assessments, the amounts of individual assessments, and related matters as set forth in said report, and any interested person may appear and object to said financing of public capital improvements, or to the extent of said assessment district or to said proposed assessment.

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

Section 5. David Taussig & Associates, Engineer of Work, 2250 Hyde Street, 5th Floor, San Francisco, California 94109, (415) 962-1480, is hereby designated to answer inquiries regarding the report and the protest proceedings.

PASSED AND ADOPTED by the California Statewide Communities Development Authority
this 26th day of June, 2014.

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 June 26, 2014.

By _____
Authorized Signatory
California Statewide Communities
Development Authority

PRELIMINARY

ENGINEER'S REPORT

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**



**ASSESSMENT DISTRICT No. 14-02
CITY OF ROCKLIN, COUNTY OF PLACER**

BEGINNING FISCAL YEAR 2014-2015

INTENT MEETING: JUNE 26, 2014

PUBLIC HEARING: AUGUST 21, 2014

Prepared by

DAVID TAUSSIG & ASSOCIATES, INC.
2250 Hyde Street, 5th Floor
San Francisco, California 94109
(800) 969-4382

Newport Beach
San Francisco
Fresno
Riverside
Chicago, Illinois
Dallas, Texas

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

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California Statewide Communities Development Authority

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Stephen A. Runk, P.E.
Nathan D. Perez, Esq.
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APPENDICES

Appendix A: ASSESSMENT ROLL

The undersigned respectfully submits the enclosed Engineer's Report as directed by the Commission of the California Statewide Communities Development Authority.

Date: _____, 2014

David Taussig & Associates, Inc.

By: _____
Stephen A. Runk, P.E.
License Number: C23473

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was filed with me on the _____ day of _____, 2014.

By: _____
Assistant to Secretary of the Authority,
California Statewide Communities
Development Authority

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was approved and confirmed by the Commission of the California Statewide Communities Development Authority on the _____ day of _____, 2014.

By: _____
Assistant to Secretary of the Authority,
California Statewide Communities
Development Authority

I HEREBY CERTIFY that the enclosed Engineer's Report, together with the Assessment and Assessment Diagram thereto attached, was recorded in my office on the _____ day of _____, 2014.

By: _____
Superintendent of Streets of the Authority,
California Statewide Communities
Development Authority

David Taussig & Associates, Inc., Assessment Engineer for the California Statewide Communities Development Authority (the "Authority") (Statewide Communities Infrastructure Program) Assessment District No. 14-02 (City of Rocklin, County of Placer, California) hereinafter referred to as "District," makes this report (hereinafter "Engineer's Report" or "Report"), as directed by the Commission of the Authority, in accordance with the Resolution of Intention, Resolution No. _____, and pursuant to Section 10204 of the Streets and Highways Code (Municipal Improvement Act of 1913) and Article XIID of the California Constitution, which was added in November 1996 through the passage of Proposition 218 by voters of the State of California.

The fees which are the subject of this Report are briefly described as follows:

A. Impact Fees

- 1 Local Traffic Fees (*Resolution No. 2011-125*) – Traffic impact fees to fund capital improvements to the City of Rocklin’s roadway and traffic system.
- 2 South Placer Regional Traffic Fees (*Resolution No. 2008-02*) – Fees collected against new development to fund street improvements dedicated to and maintained by the County of Placer.

B. Capital Improvements – Two Oaks

The following capital improvements located within the City of Rocklin, County of Placer, and specifically within the Two Oaks Project, will be funded, or partially funded, by proceeds from this bond issuance.

- 1 Street and Surface Improvements – Funding for capital improvements including, but not limited to, construction and installation of grading, paving, curbs, gutters, sidewalks, and handicap ramps associated with the Two Oaks four-part development.

C. Reimbursement for Capital Improvements – Two Oaks

Future negotiations and agreements between the City of Rocklin (“City”) and the Project developer may outline a mechanism whereby the developer of a “benefited” property would pay the City for that property’s share of the costs of certain public facilities. Such payments related to public facilities privately financed by the developer of Two Oaks would then be paid, when received by the City, to the developer of the Two Oaks Project. Such payments related to public facilities financed by the District would be allocated to the parcels within the District in proportion to their respective original assessments as shown in this Report. As pertains to any of those parcels that the developer of Two Oaks may sell, those amounts would be paid to the developer of Two Oaks. As pertains to any such parcels still owned by the developer of Two Oaks, the City would use those amounts to partially prepay the assessments on those parcels pursuant to Streets and Highways Code Section 8766.5.

Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12.00%) shall be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall not mature more than twenty-nine (29) years from the second day of September next succeeding twelve (12) months from their date.

This Report includes the following sections:

Plans and Specifications – Plans and specifications for improvements to be constructed. Plans and specifications are a part of this Report whether or not separately bound.

Cost Estimate – An estimate of the cost of the improvements.

Assessment Roll – An assessment roll, showing the amount to be assessed against each parcel of real property within this Assessment District and the names and addresses of the property owners. An Assessor's Parcel number or other designation describes each parcel. Each parcel is also assigned an "assessment number" that links the Assessment Roll to the Assessment Diagram.

Method of Assessment – A statement of the method by which the Assessment Engineer determined the amount to be assessed against each parcel, based on special benefits to be derived by each parcel from the improvements.

Assessment Diagram – A diagram showing all of the parcels of real property to be assessed within this Assessment District. The diagram corresponds with the Assessment Roll by assessment number.

Maximum Annual Administrative Cost Add-on – Proposed maximum annual assessment per parcel for current costs and expenses.

Debt Limitation Report – A debt limitation report showing compliance with Part 7.5 of Division 4 of the Streets and Highways Code.

The plans, specifications, and studies of the improvements and impact fees for this District are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Rocklin and/or the County of Placer, California.

Summary Cost Estimate

The estimated costs of the fees and improvements have been calculated and are shown below along with other bond financing costs. All fee information has been provided to DTA by the project proponents, the City of Rocklin, and the SCIP Administrator.

Cost Estimate City of Rocklin, County of Placer - Two Oaks & Parkview (Phase II)					
Description	Development Impact Fees	Special Benefit Apportioned to Project	Total Amount (\$)	Amounts Pre-Paid by & Reimbursable to Developer	Amount Funded to Agency
Two Oaks Impact Fees					
Local Traffic Fee	\$1,060,494	100%	\$1,060,494	\$0	\$1,060,494
South Placer Regional Traffic Fee	\$538,115	100%	\$538,115	\$0	\$538,115
Parkview (Phase II) Impact Fees					
Local Traffic Fee	\$203,796	100%	\$203,796	\$0	\$203,796
South Placer Regional Traffic Fee	\$103,410	100%	\$103,410	\$0	\$103,410
Subtotal	\$1,905,815		\$1,905,815	\$0	\$1,905,815
Improvements Funded (Two Oaks)					
Street & Surface Improvements	\$2,023,081	85%	\$1,719,619	\$0	\$1,719,619
Subtotal	\$2,023,081		\$1,719,619	\$0	\$1,719,619
Professional Services					
Two Oaks					
Assessment Engineer	\$12,600		\$12,600	\$0	\$12,600
Appraiser	\$5,000		\$5,000	\$0	\$5,000
District Administration	\$10,000		\$10,000	\$0	\$10,000
Parkview (Phase II)					
Assessment Engineer	\$4,000		\$4,000	\$0	\$4,000
Appraiser	\$5,000		\$5,000	\$0	\$5,000
District Administration	\$10,000		\$10,000	\$0	\$10,000
Subtotal	\$46,600		\$3,672,034	\$0	\$3,672,034
Financing Costs					
Bond Reserve Fund	8.00%		\$362,715	-	-
Capitalized Interest	6.00%		\$272,036	-	-
Legal	1.00%		\$45,339	-	-
Issuer	1.50%		\$68,009	-	-
Underwriter	2.50%		\$113,348	-	-
Contingency	0.01%		\$453	-	-
Subtotal	19.01%		\$861,901	-	-
Total Assessment			\$4,533,935		

An assessment of the total amount of the costs and expenses of the fees upon the subdivisions of land within the Assessment District, in proportion to the estimated special benefit to be received by the subdivisions from the Impact Fees and Improvements, is set forth upon the following Assessment Roll filed with and made part of this Report.

The Assessment Roll, as provided in **Appendix A**, lists the Assessor's Parcel numbers within this Assessment District by assessment number. The assessment numbers appearing on the Assessment Roll correspond with the subdivisions and parcels of land and their current numbers shown on the Boundary Map. The names and addresses of the property owners are as shown on the last equalized assessment roll for taxes or as known to the Secretary of the Authority.

All parcel information has been provided to DTA by the project proponents, the County of Placer Assessor, and the SCIP Administrator.

A. Background

Assessment District jurisprudence requires that assessments levied pursuant to the Municipal Improvement Act of 1913 be based on the “special benefit” properties receive from the Works of Improvement (i.e., Impact Fees and Capital Improvements). However, the law does not specify the method or formula that should be used to apportion the assessments in Assessment District proceedings. In addition, Article XIID of the California Constitution, added in November 1996 through the passage of Proposition 218 by voters of the State of California, requires, inter alia, that (i) only special benefits be assessable, (ii) no assessment may exceed the proportional special benefit conferred on the parcel assessed, and (iii) publicly owned parcels shall not be exempt from assessment unless clear and convincing evidence demonstrates that such publicly owned parcels receive no special benefits from the improvements for which the assessment is levied.

“Special benefit” is a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. Importantly, the general enhancement of property value does not constitute special benefit. As such, this Engineer’s Report has been designed to comply with these requirements, as well as to incorporate recent California court decisions such as: *Silicon Valley Taxpayers Association, Inc. v. Santa Clara County Open Space Authority* (2008), *Beutz v. County of Riverside* (2010), *Golden Hills Neighborhood Association v. City of San Diego* (2011), and *Concerned Citizens v. West Point Fire Protection District* (2011).

Methodologically, it is necessary and essential to identify the special benefit that the Impact Fees, Capital Improvements, and related improvements will render to the properties within the District. It is also necessary that the properties receive a special and direct benefit as distinguished from benefit to the general public.

All costs associated with the financing of Impact Fees and Capital Improvements are to be fairly distributed among the lots and parcels within the District based upon the special benefit received by each lot and parcel. Additionally, in compliance with the California Constitution Article XIID Section 4, each lot’s and parcel’s assessment may not exceed the reasonable cost of the proportional special benefit conferred upon it. In sum, each of the properties benefiting from the Impact Fees, Capital Improvements, and related improvements proposed for Assessment District No. 14-02 will be assessed only for the special benefit conferred on such properties.

The Assessment Engineer is appointed for the purpose of analyzing the facts and determining the method and formula for apportionment of the assessment obligation to the benefited properties. For these proceedings, the Authority has retained the firm of David Taussig & Associates, Inc. as the Assessment Engineer.

The Assessment Engineer makes his or her recommendation for the method of apportionment in this Engineer’s Report for consideration at the public hearing. The final authority and action rests with the Authority after hearing all testimony and evidence presented at the public hearing and the tabulation of the assessment ballots. Upon conclusion of the public hearing, the Authority must make the final action in determining that the assessment has been made

in direct proportion to the special benefit received. Ballot tabulation will then be completed, and if a majority of ballots received, weighted by assessment amount, do not protest the assessment, then the Authority may establish the Assessment District.

B. Special Benefit

1. Development Impact Fees

Impact fees are a form of monetary exaction on new development which must be paid as a condition of development approval. Impact fees are neither taxes nor special assessments, nor are these fees permitted to cover ongoing operations and maintenance costs. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners that are seeking to develop property. In this manner, developers, builders, and property owners pay their “fair share” of needed capital facilities.

The authority of local governments to impose impact fees on development is derived from their police power to protect the health and welfare of citizens under the California Constitution (Article 11, Section 7). Development impact fees were enacted under Assembly Bill 1600 by the California Legislature in 1987 and codified under California Government Code §66000 *et. seq.*, also referred to as the California Mitigation Fee Act (the “Act” or “AB 1600”). Furthermore, the California Mitigation Fee Act provides a prescriptive guide to establishing and administering impact fees based on constitutional and decisional law. Again, Government Code, §65913.8 precludes the use of development fees to fund maintenance or services, with limited exceptions for very small improvements and certain temporary measures needed by certain special districts.

The use of development impact fees to finance public facilities necessary to accommodate new growth is a concept that has been used by cities, counties, and public agencies throughout California. The rationale for charging impact fees is based on the premise that new development should pay its “fair share” of the costs associated with growth. Notably, certain fees levied for utility systems are considered capital charges for the privilege of connecting to the utility system (hookup fees) and are charged under different legal authority. All capital impact fees and connection charges that are being paid to finance capital improvements and included in this Engineer’s Report provide direct and special benefit to the properties for which the development impact fees or connection charges are being paid by ultimately allowing for the orderly development of those parcels.

Additionally, it is critical that all fees meet the nexus requirements promulgated under AB 1600 to ensure that they are clearly justifiable and defensible. In order to impose a fee as a condition for a development project, the underlying methodology must accomplish the following:

- *Identify the purpose of the fee.*

- *Identify the use to which the fee is to be put. If the use is financing public facilities, the facilities must be identified.*
- *Determine how there is a reasonable relationship between the fee's use and the type of development project on which the fee is imposed.*
- *Determine how there is a reasonable relationship between the need for the public facility and the type of development project on which the fee is being imposed.*
 - *Implicit in these requirements is a stipulation that a public agency cannot impose a fee to cure existing deficiencies in public facilities or improve public facilities beyond what is required based on the specific impacts of new development.*

Accordingly, the finding and allocation of “special benefit” present in this Engineer’s Report is also predicated on the AB 1600 Nexus Studies previously developed for each of the fees outlined in Section III, under the principle that the above AB 1600 “fair share” requirements also comprehensively demonstrate 100% “special benefit.” These AB 1600 Nexus Studies are voluminous and will not be bound in this Report, but by this reference are incorporated as if attached to this Report. The plans and specifications are on file with the City of Rocklin, the County of Placer, California, and/or associated public agencies in the region.

2. Capital Improvements

The construction of public infrastructure improvements is typically necessary as a condition of approval to develop a property. Where applicable, the developer is installing these public facilities, which are necessary for the ultimate completion of the project. The capital improvements financed for the development project included within this Report provide direct and special benefit to the project being assessed since they could not be developed with building structures without the installation of the District improvements.

a. Street and Surface Improvements

Street and Surface Improvement usage is typically computed on the basis of anticipated mode trip generation (e.g., auto, transit, bike, walk, etc.). Any sidewalk trip analysis or impact study would need to assume a reasonable trip generation rate for each intended land use to not only determine accumulated sidewalk and/or traffic volumes but also the relative impact of each proposed land use on proposed mitigations. However, because the Two Oaks development project proposes only one land use, single family residential, all lots have the same relative impact as any other lot in the development.

Ultimately, there will be a general benefit related to these improvements. Given uncertainty regarding future land development, and the fact that these improvements are largely internal to the Project boundaries, DTA very

conservatively and generously assigned general benefit to the street and surface system improvements of 15%.

C. Apportionment

The assessments for each of the two (2) developments will be apportioned by each respective development's initial assessment burden, as shown in Section VI (Assessment Roll), and then on a pro rata basis within each development based on the projected unit counts for any newly created parcels (by lot line adjustments and/or subdivisions) within such development as described on the following pages.

1. Benefiting Properties within the District

At the time this Report was prepared, the two (2) developments comprising this District – Parkview (Phase II) and Two Oaks - consisted of Assessor's Parcels 365-010-011-000, 365-010-003-000, 017-081-072-000, and 378-060-001-000 through 378-060-078-000. These parcels encompass a current estimated total gross acreage of 71.18 acres located in a residential zoned area of the City. Based on currently available data, the proposed development will consist of 54 and 281 single family units, respectively for the Parkview (Phase II) and Two Oaks developments. Importantly, parcels 378-060-001-000 through 378-060-078-000 were recently approved by City Council on June 10, 2014. It is DTA's understanding that these 78 parcels were created from two previously utilized Assessor's Parcels (017-081-050-000 and 017-081-061-000) and for purposes of this Report, DTA has assumed that the newly issued parcel numbers are in final form.

Each parcel will have certain fees and improvements funded through SCIP and will be assessed for such fees and improvements financed through the District. If building plans change or the existing parcels are not subdivided as planned, the assessment will be allocated to each new Assessor's Parcel in proportion to the original assessment based on the acreage of each Assessor's Parcel. Notably, at the time of this Report, parcel number 017-081-072-000 was not fully subdivided and will therefore be acting as the *designated remainder* for the Two Oaks Project, thus for the time being assuming 201 lots worth of District assessment until the anticipated new parcels and parcel numbers are created.

2. Benefit Analysis

Development Impact Fees

The method of apportionment established for the development reflects the proportional special benefit that each property receives from the levied developed impact fees. The assessments for this development will be apportioned based: first, on each development's projected share of the overall development impact fee burden, and thus the initial District assessment; and second, pro-rata by development, based on the projected unit counts noted above.

The assessments for elements of this development will be placed onto the currently existing Assessor's Parcels on which the development is located based on gross acreage. If the existing parcels are subdivided at a future date, the assessments will be apportioned between the new Assessor's Parcels in proportion to the number of new single family homes on each parcel and within each development, subject to the initial bifurcation of the assessment burden between Two Oaks and Parkview (Phase II). In the absence of unit counts at the time of the reapportionment, the original assessment will be apportioned between the new parcels in *proportion* to the net acreage of the subdivided parcels.

Capital Improvements

The method of apportionment established for the Two Oaks development reflects the proportional special benefit that the property receives from the improvements. For this residential development, it has been determined that the benefit to each of the two-hundred-eighty-one (281) single family residential lots are identical and that the most appropriate allocation of special benefit assessment is to assign to each property an amount equal to the total assessment amount associated with the single family residential property divided by the total number of approved single family residential units within the Two Oaks element of the District, or one equivalent benefit unit ("EBU") for each proposed single family residential unit.

The construction of the improvements associated with the Two Oaks development provides a direct and special benefit to the properties in the development, for the ultimate purposes of ingress/egress, access, recreation and accessibility, and transportation. The lots in the development could not be created nor the special benefit enjoyed by the ultimate lot owners without the construction of these improvements, which were required in order for the property to be developed.

Because all future lots and parcels within the development which are proposed to have buildings constructed on them benefit from the District improvements, they will be assessed for the portion of the specific costs of the improvements that are attributable to them. Lots or areas which are designed as common lots for parking, landscaping, and/or ingress and egress for the site, and which service the lots with building or storage uses within the development and which are not expected to have buildings located on them, will not be assessed.

D. Conclusion

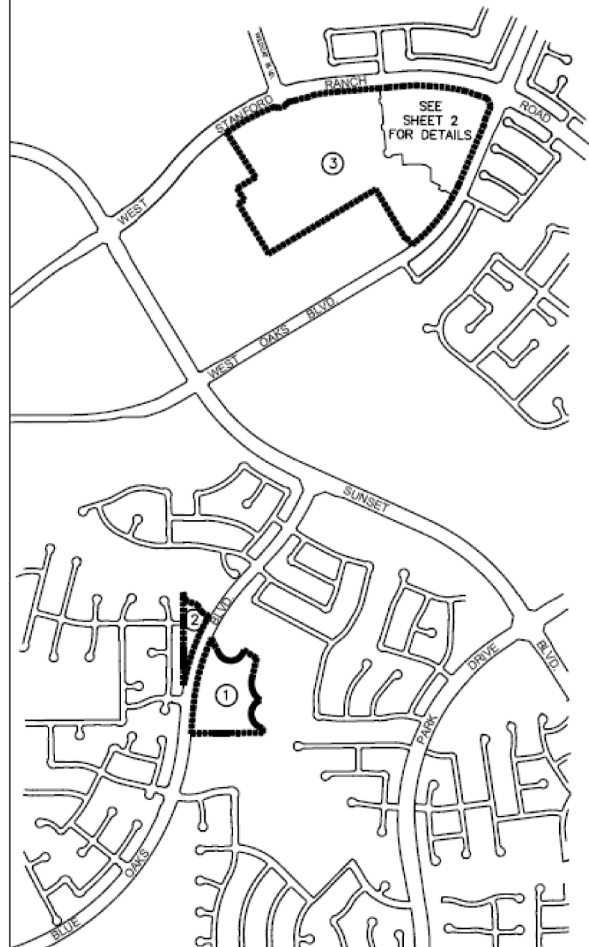
In conclusion, it is the Assessment Engineer's opinion that the assessments for the California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California) are allocated in accordance with the direct and special benefit which the land receives from the Works of Improvement, herein defined as Improvements and Impact Fees and identified in Section V, in compliance with the requirements of Article XIID of the California Constitution.

A Boundary Map showing the Assessment District, including the boundaries and dimensions of the parcels, lots, or subdivisions of land within the Assessment District as they existed at the time of the passage of the Resolution of Intention, has been filed and recorded at the County of Placer Recorder's office (Document No: _____). Each of the subdivisions of land, parcels, or lots has been given a separate number on the Boundary Map that corresponds with the assessment number shown on the Assessment Roll.

The Assessment Diagram on the following page will be filed with the Final Engineer's Report at the time of the passage of the Resolution of Formation.

SHEET 1 OF 2

**PROPOSED BOUNDARIES OF
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 14-02
(CITY OF ROCKLIN, COUNTY OF PLACER)
STATE OF CALIFORNIA**



For particulars of lines and dimensions of Assessor's parcels reference is made to the maps of the Placer County Assessor, California.

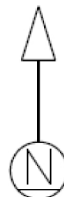
LEGEND



Assessment Number



Boundary Line



PREPARED BY DAVID TAUSSIG AND ASSOCIATES, INC.

Filed this _____ day of _____, 2014, at the hour of _____ o'clock ____ m., in book _____ of Maps of Assessment and Community Facilities Districts at page _____ in the office of the Recorder of the County of Placer, State of California.

By Deputy,
County Recorder, County of Placer

Recorded in the office of the Superintendent of Streets of the Commission of the California Statewide Communities Development Authority on the _____ day of _____, 2014.

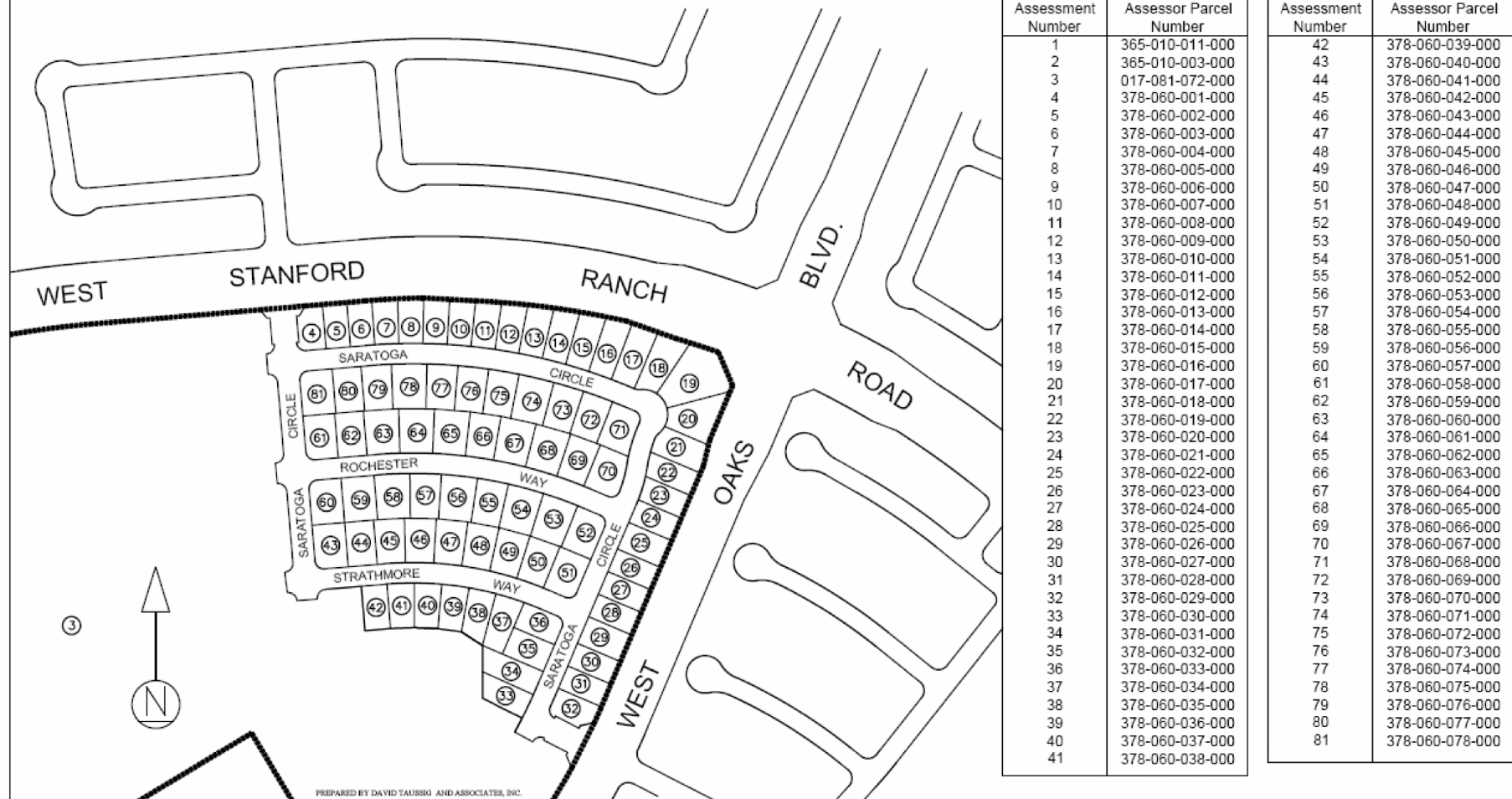
Superintendent of Streets
California Statewide Communities Development Authority

I hereby certify that the within map showing proposed boundaries of California Statewide Communities Development Authority Assessment District No. 14-02 (City of Rocklin, County of Placer), State of California, was approved by the Commission of the California Statewide Communities Development Authority at a regular meeting thereof, held on the _____ day of _____, 2014, by its resolution No. _____.

Secretary of the Authority
California Statewide Communities Development Authority

SHEET 2 OF 2

**PROPOSED BOUNDARIES OF
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
STATEWIDE COMMUNITIES INFRASTRUCTURE PROGRAM
ASSESSMENT DISTRICT NO. 14-02
(CITY OF ROCKLIN, COUNTY OF PLACER)
STATE OF CALIFORNIA**



In addition to or as a part of the assessment lien levied against each parcel of land within the District, each parcel of land shall also be subject to an annual administrative cost add-on to pay costs incurred by the Authority and not otherwise reimbursed which results from the administration and collection of assessments or from the administration or registration of any bonds and/or reserve or other related funds. The maximum total amount of such annual administrative cost add-on for the Assessment District will not exceed five percent (5.00%) of the initial annual principal and interest amount, subject to an increase annually by the positive change, if any, in the consumer price index (CPI) for the San Francisco-Oakland-San Jose area. Each parcel's share of the administrative cost add-on shall be computed based on the parcel's proportionate share of its annual assessment.

(Compliance with Part 7.5 of Division 4 of the Streets and Highways Code)

Pursuant to Sections 2960, 2961 and 10200 of the Streets and Highways Code, the Commission of the California Statewide Communities Development Authority intends to comply with the requirements of the Special Assessment Investigation, Limitations and Majority Protest Act of 1931 by proceeding under Part 7.5 of Division 4 of the Streets and Highways Code.

We are not aware of any prior assessment liens for the properties located within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California).

The total confirmed assessment liens for California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California) equals \$4,533,935.

The County of Placer's assessed value of the parcels within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California) totals an estimated \$7,968,990.

One-half of the assessed value of the parcels within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California) totals \$3,984,495.

The value-to-lien based on the County of Placer's assessed value for all properties located in the District is 1.76 to 1.

An appraisal is being performed by the firm of Seevers, Jordan and Ziegenmeyer (SJZ) for the appraised value of the parcels located within California Statewide Communities Development Authority (Statewide Communities Infrastructure Program) District No. 14-02 (City of Rocklin, County of Placer, California) and will be incorporated into the Final Engineer's Report and/or Official Statement for any bonds to be issued that are secured by the District.

[http://localhost:9010/resources/Clients/SCIP/Rocklin \(DR Horton - Two Oaks\)/Engineer's Report/CSCDA AD No 14-02 \(Placer County\) Engineer's Report \(Preliminary 06.19.14\).v8.docx](http://localhost:9010/resources/Clients/SCIP/Rocklin%20(DR%20Horton%20-%20Two%20Oaks)/Engineer's%20Report/CSCDA%20AD%20No%2014-02%20(Placer%20County)%20Engineer's%20Report%20(Preliminary%2006.19.14).v8.docx)

APPENDIX A

Assessment District No. 14-02
California Statewide Communities Development Authority
(Statewide Communities Infrastructure Program)
City of Rocklin, County of Placer

Assessment Roll

Assessment Roll							
City of Rocklin, County of Placer - Two Oaks & Parkview (Phase II)							
Assessment No.	Project	Assessor Parcel Number	Assessed Value	Acreage	Owner & Address	Preliminary Assessment	Final Assessment
1	Parkview (Phase II)	365-010-011	\$999,000	9.38	D.R. Horton Bay, Inc. 5050 Hopyard Road, Suite 180, Pleasanton, CA 94588	\$346,572	-
2	Parkview (Phase II)	365-010-003	\$162,000	2.00	D.R. Horton Bay, Inc. 5050 Hopyard Road, Suite 180, Pleasanton, CA 94588	\$56,201	-
3	Two Oaks	017-081-072	\$6,807,990	43.3	D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$2,984,433	-
4	Two Oaks	378-060-001			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
5	Two Oaks	378-060-002			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
6	Two Oaks	378-060-003			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
7	Two Oaks	378-060-004			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
8	Two Oaks	378-060-005			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
9	Two Oaks	378-060-006			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
10	Two Oaks	378-060-007			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
11	Two Oaks	378-060-008			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
12	Two Oaks	378-060-009			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
13	Two Oaks	378-060-010			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
14	Two Oaks	378-060-011			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
15	Two Oaks	378-060-012			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
16	Two Oaks	378-060-013			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
17	Two Oaks	378-060-014			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
18	Two Oaks	378-060-015			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
19	Two Oaks	378-060-016			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
20	Two Oaks	378-060-017			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
21	Two Oaks	378-060-018			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
22	Two Oaks	378-060-019			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
23	Two Oaks	378-060-020			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
24	Two Oaks	378-060-021			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
25	Two Oaks	378-060-022			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
26	Two Oaks	378-060-023			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
27	Two Oaks	378-060-024			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
28	Two Oaks	378-060-025			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
29	Two Oaks	378-060-026			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
30	Two Oaks	378-060-027			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
31	Two Oaks	378-060-028			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
32	Two Oaks	378-060-029			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
33	Two Oaks	378-060-030			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
34	Two Oaks	378-060-031			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
35	Two Oaks	378-060-032			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
36	Two Oaks	378-060-033			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
37	Two Oaks	378-060-034			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
38	Two Oaks	378-060-035			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
39	Two Oaks	378-060-036			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
40	Two Oaks	378-060-037			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
41	Two Oaks	378-060-038			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
42	Two Oaks	378-060-039			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
43	Two Oaks	378-060-040			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
44	Two Oaks	378-060-041			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
45	Two Oaks	378-060-042			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
46	Two Oaks	378-060-043			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
47	Two Oaks	378-060-044			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
48	Two Oaks	378-060-045			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
49	Two Oaks	378-060-046			D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-

50	Two Oaks	378-060-047		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
51	Two Oaks	378-060-048		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
52	Two Oaks	378-060-049		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
53	Two Oaks	378-060-050		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
54	Two Oaks	378-060-051		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
55	Two Oaks	378-060-052		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
56	Two Oaks	378-060-053		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
57	Two Oaks	378-060-054		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
58	Two Oaks	378-060-055		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
59	Two Oaks	378-060-056		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
60	Two Oaks	378-060-057		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
61	Two Oaks	378-060-058		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
62	Two Oaks	378-060-059		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
63	Two Oaks	378-060-060		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
64	Two Oaks	378-060-061		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
65	Two Oaks	378-060-062		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
66	Two Oaks	378-060-063		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
67	Two Oaks	378-060-064		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
68	Two Oaks	378-060-065		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
69	Two Oaks	378-060-066		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
70	Two Oaks	378-060-067		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
71	Two Oaks	378-060-068		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
72	Two Oaks	378-060-069		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
73	Two Oaks	378-060-070		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
74	Two Oaks	378-060-071		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
75	Two Oaks	378-060-072		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
76	Two Oaks	378-060-073		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
77	Two Oaks	378-060-074		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
78	Two Oaks	378-060-075		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
79	Two Oaks	378-060-076		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
80	Two Oaks	378-060-077		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
81	Two Oaks	378-060-078		D.R. Horton Bay, Inc. 6630 Owens Drive, Pleasanton, CA 94588	\$14,702	-
Total			\$7,968,990	71.18	\$4,533,935	\$0



Public Finance
Public Private Partnerships
Urban Economics

2250 Hyde Street
5th Floor
San Francisco, CA 94109
Phone (800) 969-4382

Item VII.

Consideration of reassignment of HB Consulting LLC contract to GPM Municipal Advisors LLC. (Staff: Mike LaPierre)

SUMMARY AND APPROVALS

DATE: JUNE 26, 2014

PURPOSE: REASSIGNMENT OF HB CONSULTING LLC CONTRACT TO GPM MUNICIPAL ADVISORS LLC

PROGRAM: PROGRAM MANAGEMENT STAFF

Background:

After extensive review of the newly proposed definition of a Municipal Advisor by the U.S. Securities and Exchange Commission (SEC), HB Capital Resources, Ltd. has made the determination to register a Municipal Advisor subsidiary with the SEC. The new wholly owned subsidiary is known as GPM Municipal Advisors, LLC (GPM). In turn, HB Consulting, LLC wishes to assign a portion of its program management contract with the California Statewide Communities Development Authority (CSCDA) to GPM. The contract for CSCDA program management services executed on April 10, 2000, by and between HB Consulting, LLC and the CSCDA currently in place through June 30, 2015, requires consent of the CSCDA for any reassignment of the HB Consulting, LLC contract.

The former HB Consulting, LLC personnel will be transferred to GPM and will be registered with the SEC per its Municipal Advisor rules. Otherwise there will be no change in the manner with which HB Capital Resources, Ltd. conducts its business with the CSCDA. CSCDA Counsel Richards, Watson, & Gershon have reviewed the request and the attached Contract Assignment and Assumption Agreement for execution.

Recommendations:

The CSCDA Executive Director recommends the CSCDA execute the required Contract Assignment and Assumption Agreement.

CONTRACT ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS CONTRACT ASSIGNMENT AND ASSUMPTION AGREEMENT (this “Assignment”) is entered into and effective as of July 1, 2014 by and among **HB Consulting, LLC**, a California limited liability company (“Assignor”) and **GPM Municipal Advisors, LLC**, a California limited liability company (“Assignee”).

Recitals

A. Assignor is party to that certain Amended and Restated Agreement for Services (the “Contract” dated as of April 10, 2000 by and between Assignor and **California Statewide Communities Development Authority**, a California joint powers authority (“CSCDA”).

B. Assignor desires to assign its interests and obligations under the Contract to Assignee as provided herein, and Assignee respectively desires to accept the assignment thereof and assume the obligations of Assignor under the Contract as provided herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Assignment. Assignor hereby assigns to Assignee all of Assignor’s right, title and interest in and to the Contract specifically and only with respect to bond issuance activities, and all goodwill associated therewith.
2. Assumption. Assignee hereby assumes and agrees to be bound by all of the terms, covenants, conditions and obligations imposed upon Assignor under the Contract specifically and only with respect to bond issuance activities.
3. Further Assurances. In connection with this Agreement, each party agrees to execute and deliver such additional documents and instruments and perform such additional acts as may be reasonably necessary to effectuate, carry out and perform all the terms, provisions and conditions of this Assignment.
4. Consent Required for Further Assignment. The parties hereby agree and acknowledge that (i) the attached consent of CSCDA to this Assignment shall not serve as CSCDA’s consent to any further assignment of the Contract, and (ii) any further assignment of the Contract shall be subject to all applicable provisions of the Contract, including, without limitation, Section 4.3 thereof.
5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of California.
6. Jurisdiction; Venue; Attorneys’ Fees. Each party hereby submits to the exclusive jurisdiction and venue of the state and federal courts located in San Francisco

County for purposes of any legal or equitable action or proceeding arising out of this Agreement. In the event of litigation arising hereunder, the prevailing party shall be entitled to reimbursement of reasonable attorneys' fees and costs of suit in addition to any other relief to which such party may be entitled.

7. Successors and Assigns. This Assignment shall be binding on and inure to the benefit of the parties hereto and their successors and assigns.
8. Counterparts. This Assignment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument. Facsimile signatures are acceptable and shall be deemed original signatures.

<Signatures Next Page>

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first written above.

ASSIGNOR:

HB Consulting, LLC,
a California limited liability company

Michael LaPierre, General Manager

ASSIGNEE:

GPM Municipal Advisors, LLC,
a California limited liability company

Michael LaPierre, General Manager

CSCDA CONSENT

California Statewide Communities Development Authority hereby consents to assignment and assumption of the Contract as set forth above as of the date first written above.

**California Statewide Communities
Development Authority,**
a California joint powers authority

By: _____
Print Name: _____
Title: _____