



REGULAR MEETING AGENDA

August 3, 2017 at 2:00 p.m.

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

Telephonic Locations:

709 Portwalk Place
Redwood City, CA 94061

3252 Southern Hills Drive
Fairfield, CA 94534

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

27788 Hidden Trail Road
Laguna Hills, CA 92653

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

County of Butte
7 County Drive, Oroville, CA 95965

247 Electric Street
Auburn, CA 95603

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Dan Harrison, Chair	_____ Jordan Kaufman, Member
_____ Larry Combs, Vice Chair	_____ Dan Mierzwa, Member
_____ Kevin O'Rourke, Treasurer	_____ Irwin Bornstein, Member
_____ Tim Snellings, Secretary	_____ Brian Moura, Alt. Member
2. Consideration of the Minutes of the June 15, 2017 Regular Meeting and July 24, 2017 Adjourned Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION

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

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- a. LIH Harbor Magnolia, LP (Magnolia City Lights and Harbor City Lights Apartments), City of Los Angeles, County of Los Angeles; issue up to \$25,000,000 in multifamily housing revenue bonds.
 - b. Daly City Pacific Associates, a California Limited Partnership (Brunswick Apartments), City of Daly City, County of San Mateo; issue up to \$95,000,000 in multifamily housing revenue bonds.
 - c. Monument Boulevard Housing Associates (Sun Ridge Apartments), City of Concord, County of Contra Costa; issue up to \$33,930,907 in multifamily housing revenue bonds.
6. Consideration of Second Amendment to Professional Services Contract with Urban Futures Bond Administration.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

- 7. Executive Director Update.
- 8. Staff Updates.
- 9. Adjourn.

NEXT MEETING: Thursday, August 17, 2017 at 2:00 p.m.
California State Association of Counties
1100 K Street, 1st Floor, Sacramento, CA 95814

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consent Calendar

- a. Inducement of Seminole Gardens Preservation Limited Partnership (Seminole Gardens Apartments), City of Palm Springs, County of Riverside; issue up to \$10 million in multi-family housing revenue bonds.
- b. Inducement of New Cities Investment Partners, LLC (The Sands Apartments), City of Palm Desert, County of Riverside; issue up to \$90 million in multi-family housing revenue bonds.
- c. Inducement of Claremont 2017 LP (Claremont Village Apartments), City of Claremont, County of Los Angeles; issue up to \$45 million in multi-family housing revenue bonds.
- d. Inducement of Pioneer 2017 LP (Pioneer Gardens Apartments), City of Santa Fe Springs, County of Los Angeles; issue up to \$45 million in multi-family housing revenue bonds.
- e. Inducement of APP Properties, Inc. (APP Hayward Jet Center), City of Hayward, County of Alameda; issue up to \$750,000 in exempt-facility revenue bonds.
- f. Consider and approve the levy of special taxes for fiscal year 2017-2018 for the following:
 - (i) Community Facilities District No. 2012-01 (Fancher Creek) Improvement Area Nos. 1 & 3;
 - (ii) Community Facilities District No. 2007-01 (Orinda Wilder Project);
 - (iii) Community Facilities District No. 2015-02 (Rio Bravo),
 - (iv) Community Facilities District No. 2016-02 Improvement Area Nos. 1 & 2 (Delta Coves); and
 - (v) Community Facilities District No. 2015-01, Improvement Area No. 1 (University District).

August 3, 2017



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MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

June 15, 2017

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

Commission Vice Chair Larry Combs called the meeting to order at 2:03pm.

1. Roll Call.

Commission members present: Larry Combs, Tim Snellings
Commission members participating via teleconference: Kevin O'Rourke, Jordan Kaufman, Dan Mierzwa, Brian Moura

Others present: James Hamill Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sandy Young, CSAC Finance Corporation

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

2. Consideration of the Minutes of the June 1, 2017 Regular Meeting.

The commission approved the minutes.

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

3. Consideration of the Consent Calendar.

The Commission approved the following items on the Consent Calendar:

- a. Inducement of Cienega Garden Preservation LP (Cienega Gardens Apartments), City of Covina, County of Los Angeles; issue up to \$60 million in multi-family housing revenue bonds.

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

4. Public Comment.

There was no public comment.

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

- a. Community Hospital of the Monterey Peninsula, Cities of Monterey and Marina, County of Monterey; issue up to \$97,000,000 in nonprofit revenue notes and refunding bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies. This will be the 5th project financed by CHOMP through CSCDA. Part of the finance will be used to update the hospital's electronic billing system.

Motion to approve, by T. Snellings. Second by K. O'Rourke. Unanimously approved by roll-call vote.

- b. The California School of Mechanical Arts (Lick-Wilmerding High School), City and County of San Francisco; issue up to \$53,300,000 in nonprofit revenue bonds.

Item pulled from agenda due to higher loan amount no longer needed.

- c. Camellia Place 2, LP (Camellia Place II Apartments), unincorporated County of Kern; issue up to \$5,500,000 in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies. J. Kaufman abstained from voting because of his involvement with the Kern Advisory Committee.

Motion to approve, by K. Rourke. Second by L. Combs. Unanimously approved by roll-call vote.

- d. Lilly Affordable Communities, LP (Lilly Gardens Apartments), City of Gilroy, County of Santa Clara; issue up to \$36,070,000 in multifamily housing revenue bonds.

Item pulled from agenda due to higher loan amount no longer needed.

6. Consideration of recommendation for appointment of CSCDA Auditor pursuant to responses to request for proposals.

Executive Director Bando recommended that the Board consider Mann, Urrutia & Nelson (MUN) as the new auditor.

Motion to approve, by T. Snellings. Second by K. O'Rourke. Unanimously approved by roll-call vote.

7. Consideration of CSCDA Marketing and Sponsorship recommendation by Charitable Contributions Ad Hoc Committee.

The Commission asked the Ad Hoc Committee to provide in writing what exactly is expected of CSCDA in regards of charitable contributions. They recommend that a process be established that

requires approval for any contributions over \$5,000 and a quarterly report. The Charitable Contributions Ad Hoc Committee recommendations will become part of CSCDA's policy. The Ad Hoc Committee changed the name to Marketing and Sponsorship and included \$100,000 in 2017-18 budget.

Motion to revise, by L. Combs. Second by T. Snellings. Unanimously approved by roll-call vote.

8. Update regarding PACE and Consideration of Appointment of an Open PACE Advisory Board.

The Ad Hoc Committee recommends that CSCDA establish an Open Pace Advisory Board made up of six local government official members (3 city and 3 counties).

Motion to approve recommendation, by B. Moura. Second by K. O'Rourke. Unanimously approved by roll-call vote.

9. Update by Professional services Ad Hoc Committee regarding annual review of CSCDA Program Manager.

The Executive Director provided an overview of 2016-17 transactions. The Board thanked them for their continued hard work in contributing to CSCDA's growth.

10. Executive Director Update.

Executive Director Bando informed the committee that budget is expected to be finalized by July 6th.

11. Staff Updates.

There were no staff updates.

12. Adjourn.

The meeting was adjourned at 2:50pm.

Submitted by: Sindy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, July 6, 2017 at 2:00 p.m.
League of California Cities
1400 K Street, 3rd Floor, Sacramento, CA 95814



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

July 24, 2017

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

Commission Secretary Tim Snellings called the meeting to order at 1:00 pm. Meeting adjourned from Thursday, July 20, 2017 to Monday, July 24, 2017.

1. Roll Call.

Commission members present: None

Commission members participating via teleconference: Tim Snellings, Irwin Bornstein, Dan Mierzwa and Brian Moura

Others present: James Hamill Bridge Strategic Partners; Norman Coppinger, League of California; Sendy Young, CSAC Finance Corporation

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

2. Consideration of the Minutes of the June 15, 2017 and July 6, 2017 Regular Meetings.

Executive Director Cathy Bando requested the approval of the June 15, 2017 minutes be postponed to the next meeting for updates to submitted drafts.

The commission approved the July 6, 2017 minutes.

Motion to approve by D. Mierzwa. Second by I. Bornstein. Unanimously approved by roll-call vote.

3. Public Comment

There was no Public Comment.

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

- a. Front Porch Communities and Services, City of Anaheim, County of Orange; City of Pasadena, County of Los Angeles; County of San Diego; issue up to \$175,000,000 in nonprofit revenue and refunding bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies. Bond proceeds will be used to refinance outstanding fixed rate bonds issued in 2007. The remainder of the bond will be used to help fund improvements to various Front Porch communities.

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

- b. Lake Merritt II Preservation Limited Partnership (Lake Merritt Apartments), City of Oakland, County of Alameda; issue up to \$35,000,000 in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies. This will be the 8th project that CSCDA has financed for Preservation Partners Development. 100% of the units will be rent restricted for 55 years.

Motion to approve by I. Bornstein. Second by D. Mierzwa. Unanimously approved by roll-call vote.

- c. Heninger 2016 LP (Heninger Village Apartments), City of Santa Ana, County of Orange; issue up to \$14,000,00 in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies for unrated debt. 100% of the units will remain rent restricted for low-income tenants.

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

- d. Meadows Holly Partners LP (Meadows Court and Holly Lane Apartments), City of Vacaville, County of Solano; issue up to \$15,000,000 in multifamily housing revenue bonds.

Executive Director Bando provided an overview of the project and indicated that the financing complies with CSCDA general and issuance policies for unrated debt. This will be the 4th project that Community Development Partners, leader in affordable housing in California, has financed through CSCDA. 100% of the units will remain rent restricted for low-income tenants.

Motion to approve by D. Mierzwa. Second by I. Bornstein. Unanimously approved by roll-call vote.

5. Conduct second reading and adopt "Ordinance Levying a Special Tax for Fiscal Year 2017-2018 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2015-01, Improvement Area No. 2 (University District), City of Rohnert Park, County of Sonoma, State of California.

Motion to waive reading and adopt the ordinance by D. Mierzwa. Second by I. Bornstein. Unanimously approved by roll-call vote.

6. Executive Director Update.

Executive Director Bando had no updates.

7. Staff Updates.

James Hamill informed the Commission that two agencies opted out of the PACE program the City of Bakersfield and Kern County.

8. Adjourn.

The meeting was adjourned at 1:18 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, August 3, 2017 at 2:00 p.m.
League of California cities
1400 K Street, 3rd Floor, Sacramento, CA 95814



Agenda Item No. 3

Agenda Report

DATE: August 3, 2017
TO: CSCDA COMMISSIONERS
FROM: Cathy Bando, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

- f. Consider and approve the levy of special taxes for fiscal year 2017-2018 for the following:
- (i) Community Facilities District No. 2012-01 (Fancher Creek) Improvement Area Nos. 1 & 3;
 - (ii) Community Facilities District No. 2007-01 (Orinda Wilder Project);
 - (iii) Community Facilities District No. 2015-02 (Rio Bravo),
 - (iv) Community Facilities District No. 2016-02 Improvement Area Nos. 1 & 2 (Delta Coves); and
 - (v) Community Facilities District No. 2015-01, Improvement Area No. 1 (University District).

DISCUSSION:

There are various annual reporting requirements with different reporting dates related to the California Statewide Communities Development Authority Community Facilities Districts Nos. 2012-01 (Fancher Creek), 2007-01 (Orinda Wilder Project), 2015-02 (Rio Bravo), 2016-02 (Delta Coves), and 2015-01 (University District). The requirements include, among other things, the presentation of the “Annual Special Tax roll” for CFD No. 2012-01, CFD No. 2007-01, CFD 2015-02, CFD 2016-02 and CFD 2015-01, respectively, to the Commission for consideration. The annual levy is necessary to pay debt service on the outstanding bonds and to pay for certain public services.

CFD No. 2012-01 (Fancher Creek) was established on October 25, 2012 and the special taxes are for public facilities. CFD No. 2012-01 (Improvement Areas 1, 2, and 3) encompasses 101.48 acres. For Fiscal Year 2017-2018, an estimated forty-two (42) parcels in Improvement Area 1 and three (3) parcels in Improvement Area 3 will be subject to the levy of special taxes.

CFD No. 2007-01 (Orinda Wilder Project) was established on May 23, 2007 and the special taxes are for public facilities (Facilities Special Tax) and for public services (Services Special Tax). CFD No. 2007-01 encompasses approximately 959.12 acres located within the City of Orinda. For Fiscal

Year 2017-2018, two hundred forty-five (245) taxable parcels within the district are classified as Developed Parcels containing two hundred forty-five (245) residential lots. Subsequent to the issuance of CFD No. 2007-01 Special Tax Bonds, ten (10) property owners have elected to fully prepay their applicable Facilities Special Tax obligation and are no longer subject to the Facilities Special Tax. For Fiscal Year 2017-2018, all two hundred forty-five (245) residential lots will be subject to the levy of the Services Special Tax.

CFD No. 2015-02 (Rio Bravo) was established on July 23, 2015 and the special taxes are for public facilities. CFD No. 2015-02 encompasses approximately 46.53 acres. For Fiscal Year 2017-2018, one (1) parcel within the district is classified as Developed Property and the remainder of the six (6) parcels within the district are classified as Undeveloped Property. Both Developed and Undeveloped Property within the district will be subject to the levy of special taxes.

CFD No. 2016-02 (Delta Coves) was established on July 7, 2016 and the special taxes are for public facilities (Facilities Special Tax) and for various public services (Services Special Tax). CFD No. 2016-02 (Improvement Areas 1 and 2) encompasses approximately 310 acres. For Fiscal Year 2017-2018, four hundred ninety-four (494) taxable parcels across three (3) different Zones within Improvement Area No. 1 containing three (3) Developed residential lots and the remainder of the four hundred ninety-one parcels (491) classified as Final Subdivisions lots; and two (2) taxable Final Subdivision parcels with a future development of sixty-six (66) residential units across two (2) different Zones within Improvement Area No. 2, will be subject to levy of the Facilities Special Tax and Services Special Tax.

CFD No. 2015-01 (University District) was established on June 18, 2015, and the special taxes are for public facilities. CFD No. 2015-01 encompasses approximately 69.93 acres. For Fiscal Year 2017-2018, one hundred fifty-five (155) parcels within CFD No. 2015-01 are classified as Developed Property and two hundred forty-four (244) parcels within CFD No. 2015-01 are classified as Final Subdivision Lots will be subject to the levy of special taxes.

The special taxes being levied hereunder are at the same rate or at a lower rate than provided within each applicable Ordinance. Annual cost forms for the above-referenced CFDs can be found in Documents for Commissioner Review.

RESOLUTION NO. 17H-__

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August 3, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on August 3, 2017.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Seminole Gardens Apartments	City of Palm Springs, County of Riverside	60	Acquisition and Rehabilitation	Seminole Gardens Preservation Limited Partnership	\$10,000,000
The Sands Apartments	City of Palm Desert, County of Riverside	412	New Construction	New Cities Investment Partners, LLC	\$90,000,000
Claremont Village Apartments	City of Claremont, County of Los Angeles	150	Acquisition and Rehabilitation	Claremont 2017 LP	\$45,000,000
Pioneer Gardens Apartments	City of Santa Fe Springs, County of Los Angeles	141	Acquisition and Rehabilitation	Pioneer 2017 LP	\$45,000,000

RESOLUTION NO. 17_-__

**A RESOLUTION OF THE CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT AUTHORITY CONFIRMING
AND EXPANDING THE AUTHORITY'S OFFICIAL INTENT TO
ISSUE SPECIAL FACILITY AIRPORT REVENUE BONDS TO
UNDERTAKE THE FINANCING OF FBO FACILITIES AT
HAYWARD EXECUTIVE AIRPORT AND RELATED ACTIONS**

WHEREAS, the Authority is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue special facility airport revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing interests in and improvements to fixed base of operation ("FBO") facilities at airports in California; and

WHEREAS, the borrower identified in Exhibit A hereto and/or related entities (collectively, the "Borrower") has requested that the Authority issue and sell special facility airport revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation or construction as set forth in Exhibit A, of certain interests in and improvements to FBO facilities at airports in California identified in Exhibit A hereto (collectively, the "Project"); and

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

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

WHEREAS, the Authority has previously declared its intention to finance and wishes now to confirm and clarify that it wishes to permit financing of additional amounts and that the amount reimbursed to date is less than \$5,000,000, and, therefore now wishes to declare its intention to authorize the issuance of an additional Bonds for the purpose of financing costs of the Project (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and condition as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to the Project set forth in Exhibit A; and

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

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

Section 2. The Authority hereby determines that it is necessary and desirable to provide financing for the Project (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrower to undertake the Project, and

nothing contained herein shall be construed to signify that the Project comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and construction or rehabilitation of the Project, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Project.

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority
this August, 2017.

I, the undersigned, a duly appointed and qualified Member of the California Statewide
Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly
adopted by the Commission of said Authority at a duly called meeting of the Commission of said
Authority held in accordance with law on August ___, 2017.

By _____
Member of the Commission

EXHIBIT A

<u>Project Name</u>	<u>Project Location</u>	<u>Project Description</u>	<u>New Construction/ Acquisition and Rehabilitation</u>	<u>Legal Name of Initial Owner/Operator</u>	<u>Bond Amount</u>
Hayward Jet Center	Hayward Executive Airport 21889 Skywest Drive, Hayward, California 94541	The project consists of (i) the construction of a new 20,000 square foot aircraft storage hangar and attached 3,000 square foot passenger terminal area at Hayward Executive Airport and (ii) the renovation and upgrade of an existing 10,000 square foot aircraft storage hangar and associated 2,000 square feet of related office space. All of the facilities to be constructed and improved are situated on an irregular shaped land parcel of approximately eight acres which includes pave parking areas, taxi-ways and paved foot-paths owned by the City of Hayward and leased to the Owner.	Rehabilitation and new construction	Hayward FBO LLC (or an affiliate)	\$5,600,000 plus an additional \$750,000



Agenda Item No. 5a

Agenda Report

DATE: August 3, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Magnolia City Lights and Harbor City Lights Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$25,000,000

EXECUTIVE SUMMARY:

Magnolia City Lights and Harbor City Lights Apartments (the “Project”) is an acquisition and rehabilitation of a 110-unit scattered site rental affordable housing project located in the City of Los Angeles. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of 110-unit affordable rental housing facility located at 525 W. 127th Street and 2885 Leeward Avenue in the City of Los Angeles.
- Consists of 29 one-bedroom units, 72 two-bedroom units, 7 three-bedroom units and 2 manager units.

PROJECT ANALYSIS:

Background on Applicant:

Levy Affiliated is a California-based real estate company that acquires and manages assets throughout the United States with an emphasis on the California and the Southwest. Levy Affiliated was founded in 1988 by Shaoul J. Levy. Over the last 15 years, Levy Affiliated has sourced, negotiated and executed 90 transactions totaling nearly \$900 million across various property types and financing structures. The Company’s current portfolio of 50 properties has an estimated market value of over \$700 million, containing a mix of retail centers, office buildings and apartment complexes, ranging from Hawaii to North Carolina, but largely concentrated in Southern California. This is Levy’s 6th financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: April 11, 2017 – City of Los Angeles – unanimous approval

CDLAC Approval: May 17, 2017

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 53% (57 units) restricted to 60% or less of area median income households.
 - 47% (51 units) restricted to 50% or less of area median income households.
- The Project is in close proximity to recreational facilities, grocery stores and public K-12 schools.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 15,000,000
Seller's Note:	\$ 2,088,596
Operating Income:	\$ 364,155
Tax Credits:	<u>\$ 3,545,612</u>
Total Sources:	\$ 20,998,363

Uses of Funds:

Acquisition:	\$ 15,126,317
Construction Costs:	\$ 4,636,174
Misc. Fees:	\$ 216,588
Interest:	\$ 364,155
Cost of Issuance:	\$ 324,799
Soft Costs:	<u>\$ 330,330</u>
Total Uses:	\$ 20,998,363

Finance Partners:

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

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

Private Placement Purchaser: Boston Private Capital, Santa Monica

Finance Terms:

Rating: Unrated
Term: 35 years at a fixed interest rate
Structure: Private Placement
Closing: July 31, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A

RESOLUTION NO. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS MAGNOLIA CITY LIGHTS AND HARBOR CITY LIGHTS APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTE

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

WHEREAS, LIH Harbor Magnolia, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue, sell and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Magnolia City Lights and Harbor City Lights Apartments) 2017 Series Z (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a 110-unit multifamily housing rental development located on two sites in the City of Los Angeles, County of Los Angeles, California and known as Magnolia City Lights and Harbor City Lights Apartments (the “Project”);

WHEREAS, on May 17, 2017, the Authority received an allocation in the amount of \$15,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the City of Los Angeles is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Note;

WHEREAS, the Authority is willing to issue in an aggregate principal amount not to exceed \$25,000,000, provided that the portion of such Note issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the

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

WHEREAS, the Note will be executed and delivered to Boston Private Bank & Trust Company, or an affiliate thereof (the “Funding Lender”), as the initial holder of the Note;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the issuance of the Note, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

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

(2) Regulatory Agreement and Declaration of Restrictive Covenants relating to each site (collectively, the “Regulatory Agreement”), to be entered into between the Borrower and the Authority.

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

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

Section 2. Pursuant to the JPA Law and the Loan and Security Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to issue the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Magnolia City Lights and Harbor City Lights Apartments), 2017 Series Z” including, if and to the extent necessary, one or more sub-series with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$25,000,000; provided that the aggregate principal amount of any tax-exempt Note issued shall not exceed the Allocation Amount. The Note shall be issued in the form set forth in and otherwise in accordance with the Loan and Security Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory (as defined below). The Note shall be issued and secured in accordance with the terms of the Loan and Security Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Loan and Security Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Loan and Security Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Loan and Security Agreement, with such changes and insertions therein

as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Loan and Security Agreement as finally executed.

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

Section 5. The Authority is hereby authorized to execute and deliver the Note to the Funding Lender pursuant to the terms and conditions of the Loan and Security Agreement.

Section 6. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Note are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust and loan documents, an endorsement and/or assignment of promissory note and such other documents as described in the Loan and Security Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 7. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Note, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Note or any prepayment of the Note, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Loan and Security Agreement and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August 3, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on August 3, 2017.

By _____
Authorized Signatory



Agenda Item No. 5b

Agenda Report

DATE: August 3, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Brunswick Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Daly City, County of San Mateo

AMOUNT: Not to Exceed \$95,000,000

EXECUTIVE SUMMARY:

Brunswick Apartments (the “Project”) is a new 206-unit rental affordable housing project located in the City of Daly City (the “City”). 100% of the units will be rent restricted for low-income senior tenants.

PROJECT DESCRIPTION:

- New construction of 206-unit affordable senior rental housing facility located at 4619 Brunswick Street in the City of Daly City.
- 1.15 acre site.
- Consists of 204 studio apartments and two manager’s units.
- Construction is anticipated to begin in August, 2017 and be completed in approximately 18 months.

PROJECT ANALYSIS:

Background on Applicant:

Since 1998, The Pacific Companies has successfully completed more than 140 multifamily and charter school projects in the western states, with a special focus on California. The Pacific Companies listen carefully to the desires of residents, local governments and other stakeholders to build communities and schools that truly satisfy. Every year since 2007, their commitment to affordable workforce and senior housing has placed them proudly in the top 50 nationally in affordable housing production. The Pacific Companies has financed more than 20 projects with CSCDA.

Public Agency Approval:

TEFRA Hearing: October 24, 2016 – City of Daly City – unanimous approval

CDLAC Approval: December 14, 2016

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (183 units) restricted to 60% or less of area median income households.
 - 10% (21 units) restricted to 50% or less of area median income households.
- The Project is in close proximity to recreational facilities, parks, grocery stores and other shopping facilities.

Sources and Uses:

Sources of Funds:

Series A Bonds:	\$ 52,000,000
Series B-1 Bonds:	\$ 17,000,000
Series B-2 Bonds:	\$ 5,000,000
Deferred Costs:	\$ 700,000
Deferred Developer Fee:	\$ 9,000,000
Tax Credits:	<u>\$ 8,382,952</u>
Total Sources:	\$ 92,082,952

Uses of Funds:

Land:	\$ 2,515,826
Construction Costs:	\$ 62,242,959
Architecture & Engineering:	\$ 1,000,000
Construction Contingency:	\$ 3,112,148
Reserves:	\$ 2,041,667
Loan Fees/Financing Costs:	\$ 7,333,361
Developer Fee:	\$ 9,000,000
Soft Costs:	\$ 4,336,991
Soft Costs Contingency:	<u>\$ 500,000</u>
Total Uses:	\$ 92,082,952

Finance Partners:

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

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

Private Placement Purchaser: Citibank, N.A.

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Closing: August 16, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A

RESOLUTION NO. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE, EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$95,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS BRUNSWICK STREET APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE OBLIGATIONS.

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

WHEREAS, Daly City Pacific Associates, a California Limited Partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its Limited Obligation Multifamily Housing Revenue Note (Brunswick Street Apartments) 2017 Series V (the “Tax-Exempt Note”) and its Limited Obligation Multifamily Housing Revenue Note (Brunswick Street Apartments) 2017 Taxable Series V-T (the “Taxable Note” and together with the Tax-Exempt Note, the “Notes”), and issue and sell its Limited Obligation Multifamily Housing Revenue Subordinate Bonds (Brunswick Street Apartments) 2017 Series V-B1 (the “B1 Bonds”) and its Limited Obligation Multifamily Housing Revenue Subordinate Bonds (Brunswick Street Apartments) 2017 Series V-B2 (the “B2 Bonds” and together with the B1 Bonds, the “Subordinate Bonds” and collectively with the Notes, the “Obligations”), to assist in the financing of the acquisition, construction and development of a 206-unit senior multifamily housing rental development located in the City of Daly City, County of San Mateo, California, and to be known as Brunswick Street Apartments (the “Project”);

WHEREAS, on December 14, 2016, the Authority received an allocation in the amount of \$70,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Daly City is a Program Participant (as defined in the Agreement) and has authorized the execution and delivery of the Obligations;

WHEREAS, the Authority is willing to execute and deliver the Obligations in an aggregate principal amount not to exceed \$95,000,000, provided that the portion of such Obligations issued, executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount (or such lesser amount approved by Bond Counsel), and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and very low income persons;

WHEREAS, the Notes will be executed and delivered to Citibank, N.A. (the "Funding Lender"), as the initial holder of the Notes, and the Subordinate Bonds will be privately placed with CCRC Affordable Housing Partners, LLC, or a related entity (the "Bond Purchaser"), as the initial purchaser of the Subordinate Bonds, in each case in accordance with the Authority's private placement policy;

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

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

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

(3) Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") to be entered into among the Authority, Wilmington Trust, National Association, a national banking corporation, as trustee (the "Trustee") and the Borrower;

(4) Indenture of Trust, relating to the B-1 Bonds (the "B1 Indenture") to be entered into between the Authority and Trustee;

(5) Indenture of Trust, relating to the B-2 Bonds (the "B2 Indenture") and together with the B1 Indenture, the "Indentures") to be entered into between the Authority and Trustee;

(6) Financing Agreement, relating to the B-1 Bonds (the "B1 Financing Agreement") to be entered into among the Authority, the Trustee and the Borrower;

(7) Financing Agreement, relating to the B-2 Bonds (the "B2 Financing Agreement") and together with the B1 Financing Agreement, the

“Financing Agreements”) to be entered into among the Authority, the Trustee and the Borrower; and

(8) Bond Purchase Agreement, relating to the B-2 Bonds (the “Purchase Agreement”) to be entered into among the Authority, the Bond Purchaser and the Borrower.

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

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

Section 2. Pursuant to the JPA Law, the Funding Loan Agreement and the Indentures, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes and issue and sell the Subordinate Bonds in one or more series. The Notes shall be designated as “California Statewide Communities Development Authority Limited Obligation Multifamily Housing Revenue Note (Brunswick Street Apartments) 2017 Series V” and “California Statewide Communities Development Authority Limited Obligation Multifamily Housing Revenue Note (Brunswick Street Apartments) 2017 Taxable Series V-T” and the Subordinate Bonds shall be designated as “California Statewide Communities Development Authority Limited Obligation Multifamily Housing Revenue Subordinate Bonds (Brunswick Street Apartments) 2017 Series V-B1” and “California Statewide Communities Development Authority Limited Obligation Multifamily Housing Revenue Subordinate Bonds (Brunswick Street Apartments) 2017 Series V-B2” including, and to the extent necessary, Obligations in one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$95,000,000; provided that the aggregate principal amount of any tax-exempt Obligations issued, executed and delivered shall not exceed the Allocation Amount (or such lesser amount approved by Bond Counsel). The Obligations shall be issued, executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement and the Indentures, and 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 Authorized Signatory (as defined below), and attested by the facsimile signature of the Treasurer and Secretary of the Authority, or the manual signature of any Authorized Signatory. The Obligations shall be secured in accordance with the terms of the Funding Loan Agreement and the Indentures presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment or redemption premium, if any, and interest on, the Obligations shall be made solely from amounts pledged thereto under the Funding Loan Agreement and the Indentures, and the Obligations shall not be deemed to constitute a debt or liability of the Authority or any Member of the Authority or any Director of the Commission of the Authority (each, a “Director”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual

signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The B-1 Indenture in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the B-1 Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the B-1 Bonds shall be as provided in the B-1 Indenture as finally executed.

Section 7. The B-2 Indenture in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the B-2 Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the B-2 Bonds shall be as provided in the B-2 Indenture as finally executed.

Section 8. The B-1 Financing Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the B-1 Financing Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 9. The B-2 Financing Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the B-2 Financing Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 10. The Purchase Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Purchase Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 11. The Authority is hereby authorized to execute and deliver the Notes to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 12. The Subordinate Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Subordinate Bonds by executing the certificate of authentication appearing thereon, and to deliver the Subordinate Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee. Such instructions shall provide for the delivery of the Subordinate Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 13. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the issuance, execution and delivery of the Obligations are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to one or more tax certificates, loan related documents, a subordination or intercreditor agreement, an assignment of deed of trust, a termination of regulatory agreement, an endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement, the Indentures and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, execution and delivery of the Obligations and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 14. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance, execution and delivery of the Obligations, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Obligations or any prepayment or redemptions of the Obligations,

may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement, the Indentures and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August 3, 2017.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on August 3, 2017.

By _____
Authorized Signatory

Agenda Item No. 5c

Agenda Report

DATE: August 3, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PROJECT: Sun Ridge Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Concord, County of Contra Costa

AMOUNT: Not to Exceed \$33,930,907

EXECUTIVE SUMMARY:

Sun Ridge Apartments (the “Project”) is an acquisition and rehabilitation of 198 units of rental affordable housing located in the City of Concord. 100% of the units will remain rent restricted for low-income tenants.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 198-unit affordable rental housing facility located at 1265 Monument Boulevard in the City of Concord.
- 5.7 acre site.
- 16 two-story residential buildings, recreational facilities, three swimming pools and laundry rooms.
- Consists of 84 one-bedroom units, 98 two-bedroom units, 14 three-bedroom units and two manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

Community Housing Works (CHW) is a California 501(c)(3) non-profit organization that has been helping people and communities move up in the world since 1982. CHW specializes in developing and operating affordable rental apartments in urban, suburban, and rural residential communities throughout San Diego County and has completed more than 1,700 units within 35 projects. CHW has financed nine prior projects with CSCDA.

Public Agency Approval:

TEFRA Hearing: November 1, 2016 – City of Concord – unanimous approval

CDLAC Approval: May 17, 2017

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 90% (176 units) restricted to 60% or less of area median income households.
 - 10% (20 units) restricted to 50% or less of area median income households.
- The Project is in walking distance to recreational facilities, grocery stores, and public K-12 schools.
- CHW will provide its resident services program including school age literacy, after school programs, family financial fitness and first time homeowner classes.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 33,930,907
Subordinate Loan:	\$ 3,000,000
Tax Credit Equity:	\$ 15,942,931
Income:	\$ 1,800,076
Deferred Costs:	\$ 3,069,392
Deferred Developer Fee:	\$ 3,088,400
Accrued/Deferred Interest:	\$ 518,400
Sponsor Equity:	<u>\$ 717,265</u>
Total Sources:	\$ 62,067,371

Uses of Funds:

Acquisition:	\$ 33,700,000
Construction Costs:	\$ 15,930,701
Architecture & Engineering:	\$ 614,423
Insurance/Taxes:	\$ 220,437
Relocation:	\$ 759,600
Capitalized Interest:	\$ 1,819,264
Operating Reserve	\$ 614,319
Developer Fee:	\$ 6,548,400
Costs of Issuance:	\$ 418,392
Soft Costs:	\$ 1,094,532
Soft Cost Contingency:	<u>\$ 347,303</u>
Total Uses:	\$ 62,067,371

Finance Partners:

Bond Counsel: Jones Hall, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Private Placement Purchaser: Jones Lang LaSalle Multifamily, LLC

Finance Terms:

Rating: Unrated
Term: 35 years
Structure: Private Placement
Estimated Closing: September 1, 2017

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. Photographs of Sun Ridge Apartments (Attachment A)
2. CSCDA Resolution (Attachment B)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

ATTACHMENT A

Sun Ridge Apartments



ATTACHMENT B

RESOLUTION NO. 17H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE AND SUBORDINATE MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,930,907 FOR THE FINANCING OF MULTIFAMILY RENTAL HOUSING DEVELOPMENTS KNOWN AS SUN RIDGE APARTMENTS IN THE CITY OF CONCORD; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS.

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

WHEREAS, Monument Boulevard Housing Associates, LP, a California limited partnership (the “Borrower”), has requested that the Authority issue, sell, and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Sun Ridge Apartments Project) 2017 Series X (the “Note”) and its California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Sun Ridge Apartments Project) 2017 Series X-S (Subordinate Series) (the “Bonds”) to assist in the financing of the acquisition and rehabilitation of a multifamily rental development consisting of 198 units located at 1265 Monument Boulevard, located in the City of Concord, County of Contra Costa, California, and to be known as Sun Ridge Apartments (the “Project”);

WHEREAS, on May 17, 2017, the Authority received an allocation in the amount of \$33,930,907 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, City of Fresno is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Note and Bonds after a duly noticed public hearing;

WHEREAS, the Authority is willing to issue not to exceed \$33,930,907 aggregate principal amount of Notes and Bonds, and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Note will be privately placed with Jones Lang LaSalle Multifamily, LLC (the “Purchaser”), as the initial purchaser of the Note, in accordance with the Authority’s private placement policy;

WHEREAS, the Bonds will be privately placed with Concord Sun Ridge, LLC as holder (the “Holder”), as the initial purchaser of the Bonds, in accordance with the Authority’s private placement policy;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the issuance of the Note and Bonds, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into between the Authority, Wilmington Trust, National Association as fiscal agent (the “Fiscal Agent”), and the Purchaser;

(2) Project Loan Agreement (the “Project Loan Agreement”) to be entered into among the Authority, the Borrower and the Fiscal Agent;

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

(4) Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing, together with the Assignment of Security Instrument from the Authority to the Fiscal Agent;

(5) Subordinate Master Agency Agreement (the “Master Agency Agreement”) between the Authority and Concord Sun Ridge, LLC as agent (the “Agent”); and

(6) Subordinate Master Pledge and Assignment (the “Master Pledge and Assignment”) among the Authority, the Holder, and the Agent.

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to issue a Note and one or more series of Bonds. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Sun Ridge Apartments Project) 2017 Series X” and the Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Sun Ridge Apartments Project) 2017 Series X-S,” including, if and to the extent necessary, one or more sub-series, with appropriate modifications

and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$33,930,907; provided that the aggregate principal amount of any tax-exempt Note and tax-exempt Bonds issued shall not exceed the Allocation Amount. The Note shall be issued in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of any Authorized Signatory (as defined below). The Bonds shall be issued in the form set forth in and otherwise in accordance with the Master Pledge and Assignment, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory. The Note and the Bonds shall be issued and secured in accordance with the terms of the Funding Loan Agreement and the Master Pledge and Assignment, respectively, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Note and the Bonds shall be made solely from amounts pledged thereto under the Funding Loan Agreement and the Master Pledge and Assignment, respectively, and the Note and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement, the Master Agency Agreement and the Master Pledge and Assignment in the forms presented at this meeting are hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 17R-4 of the Authority, adopted on March 2, 2017) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, the Master Agency Agreement and the Master Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall comply with the provisions of the Housing Law), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Note and the Bonds shall be as provided in the Funding Loan Agreement and the Master Pledge and Assignment, respectively, as finally executed.

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

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

Section 6. The Multifamily Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Assignment of Security Instrument related thereto, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Authority is hereby authorized to sell the Note to the Purchaser pursuant to the terms and conditions of the Funding Loan Agreement.

Section 8. The Authority is hereby authorized to sell the Bonds to the Holder pursuant to the terms and conditions of the Master Pledge and Assignment.

Section 9. The Note, when executed, shall be delivered to the Fiscal Agent for authentication and registration. The Fiscal Agent is hereby requested and directed to register the Note by executing the certificate of registration appearing thereon, and to deliver the Note, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Fiscal Agent. Such instructions shall provide for the delivery of the Note to the purchasers thereof upon payment of the purchase price thereof.

Section 10. The Bonds, when executed, shall be delivered to the Agent for authentication and registration. The Agent is hereby requested and directed to register the Bonds by executing the certificate of registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Agent. Such instructions shall provide for the delivery of the Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 12. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Note and Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, subordination agreements, such documents as are described in the Funding Loan Agreement, the Master Pledge and Assignment or the Project Loan Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Note and Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 11. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Note and the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents,

any transfer or other disposition of the Project, any addition or substitution of security for the Note and Bonds or any redemption of the Note or Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement, the Master Pledge and Assignment and other documents approved herein.

Section 12. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 3rd day of August, 2017.

The undersigned Authorized Signatory of the California Statewide Communities Development Authority DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on August 3, 2017.

CALIFORNIA STATEWIDE
COMMUNITIES
DEVELOPMENT AUTHORITY

By: _____
Authorized Signature



Agenda Item No. 6

Agenda Report

DATE: August 3, 2017

TO: CSCDA COMMISSIONERS

FROM: Cathy Bando, Executive Director

PURPOSE: Consideration of Second Amendment to Professional Services Contract with Urban Futures Bond Administration.

BACKGROUND AND SUMMARY:

On March 16, 2017 the CSCDA Commission approved the First Amendment to its contract with Urban Futures Bond Administration (UFBA) (the “First Amendment”) due to the changes in the CDLAC housing compliance requirements.

The First Amendment included the following changes:

1. Fees were reduced to \$300 per project rather than \$23 per restricted unit monitored within each project.
2. Scope of Work – The revised contract adjusted the scope of work to reflect the new CDLAC requirement which includes the submission of an annual certification of compliance for each project.

Since the First Amendment was approved CSCDA staff has learned from property managers and CDLAC that there is not a source for property managers and owners to calculate the annual HUD tenant income and rent limits. This calculation is essential to determine that the affordable housing properties are in compliance with the income and rent restrictions.

Staff requested a proposal from UFBA to add the following to the scope of work for CSCDA:

1. UFBA will calculate the Tax-Exempt Bond income and rent tables bases on the Multifamily Tax Subsidy Project Limits (MTSP) published by HUD.
2. UFBA will distribute to all owners, and specified project contacts the updated income and rent schedules
3. An electronic copy of each rent and income limits schedule will be maintained on file in UFBA’s Compliance Monitoring System (CMS).

UFBA has proposed that it will perform this additional work at the rate of \$25 per CSCDA project on 630 properties at a total of \$15,750 per year. The fee would be paid out of the annual administration fee already being collected by CSCDA.

The proposed amended contract is attached and has been reviewed and approved by CSCDA's General Counsel.

RECOMMENDATION:

CSCDA's Executive Director recommends approval of the Second Amendment to the Professional Services Contract with Urban Futures Bond Administration in the form of Attachment A.

Attachment A

**ADDENDUM TO
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY COMPLIANCE
MONITORING SERVICES CONTRACT**

This Addendum To California Statewide Communities Development Authority Compliance Monitoring Services Contract (the "Addendum") is made and entered into on July ____, 2016 by and California Statewide Communities Development Authority ("Authority") and Urban Futures Bond Administration, Inc., a California Corporation ("Contractor") (collectively, the "Parties" and each individually, a "Party").

WHEREAS, on December 1, 2015 the Authority and the Contractor entered into a Compliance Monitoring Services Contract (the "Contract") whereby the Contractor would provide compliance monitoring services to the Authority;

WHEREAS, on March 1, 2017 the Contract was amended (First Amendment) for the purposes of revising the services provided by Contractor and revising the fee structure.

This Addendum further amends and modifies the Contract and First Amendment as follows:

1. Amend Scope of Services to include the Contractor providing annual rent and income limits for Bonds issued by the Authority as set forth in the Amended Scope of Services (Exhibit A).
2. Amend Fee Schedule to include the fee for Contractor providing annual rent and income limits for Bonds issued by the Authority as set forth in the Amended Fee Schedule (Exhibit B).

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their duly authorized representative as of the date set forth below.

"AUTHORITY"

California Statewide Communities Development Authority

Cathy Bando, Executive Director

“CONTRACTOR”
Urban Futures Bond Administration, Inc.

Marshall F. Linn, CEO/President

Amended Exhibit “A

SCOPE OF SERVICES

This Scope of Services encompasses the California Statewide Communities Development Authority’s (CSCDA) current portfolio reporting to California Debt Limit Allocation Committee (CDLAC) based on State Requirements.

CDLAC REPORTING AND DOCUMENT RETENTION

TASK 1 – Manage Current Portfolio Data and Documents via On-Line Monitoring System:

- Maintain project information for each existing project to include:
 - Project Name
 - Address
 - Total Units
 - Restricted Units
 - Contact Information
 - Owner
 - Property Manger
 - Trustee
 - CSCDA/CDLAC Identification Numbers
 - Resolution/Covenant Start/End Dates
 - Bond Covenant Requirements
 - AMI Limits
 - Set-Aside Restrictions
- Collect and retain CDLAC form “Certification of Compliance I”
 - CDLAC “Certification of Compliance I” to be collected from sponsor on an annual basis
 - UFBA to send reminder notice 60 days prior to collection due date
 - Reminder notice out November 1st
 - Collection due date December 31st
 - Late notice out January 1st with extended date of January 15th
 - Follow-up phone calls
 - UFBA to make follow-up calls to projects if documentation not received by the extended due date
 - Confirm certification is completed accurately and in its entirety
 - UFBA’s on-line system will provide access to electronic certification form
 - All certifications to be retained electronically and filed by project
- Collect and retain Certificate of Continuing Program Compliance
- Maintain CSCDA Project Agreements, Resolutions and other pertinent documentation
 - Documents to be organized in a comprehensive electronic filing system by project

Amended Exhibit “A”

SCOPE OF SERVICES (continued)

TASK 2 – CDLAC Annual Reporting:

- Verify CSCDA projects listed on CDLAC’s “Annual Applicant Public Benefits and Ongoing Compliance Self-Certification System” for annual reporting
- Complete and submit Issuer’s electronic “Annual Applicant Public Benefits and Ongoing Compliance Self-Certification” form for each project listed via CDLAC on-line reporting system”
 - Note: the completion of this electronic certification form is based on the successful collection of the Sponsor’s (Owner) “Certification of Compliance I” form
 - Obtain copy of “Confirmation Submission” to be filed with project documents

TASK 3 – IDB, RZFD & Solid Waste (Other Projects) Required Filings:

Collect and retain Bond payoff documentation and submit Issuer’s electronic “Annual Applicant Public Benefits and Ongoing Compliance Self-Certification” via CDLAC on-line reporting system.

TASK 4 – Annual Rent and Income Schedules for Qualified Residential Rental Projects (QRRP):

- UFBA will calculate the Tax-Exempt Bond income and rent tables based on the Multifamily Tax Subsidy Project Limits (MTSP) published annually by HUD.
- Distribute to all owners and specified project contacts the updated income and rent schedules.
- Maintain an electronic copy of each income and rent schedule in UFBA’s on-line system.

Amended Exhibit "B"

FEE SCHEDULE

The Scope of Services will be performed by UFBA based on the following fee schedule. Hourly rates will be applied only to services performed outside of the Scope of Services, as requested in writing by the Authority:

Reporting Services

PER PROJECT FEE SCHEDULE	
	PER PROJECT RATE
TASKS 1 – 2 CDLAC Reporting and Documentation Retention	\$ 300
TASK 3 Required Filings for IDB, RZFD & Solid Waste Bonds (Other Projects) to be performed at no cost	No Charge

Hourly Rates:

Manager Director	\$ 175
Compliance Lead	\$ 100
Compliance Specialist	\$ 65
Compliance Assistant	\$ 50

PAYMENT SCHEDULE – 1/12th of the annualized fees will be paid on a per Project basis, monthly in arrears for services performed.

PER PROJECT FEE SCHEDULE	
	PER PROJECT RATE
TASK 4 – Annual Rent and Income Schedules for Qualified Residential Rental Projects	\$ 25

PAYMENT SCHEDULE – Fees will be paid on a per Project basis once annually upon completion of Task 4.



CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



MEETING AGENDA

August 3, 2017

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

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

Telephonic Locations:

709 Portwalk Place
Redwood City, CA 94061

27788 Hidden Trail Road
Laguna Hills, CA 92653

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

County of Butte
7 County Drive, Oroville, CA 95965

County of Kern
1115 Truxtun Avenue, Bakersfield, CA 93301

247 Electric Street
Auburn, CA 95603

3252 Southern Hills Drive
Fairfield, CA 94534

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

_____ Dan Harrison, President	_____ Jordan Kaufman, Member
_____ Larry Combs, Vice President	_____ Dan Mierzwa, Member
_____ Kevin O'Rourke, Treasurer	_____ Irwin Bornstein, Member
_____ Tim Snellings, Secretary	_____ Brian Moura, Alt. Member
2. Consideration of the minutes of the July 24, 2017 Adjourned Meeting.
3. Public Comment.

B. ITEMS FOR CONSIDERATION

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

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2017 at ___: ___m, Signed _____. Please email signed page to info@cscda.org

- a. Approve (i) a sub-allocation of \$14,000,000 to CSCDC 11 LLC for the financing of L.A. Prep South, City of Los Angeles, California; and (ii) an equity investment of \$14,000,000 into CSCDC 11 LLC by an affiliate of JPMorgan Chase Bank, N.A. in advance of the closing of the L.A. Prep South financing.
- b. Approve (i) a sub-allocation of \$12,000,000 to CSCDC 10 LLC for the financing of Livingston Community Health, City of Livingston, California; and (ii) an equity investment of \$12,000,000 into CSCDC 10 LLC by an affiliate of JPMorgan Chase Bank, N.A. in advance of the closing of the Livingston Community Health financing.

C. ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

- 5. Executive Director Update.
- 6. Staff Updates.
- 7. Adjourn.



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

July 24, 2017

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

Commission Secretary Tim Snellings called the meeting to order at 1:18 pm. Meeting adjourned from Thursday, July 20, 2017 to Monday, July 24, 2017.

1. Roll Call.

Commission members present: None

Commission members participating via teleconference: Tim Snellings, Irwin Bornstein, Dan Mierzwa, Brian Moura

Others present: James Hamill Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sendy Young, CSAC Finance Corporation

Others participating via teleconference: Cathy Bando, CSCDA Executive Director, Jon Penkower, Bridge Strategic Partners, Greg Stepanicich, Richards Watson & Gershon

2. Consideration of the Minutes of the June 15, 2017 Regular Meeting.

The commission approved the minutes.

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

3. Public Comment.

There was no public comment.

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

- a. Approve the making of \$14,000,000 in qualified low-income community investments by CSCDC 11 LLC to LA Prep Properties II LLC, City of Los Angeles, California.

Executive Director Bando recommended approval for this project. This is the second location of L.A Prep. The project will offer 62 pre-inspected, ready-to-occupy private kitchen spaces, while offering the benefit of sharing costs. The project will also provide great job opportunities for the community.

Motion to approve by I. Bornstein. Second by D. Mierzwa. Unanimously approved by roll-call vote.

5. Executive Director Update

There was no update.

6. Staff Updates.

There was no update.

7. Adjourn.

The meeting was adjourned at 1:26 pm.

Submitted by: Sendy Young, CSAC Finance Corporation

Agenda Report

DATE: August 3, 2017

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Bando, Executive Director

PURPOSE: Approve (i) a sub-allocation of \$14,000,000 to CSCDC 11 LLC for the financing of L.A. Prep South, City of Los Angeles, California; and (ii) an equity investment of \$14,000,000 into CSCDC 11 LLC by an affiliate of JPMorgan Chase Bank, N.A. in advance of the closing of the L.A. Prep South financing.

SUMMARY:

On July 24, 2017, the CSCDC Board of Directors approved the issuance of \$14,000,000 in New Markets Tax Credits (NMTC) for L.A. Prep South (the “Project”). The Project will offer tenants an exclusive, turnkey food production space along with essential shared amenities including flexible storage, packing areas, office and onsite logistics. The Project’s closing date has been delayed a few weeks which requires today’s additional administrative approval.

On June 19, 2017, CSCDC submitted an application to the CDFI Fund seeking an additional allocation of New Markets Tax Credits. The application guidelines provide that in order to receive future NMTCs, at least 30% of the prior allocation must be pre-funded or funded by August 18, 2017. In order to comply with the application guidelines, CSCDC has requested that Chase Bank authorize the Investment Fund to make its \$14,000,000 qualified equity investment in advance of the Project’s closing (the “QEI Closing”). The requested QEI Closing provides an unwind mechanism in the unlikely event that the Project or any replacement projects were unable to close within a specified period of months after the QEI Closing. It is anticipated that the Project will close in early September, 2017.

ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the sub-allocation of \$14,000,000 in NMTCs and receipt of an equity investment in connection therewith;
2. Approves all necessary actions and documents in connection with the QEI Closing; and
3. Authorizes any member of the Board or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION (LA Prep)

At a meeting duly called on August 3, 2017, the Board of Directors of California Statewide Communities Development Corporation, a California nonprofit public benefit corporation (the “Allocatee”), for itself and in its capacity as managing member the Sub-CDE (defined below), does hereby adopt the following resolutions:

WHEREAS, the Allocatee and CSCDC 11 LLC, a California limited liability company (“Sub-CDE”), were organized for the purpose of participating in the federal New Markets Tax Credit (“NMTC”) program, designed by Congress to encourage investment in (i) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (ii) businesses and nonprofits active in low-income communities; and (iii) the provision of technical assistance and other services to businesses active in low-income communities; and

WHEREAS, by law, NMTC investments must be made through a qualified community development entity (a “CDE”), which is a legal entity that (i) has as its primary mission serving or providing investment capital for low-income communities or low-income persons, and (ii) maintains accountability to residents of low-income communities through their representation on an advisory board to the CDE; and

WHEREAS, the Allocatee was certified by the Community Development Financial Institutions Fund (the “CDFI Fund”) as a CDE, and the Allocatee submitted a Thirteenth Round (2015–2016) New Markets Tax Credit Allocation Application (the “Application”); and

WHEREAS, Sub-CDE was certified by the CDFI Fund as a subsidiary CDE of the Allocatee; and

WHEREAS, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended, in the amount of \$70,000,000 of NMTC authority (the “Allocation”) in connection with its Application; and

WHEREAS, the Allocatee, as managing member, and CSCDC Manager, LLC, as the non-member manager, entered into that certain operating agreement of Sub-CDE dated March 31, 2015 (the “Initial Sub-CDE Operating Agreement”) to govern the Sub-CDE; and

WHEREAS, pursuant to a Sub-Allocation Agreement, by and between the Allocatee and Sub-CDE, the Allocatee will sub-allocate a \$14,000,000 portion of the Allocation to the Sub-CDE (the “Sub-Allocation”); and

WHEREAS, the Allocatee and Investor Member seek to amend and restate the Initial Sub-CDE Operating Agreement (as amended and restated, the “A&R Sub-CDE Operating Agreement”) pursuant to which the Investor Member will make an equity investment in the Sub-CDE by making a capital contribution in an amount equal

to \$14,000,000 in return for a 99.99% equity interest in the Sub-CDE (the “CDE Investment”); and

WHEREAS, the CDE Investment will be designated as a “qualified equity investment” as such term is defined in Section 45D of the Code (“QEI”, collectively the “QEIs”); and

WHEREAS, in accordance with the A&R Sub-CDE Operating Agreement, the Sub-CDE will use substantially all of the QEI proceeds to make one or more loans to a “qualified active low-income community business” as such term is defined in Section 45D of the Code (“QALICB”), in the aggregate original principal amount of \$13,580,000 (the “CDE Loan”); and

WHEREAS, the CDE Loan is expected to constitute a “qualified low-income community investment” (as defined in Section 45D of the Code and the Treasury Regulations and Guidance) (a “QLICI”) for purposes of the NMTC program which have flexible, non-conventional, or non-conforming terms and conditions; and

WHEREAS, it is the intention of the Board that the Allocatee enter into certain transaction documents, for itself or in its capacity as the managing member of the Sub-CDE, in connection with the above described transactions and QEIs that are necessary to evidence and govern such transactions, including, but not limited to: (i) the Unwind Agreement, by and among Sub-CDE, Chase Community Equity, LLC, Managing Member, and the Fund, (ii) the Sub-Allocation Agreement by and between Sub-CDE and Managing Member, (iii) A&R Sub-CDE Operating Agreement and (iv) other related documents (collectively, the “Transaction Documents”)

NOW, THEREFORE, BE IT

RESOLVED, that each of the Transaction Documents and the transactions contemplated thereby are hereby approved, ratified and confirmed in all respects;

RESOLVED, that each of the following individuals (each an “Authorized Signatory”) be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of the Allocatee and on behalf of the Allocatee as managing member of the Sub-CDE, and with such changes, variations, omissions and insertions as they shall approve, the execution and delivery thereof by them to constitute conclusive evidence of such approval: Norman Coppinger, Catherine Bando, Laura Labanieh, Jonathan Penkower, and James Hamill; and be it further

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other affidavits, certificates, agreements, instruments and documents, to pay all fees, charges and expenses, and to do or cause to be done all other acts and things which are required or provided for under the terms of the Transaction Documents or which may be necessary or, in his or her or their opinion, desirable and proper in order to effect the purposes of the foregoing resolution and to cause compliance by the Allocatee or Sub-CDE, as the case may be, with all of the terms, covenants and conditions of the Transaction Documents on the part of the Allocatee or Sub-CDE, as the case may be, to be performed or observed; and be it further; and be it further

RESOLVED, that any and all documents, instruments and other writings previously executed and delivered or acts performed by the Authorized Signatories, in the name and on behalf of the Allocatee or the Sub-CDE, as the case may be, in connection with the transactions, be, and the same hereby are, consented to in all respects and are hereby ratified, confirmed and approved.

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other documents approved by the Board and to do or cause to be done all other acts and things which may be necessary in the ordinary course of the business of CSCDC and/or the Sub-CDE; and be it further

RESOLVED, that these resolutions may be executed in counterparts, including by signature pages provided by facsimile or in PDF format, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Board of Directors of the Allocatee have executed and adopted these Resolutions at its meeting duly called and held on the date first written above, at which a quorum of the Board of Directors was present or represented.

Dan Harrison
President

ATTEST:

Larry Combs
Vice President

Agenda Report

DATE: August 3, 2017

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Bando, Executive Director

PURPOSE: Approve (i) a sub-allocation of \$12,000,000 to CSCDC 10 LLC for the financing of Livingston Community Health, City of Livingston, California; and (ii) an equity investment of \$12,000,000 into CSCDC 10 LLC by an affiliate of JPMorgan Chase Bank, N.A. in advance of the closing of the Livingston Community Health financing.

BACKGROUND:

Livingston Community Health (LCH), a non-profit primary health care provider, serves patients from Livingston, Delhi, Stevinson, Hilmar, Cressey, Ballico, Winton, and other surrounding agricultural areas. LCH is the primary source of health care for residents of northern Merced County and portions of southern Stanislaus County, particularly for the uninsured, rural and migrant families and the working poor. LCH has grown to be the largest Federally Qualified Health Center (FQHC) in Merced County. In particular, LCH serves a large population of farm workers. Approximately 77% of patients live at or below 100% of the Federal Poverty Level (FPL) and 95% live at or below 200% of the FPL. Around 80% of patients are Latino, and 40% are agricultural workers.

PROJECT:

LCH's main clinic is currently located in a cramped 15,000 sq. ft. two-story building, which it has occupied for over 30 years. The current site is severely overcrowded, and is located in a residential neighborhood with little dedicated parking. A proposed new 35,500 sq. ft. main campus will include: (i) a 14,500 SF medical center, (ii) a 6,500 SF dental and optometry building, and a (iii) 14,500 SF administrative facility (the "Project"). The Project will create a consolidated "one-stop" health and wellness center for multi-generational families; including services ranging from primary and wellness care, to resources that support life-long health and wellness. The new campus will house administrative offices, 30 examination rooms, 6 dental rooms, radiology, optometry exam areas, labs, pharmacy, patient education rooms, behavioral health consultation rooms, triage areas, medical assistant workstations, as well as a reception, sufficient parking, and outdoor areas. Importantly, the new facility will create a patient-centered medical home and facilitate the integration of behavioral health and substance abuse services into the primary care setting.

REQUEST FOR SUB-ALLOCATION/QEI INVESTMENT:

LCH will be seeking \$12,000,000 in New Markets Tax Credit ("NMTC") allocation from CSCDC to assist with the financing of the Project. Chase NMTC Livingston Investment Fund, LLC (the "Investment Fund"), an entity wholly owned by JPMorgan Chase Bank, N.A. ("JPMC") will be making a \$12,000,000 qualified equity investment ("QEI") in CSCDC 10 LLC in anticipation of CSCDC 10 LLC providing qualified loan income community investment ("QLICI") financing to LCH in connection with the Project. The closing of the QLICI financing is anticipated to occur in September, 2017, based on LCH's construction contract bidding process.

On June 19, 2017, CSCDC submitted an application to the CDFI Fund seeking an additional allocation of New Markets Tax Credits. The application guidelines provide that in order to receive future NMTCs, at least 30% of the prior allocation must be pre-funded or funded by August 18, 2017. In order to comply with the application guidelines, CSCDC has requested that Chase Bank authorize the Investment Fund to make its \$12,000,000 qualified equity investment in advance of the Project's closing (the "QEI Closing"). The requested QEI Closing provides an unwind mechanism in the unlikely event that the Project or any replacement projects were unable to close within a specified period of months after the QEI Closing. It is anticipated that the Project will be brought back to the Board for final approval of the QLICI financing within the next 30 days.

ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the sub-allocation of \$12,000,000 in NMTCs and receipt of an equity investment in connection therewith;
2. Approves all necessary actions and documents in connection with the QEI Closing; and
3. Authorizes any member of the Board or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION (Livingston FQHC QEI)

At a meeting duly Called on August 3, 2017, the Board of Directors of California Statewide Communities Development Corporation, a California nonprofit public benefit corporation (the "Allocatee"), for itself and in its capacity as managing member the Sub-CDE (defined below), does hereby adopt the following resolutions:

WHEREAS, the Allocatee and CSCDC 10 LLC, a California limited liability company ("Sub-CDE"), were organized for the purpose of participating in the federal New Markets Tax Credit ("NMTC") program, designed by Congress to encourage investment in (i) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (ii) businesses and nonprofits active in low-income communities; and (iii) the provision of technical assistance and other services to businesses active in low-income communities; and

WHEREAS, by law, NMTC investments must be made through a qualified community development entity (a "CDE"), which is a legal entity that (i) has as its primary mission serving or providing investment capital for low-income communities or low-income persons, and (ii) maintains accountability to residents of low-income communities through their representation on an advisory board to the CDE; and

WHEREAS, the Allocatee was certified by the Community Development Financial Institutions Fund (the "CDFI Fund") as a CDE, and the Allocatee submitted a Thirteenth Round (2015-2016) New Markets Tax Credit Allocation Application (the "Application"); and

WHEREAS, Sub-CDE was certified by the CDFI Fund as a subsidiary CDE of the Allocatee; and

WHEREAS, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended, in the amount of \$70,000,000 of NMTC authority (the "Allocation") in connection with its Application; and

WHEREAS, the Allocatee, as managing member, and CSCDC Manager, LLC, a California limited liability company, as the non-managing member (the "Withdrawing Member"), entered into that certain operating agreement of Sub-CDE dated January 30, 2014 (the "Initial Sub-CDE Operating Agreement") to govern the Sub-CDE; and

WHEREAS, the Allocatee will sub-allocate a portion of the Allocation in an amount up to \$12,000,000 to the Sub-CDE (the "Sub-Allocation") and will memorialize the Sub-Allocation with a certain Sub-Allocation Agreement (the "Sub-Allocation Agreement"); and

WHEREAS, the Withdrawing Member desires to withdraw as a member of the Sub-CDE, Allocatee wishes to admit Chase NMTC Livingston Investment Fund, LLC, a Delaware limited liability company (the "Investor Member") as the 99.99% member of the Sub-CDE, and the Investor Member and Allocatee desire to amend and restate the Initial Sub-CDE Operating Agreement in its entirety (as amended and restated, the "A&R Sub-CDE Operating Agreement") pursuant to which the Investor Member will make an equity investment in the Sub-CDE in the amount of up to \$12,000,000 (the "CDE Investment"); and

WHEREAS, the CDE Investment will be or has been designated as a "qualified equity investment" as such term is defined in Section 45D of the Code ("QEI"); and

WHEREAS, in accordance with the A&R Sub-CDE Operating Agreement, the Sub-CDE will use substantially all of the QEI proceeds to make one or more loans (the "CDE Loans") to one or more "qualified active low-income community businesses" in compliance with the New Markets Tax Credits program requirements; and

WHEREAS, in connection with the QEI, the Sub-CDE and Allocatee have agreed to enter into an Unwind Agreement with the Investor Member and the Fund to set forth certain agreements between the parties in the event that the CDE Loans are not closed within an agreed upon period of time of the making of the QEI (the "Unwind Agreement"); and

WHEREAS, it is the intention of the Board that the Allocatee enter into certain transaction documents, for itself or in its capacity as the managing member of the Sub-CDE, in connection with the above described QEI that are necessary to evidence and govern such QEI, including, but not limited to the agreements set forth on Exhibit A attached hereto and made a part hereof (collectively, the "Transaction Documents").

NOW, THEREFORE, BE IT

RESOLVED, that each of the Transaction Documents and the transactions contemplated thereby are hereby approved, ratified and confirmed in all respects;

RESOLVED, that each of the following individuals (each an "Authorized Signatory") be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of the Allocatee and on behalf of the Allocatee as managing member of the Sub-CDE, and with such changes, variations, omissions and insertions as they shall approve, the execution and delivery thereof by them to constitute conclusive evidence of such approval: Norman Coppinger, Catherine Bando, Laura Labanieh, Jon Penkower and James Hamill; and be it further

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other affidavits, certificates, agreements, instruments and documents, to pay all fees, charges and expenses, and to do or cause to be done all other acts and things which are required or provided for under the terms of the Transaction Documents or which may be necessary or, in his or her or their opinion, desirable and proper in order to effect the purposes of the foregoing resolution and to cause compliance by the Allocatee or Sub-CDE, as the case may be, with all of the terms, covenants and conditions of the Transaction Documents on the part of the Allocatee or Sub-CDE, as the case may be, to be performed or observed; and be it further;

RESOLVED, that any and all documents, instruments and other writings previously executed and delivered or acts performed by the Authorized Signatories, in the name and on behalf of the Allocatee or the Sub-CDE, as the case may be, in connection with the transactions, be, and the same hereby are, consented to in all respects and are hereby ratified, confirmed and approved;

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other documents approved by the Board and to

do or cause to be done all other acts and things which may be necessary in the ordinary course of the business of CSCDC and/or the Sub-CDE; and be it further; and be it further

RESOLVED, that these resolutions may be executed in counterparts, including by signature pages provided by facsimile or in PDF format, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Board of Directors of the Allocatee have executed and adopted these Resolutions at its meeting duly called and held on August 3, 2017, at which a quorum of the Board of Directors was present or represented.

Dan Harrison
President

EXHIBIT A

Transaction Documents

1. A&R Sub-CDE Operating Agreement,
2. Sub-Allocation Agreement.
3. Unwind Agreement.
4. Other related documents.