



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



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

**August 9, 2012  
10:00 a.m.**

**League of California Cities  
1400 K Street, 3<sup>rd</sup> Floor  
Sacramento, California**

**Teleconference Locations**

County of Yuba  
915 8th Street, Suite 103  
Marysville, CA 95901

27788 Hidden Trail Road  
Laguna Hills, CA 92677

3252 Southern Hills Drive  
Fairfield, CA 94534

- I. Call the Roll (alternates designate which member they are representing).
- II. Approve the Minutes of the July 19, 2012 Regular Meeting.
- III. Approve the Minutes of the July 23, 2012 Special Meeting.
- IV. Staff Updates.
- V. Approve Consent Calendar.
- VI. Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

This \_\_\_ page agenda was posted at 1100 K Street, Sacramento, California on \_\_\_\_\_, 2012 at \_\_: \_\_ \_\_m,  
Signed \_\_\_\_\_ . Please fax signed page to (925) 933-8457.

- a. Delphi Schools, Inc., City of Los Angeles, County of Los Angeles; up to \$5 million in 501(C)(3) non-profit revenue bonds.
- b. Total Road Improvement Program (TRIP), City of Lynwood, County of Los Angeles; up to \$9 million in Gas Tax Revenue Certificates of Participation.
- c. Granite Folsom, L.P. (Granite City Apartments), City of Folsom, County of Sacramento; up to \$9 million in multi-family housing debt obligations.
- d. 100 Stadium Rd., L.P. (Madera Family Apartments), City of Madera, County of Madera; up to \$7 million in multi-family housing debt obligations.

VII. Discuss and approve new fee schedule.

VIII. Discuss and approve supplemental resolution for the Sonoma Gardens Apartments.

IX. Public Comment.

X. Adjourn.



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY  
CONSENT CALENDAR**

1. Induce the following projects:
  - a. St. Anton Capital, LLC (Anton Legacy Apartments), City of Tustin, County of Orange; issue up to \$36 million in multi-family housing debt obligations.
  
2. Approve the following invoices for payment:
  - a. Burke, Williams & Sorensen, LLP Invoice #158222
  - b. David Taussig & Associates Invoice #1206030
  - c. David Taussig & Associates Invoice #1206203
  - d. David Taussig & Associates Invoice #1206199
  - e. BLX Invoice #41987-1255/071212
  - f. BLX Invoice #41987-1400/071212
  - g. BLX Invoice #41987-401/071212
  - h. BLX Invoice #41987-520/071212
  - i. BLX Invoice #41987-597/071212
  - j. BLX Invoice #41987-768/071212
  - k. BLX Invoice #41987-847/071212
  - l. BLX Invoice #41987-916/071212
  - m. BLX Invoice #41987-1007/071212
  
3. Approve the City of Chino as a Program Participant.

Thursday, August 9, 2012

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

**Item II**

Approve the Minutes of the July 19, 2012 Regular Meeting.

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

California State Association of Counties  
1100 K Street, Sacramento, California

July 19, 2012

**MINUTES**

Commission Chair Larry Combs called the meeting to order at 10:03 a.m.

**I. Roll Call**

Commission members present: Larry Combs, Steve Keil, Kevin O'Rourke, and Terry Schutten (arriving at item IV.b). Commission members participating by conference telephone: Alternate Dan Mierzwa (sitting for Commissioner Terry Schutten through item IV. a) and Tim Snellings.

Others present included: Laura Labanieh Campbell, CSAC Finance Corporation; Caitlin Lanctot, CSCDA staff; and Mark Paxson, State Treasurer's Office. Participating by conference telephone: Scott Carper and James Hamill, CSCDA staff and Patricia Eichar, Orrick, Herrington & Sutcliffe.

**II. Approve the Minutes of July 5, 2012 Regular Meeting**

The commission approved the minutes of the regular meeting held July 5, 2012.

Motion by Keil; second by O'Rourke; unanimously approved by roll-call vote.

**III. Staff Updates**

James Hamill reported that the CaliforniaFIRST program is expected to receive its final validation judgment either the first or second week of August. The program is scheduled to kick-off around August 15<sup>th</sup> to the 14 counties and 141 cities currently included. Staff hopes to approve the first program transaction by year-end.

**IV. CSCDA Quarterly Update**

James Hamill reported that during the second quarter of 2012 CSCDA closed 16 transaction totaling \$1,297,920,000 including 8 multi-family housing, 6 non-profit, 1 TRIP, and 1 water/wastewater transaction. Highlights of the public benefit of these transactions include the creation and maintenance of 460 affordable multifamily housing units and the construction of 5 Kaiser hospitals.

There are currently 26 pending financings that have estimated closing dates during the third quarter of 2012.

**V. Approve Consent Calendar**

The commission approved the consent calendar consisting of the following items:

1. Inducement of the following projects:
  - a. Preservation Vista Park Chino, L.P. (Vista Park Chino Apartment), City of Chino, County of San Bernardino; issue up to \$8 million in multi-family housing debt obligations.
  - b. KDF Communities LLC (Palo Verde Apartments), City of Indio, County of Riverside; issue up to \$8.5 million in multi-family housing debt obligations.

Motion by Mierzwa; second by Keil; unanimously approved by roll-call vote.

**VI. Financing Approvals**

The commission approved resolutions approving the financing; all necessary actions; the execution and delivery of all necessary documents and authorized any member or authorized signatory to sign all necessary financing documents for following projects:

- a. Viscaya Gardens Partners, L.P., City of Dinuba, County of Tulare; up to \$7 million in multi-family housing debt obligations.

Motion by Keil; second by O'Rourke; unanimously approved by roll-call vote.

- b. Holy Names University, County of Alameda; up to \$7 million in 501(C)(3) non-profit revenue bonds.

Motion by Keil; second by Schutten; unanimously approved by roll-call vote.

- c. American Baptist Homes of the West (The Terraces at San Joaquin Gardens), City of Fresno, County of Fresno; up to \$85 million in 501(C)(3) non-profit revenue bonds.

Motion by O'Rourke; second by Keil; unanimously approved by roll-call vote.

- d. Victorville/Desert Springs, L.P., City of Victorville, County of San Bernardino, up to \$6 million in subordinate multi-family housing debt obligations.

Motion by Keil; second by Schutten; unanimously approved by roll-call vote.

- e. Tax and Revenue Anticipation Notes (TRAN) 2012 Program Pool, County of Monterey; up to \$65 million.

Motion by O'Rourke; second by Keil; unanimously approved by roll-call vote.

**VII. Discuss and Approve Government Post Issuance Compliance Guidelines.**

The commission approved Post-Issuance Tax Compliance Procedures for Tax-Exempt (Governmental) Bonds. These procedures formalize in writing the practices already in place for governmental bonds post-issuance compliance procedures.

Motion by Keil; second by O'Rourke; unanimously approved by roll-call vote.

**VIII. Discuss and Approve Bakersfield Assessment Bonds**

The commission approved the financing of the Revenue Reassessment Refunding Bonds for the City of Bakersfield and authorized any member or authorized signatory to execute such documents.

Motion by Keil; second by Schutten; unanimously approved by roll-call vote.

**IX. Discuss and Approve a Deposit and Reimbursement Agreement for CSCDA Community Facilities District 2012-01**

The commission approved the Deposit and Reimbursement Agreement with the City of Fresno and authorized any member or authorized signatory to execute such agreement.

Motion by Keil; second by Schutten; unanimously approved by roll-call vote.

**X. Discuss and Approve Adventist Health System/West Series 2007A and Series 2007B Document Amendments**

The commission approved the amendments to Series 2007A and 2007B bond indentures and loan agreements and authorized any member of the Commission or authorized signatory to sign all necessary documents.

Motion by O'Rourke; second by Schutten; unanimously approved by roll-call vote.

**XI. Public Comment**

There was no public comment.

**XII. Adjourn**

Commission Chair Larry Combs adjourned the meeting at 10:38 a.m.

Submitted by: Laura Labanieh Campbell, CSAC Finance Corporation

*The next regular meeting of the commission is scheduled for  
**Thursday, August 9, at 10:00 a.m.**  
in the League Office at 1400 K Street, Sacramento, CA.*

Item III

Approve the Minutes of the July 23, 2012 Special Meeting.

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

League of California Cities  
1400 K Street, Sacramento, California

July 23, 2012

**MINUTES**

Commission Vice Chair Kevin O'Rourke called the meeting to order at 1:07 p.m.

**I. Roll Call**

Commission members present: Steve Keil, Bob Leland, Kevin O'Rourke and Terry Schutten. Commission members participating by conference telephone: Russ Branson and Tim Snellings. Alternate Commissioners participating by conference telephone: Dan Mierzwa, representing Commissioner Combs, and Irwin Bornstein.

Others present included: James Hamill and Richard Watson, CSCDA staff; Dan Harrison, League of California Cities; Greg Stepanicich, Richards, Watson & Gershon; Tyler Covey, Public Consulting Group; and Mark Paxson, State Treasurer's Office.

**II. Approval of Consent Calendar**

The commission approved by consent inducement of the following projects:

- A. GVGCV Investors, L.P. (Gold Country Village Apartments), City of Grass Valley, County of Nevada; issue up to \$10 million in multi-family housing debt obligations.
- B. San Luis Obispo Nonprofit Housing Corporation (Ironbark and Marvin Garden Apartments), City of San Luis Obispo, County of San Luis Obispo, issue up to \$4 million in multi-family housing debt obligations.

Motion by Keil; second by Leland; unanimously approved by roll-call vote.

**III. Public Comments.** There were none.

**IV. Executive Session**

At 1:15 the commission met in executive session to address the audit by the Bureau of State Audits. At 3:30 the commission resumed its public meeting.

Vice Chair O'Rourke reported that no action was taken during the executive session.

**V. Adjournment**

Commission Vice Chair Kevin O'Rourke adjourned the meeting at 3:35 p.m.

Submitted by: Daniel B. Harrison, Assistant to the Secretary

*The next meeting of the commission is scheduled for  
**Thursday, August 9**, at 10:00 a.m.  
in the CSAC Office at 1100 K Street, Sacramento, CA.*

## Item V

### Approve Consent Calendar

1. Induce the following projects:
  - a. St. Anton Capital, LLC (Anton Legacy Apartments), City of Tustin, County of Orange; issue up to \$36 million in multi-family housing debt obligations.



Building Communities, Investing in Local Government Since 1988

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2012064**  
Name of Developer: **St. Anton Capital, LLC**  
Primary Contact: **Trisha Malone**  
Title: **Project Manager**  
Address: **1801 I Street, Suite 200  
Sacramento, CA 95811**  
Telephone Number: **(916) 400-2073**  
Fax Number: **(916) 444-9843**  
E-mail: **rsg@antonllc.com**

### BORROWER DESCRIPTION

Type of Entity:  For-profit Corporation  Non-profit Corporation  
 Municipality  Partnership  
 Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **TBD**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **24**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **24**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail:

#### BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe LLP**

Contact: **Tom Downey**

Address: **405 Howard Street  
San Francisco, CA 94105**

Telephone: **(415) 773-5965**

Fax: **(415) 773-5759**

E-mail: **tdowney@orrick.com**

Application Number: **2012064 - Anton Legacy Apartments**

Name of Borrower: **St. Anton Capital, LLC**

**PROJECT DESCRIPTION**

Current Project Name: **Anton Legacy Apartments**

New Project Name:

Project Street Address: **Park Avenue**

City: **Tustin** State: **CA** Zip Code: **92606**

County: **Orange**

Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **64** Restricted: **161** Total Units: **225**

Lot Size: **7.5**

Amenities: **Clubhouse, pool, gym,**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, Three And Four Stories, 16 Buildings.**

Type of Housing:  New Construction  Family  
 Acq/Rehab  Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:

Contact Name: **John Buchanan**  
Title: **City Manager's Office - overal City lead**  
Phone Number: **(714) 573-3124**  
Fax Number: **(714) 000-0000**  
E-mail: **jbuchanan@tustinca.org**

**PUBLIC BENEFIT**

Percentage of Units in Low Income Housing: **71.5%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **50% and 60%**

Total Number of Management Units: **2**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	30	\$812	\$1,750	\$938
1 Bedroom	60	25	\$982	\$1,750	\$768
2 Bedrooms	50	46	\$909	\$2,150	\$1,241
2 Bedrooms	60	38	\$1,101	\$2,150	\$1,049
3 Bedrooms	50	12	\$987	\$2,650	\$1,663
3 Bedrooms	60	10	\$1,200	\$2,650	\$1,450

Remarks:

**OTHER PUBLIC BENEFIT**

**SERVICES PROVIDED**

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT**

**Energy**

Does the facility exceed Title 24 Standards?  Yes  No  N/A

If Yes, by what percent? **10%**

Does the facility have solar(PV) panels?  Yes  No  N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits?  Yes  No  N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets?  Yes  No  N/A

Water-saving showerheads?  Yes  No  N/A

Drought tolerant landscaping?  Yes  No  N/A

Other, specify: \_\_\_\_\_

**Transportation**

Does the entity provide carpooling or mass-transit subsidies?  Yes  No  N/A

Does the entity maintain a fuel efficient fleet?  Yes  No  N/A

**Waste**

Does the project provide recycling facilities?  Yes  No  N/A

**WORKFORCE**

**Employment Creation**

Job Type/Description	During Construction	Post Construction
None _____	<u>0</u>	<u>0</u>

**GOVERNMENTAL INFORMATION**

Congressional District # _____	State Senate District # <u>35</u>	State Assembly District # <u>70</u>
-----------------------------------	--------------------------------------	--

Application Number: **2012064 - Anton Legacy Apartments**

Name of Borrower: **St. Anton Capital, LLC**

**FINANCING STRUCTURE**

Type of Financing:  Public Sale  Private Placement  Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **15 Years**

Interest Rate Mode:  Fixed  Variable

**CONSTRUCTION FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

Name of Credit Enhancement Provider or Private Placement Purchaser: **Unknown**

**PERMANENT FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

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

Expected Rating:  Unrated  S & P \_\_\_\_\_  
 Moody's \_\_\_\_\_  Fitch \_\_\_\_\_

Projected State Allocation Pool:  General  Mixed Income  Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

**SOURCES & USES**

<b>CONSTRUCTION SOURCES</b>		<b>USES</b>	
Tax-Exempt Bond Proceeds:	<b>\$30,930,000</b>	Land Acquisition:	<b>\$1</b>
Taxable Bond Proceeds:	<b>\$1,000,000</b>	Building Acquisition:	
Tax Credits:	<b>\$11,200,000</b>	Construction or Remodel:	<b>\$27,127,010</b>
Developer Equity:		Cost of Issuance:	<b>\$805,073</b>
Other Funds(Describe):		Capitalized Interest:	<b>\$2,638,593</b>
NOI	<b>\$1,755,897</b>	Reserves:	
_____	.....	Other Funds(Describe):	
_____	.....	Government Impace Fees	<b>\$10,350,243</b>
_____	.....	Other Soft Costs	<b>\$3,564,977</b>
_____	.....	Developer Fee	<b>\$400,000</b>
<b>TOTAL:</b>	<b>\$44,885,897</b>	_____	.....
		_____	.....
		<b>TOTAL:</b>	<b>\$44,885,897</b>

Application Number: **2012064 - Anton Legacy Apartments**  
Name of Borrower: **St. Anton Capital, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>		<b>REBATE ANALYST</b>	
Firm:	<b>N/A</b>	Firm:	<b>TBD</b>
Contact:		Contact:	
Address:		Address:	
Telephone:		Telephone:	
Fax:		Fax:	
E-mail:		E-mail:	

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."  *Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596

Item V

Approve Consent Calendar

2. Approve the following invoices for payment:
  - a. Burke, Williams & Sorensen, LLP Invoice #158222
  - b. David Taussig & Associates Invoice #1206030
  - c. David Taussig & Associates Invoice #1206203
  - d. David Taussig & Associates Invoice #1206199
  - e. BLX Invoice #41987-1255/071212
  - f. BLX Invoice #41987-1400/071212
  - g. BLX Invoice #41987-401/071212
  - h. BLX Invoice #41987-520/071212
  - i. BLX Invoice #41987-597/071212
  - j. BLX Invoice #41987-768/071212
  - k. BLX Invoice #41987-847/071212
  - l. BLX Invoice #41987-916/071212
  - m. BLX Invoice #41987-1007/071212

LAW OFFICES  
**BURKE, WILLIAMS & SORENSEN, LLP**  
444 SOUTH FLOWER STREET  
SUITE 2400  
LOS ANGELES, CALIFORNIA 90071-2953  
TELEPHONE (213) 236-0600  
TELECOPIER (213) 236-2700

IN ACCOUNT WITH:

FEDERAL I.D. NO.  
95-1705973

CALIFORNIA STATEWIDE COMMUNITIES DEVELOP  
2033 NORTH MAIN STREET, SUITE 700  
WALNUT CREEK, CA 94596  
Attn: JON PENKOWER

July 12, 2012  
Invoice: 158222

Our File No.: 05826 - 0001.004  
IRWIN UNION COLLATERAL, INC. (AD 04-01) PLACER  
Claim Number: APN 330-190-021-000

PREVIOUS BALANCE	\$190.91
ADMIN CHARGE	\$1.18
PAYMENTS	0.00
FEEES FOR PROFESSIONAL SERVICES RENDERED THROUGH June 30, 2012:	1,567.50
DISBURSEMENTS MADE TO YOUR ACCOUNT THROUGH June 30, 2012:	2.05
CURRENT CHARGES	<u>1,569.55</u>
TOTAL CHARGES:	<u>\$ 1,761.64</u>

**FOR INFORMATION ONLY**

STATEMENTS NOT PAID WITHIN 30 DAYS ARE  
SUBJECT TO A MONTHLY ADMINISTRATION CHARGE OF 0.83% PER MONTH (10% PER ANNUM).

LAW OFFICES  
**BURKE, WILLIAMS & SORENSEN, LLP**  
 444 SOUTH FLOWER STREET  
 SUITE 2400  
 LOS ANGELES, CALIFORNIA 90071-2953  
 TELEPHONE (213) 236-0600  
 TELECOPIER (213) 236-2700

CALIFORNIA STATEWIDE COMMUNITIES DEVELOP  
 2033 NORTH MAIN STREET, SUITE 700  
 WALNUT CREEK, CA 94596  
 Attn: JON PENKOWER

July 12, 2012  
 Invoice: 158222

Our File No.: 05826 - 0001.004  
 IRWIN UNION COLLATERAL, INC. (AD 04-01) PLACER  
 Claim Number: APN 330-190-021-000

<u>Date</u>	<u>Description of Services Rendered</u>	<u>Hours</u>	<u>Tkpr</u>
06/07/12	REVIEWED BOND TRANSCRIPT RELATED TO DELINQUENT PARCEL IN ANTICIPATION OF DRAFTING JUDICIAL FORECLOSURE COMPLAINT	2.40	CJF
06/07/12	DRAFTED COMPLAINT IN JUDICIAL FORECLOSURE FOR PROPERTY; RESEARCHED PLACER COUNTY TAX ASSESSOR AND TAX COLLECTOR WEBSITES FOR PARCEL INFORMATION; RESEARCHED CALIFORNIA BUSINESS PORTAL FOR BUSINESS INFORMATION OF NEW PROPERTY OWNER; DRAFTED PREFORECLOSURE NOTIFICATION LETTER TO PROPERTY OWNER	3.00	CJF
06/26/12	REVIEWED FORECLOSURE FILE, RETURNED MAIL TO NEW OWNER; REVIEWED FLORIDA CORPORATE INFORMATION AND REVISED NOTIFICATION LETTER REGARDING DELINQUENCIES	0.30	CJF

<u>Date</u>	<u>Description of Disbursement</u>	<u>Quantity</u>	<u>Amount</u>
06/08/12	POSTAGE		0.65
06/08/12	DUPLICATION	7	1.40

FOGLEMAN, CAROL J	5.7 x 275.00 =	1,567.50	
TOTAL FEES			1,567.50
TOTAL DISBURSEMENTS			2.05
CURRENT CHARGES:			<u>\$1,569.55</u>

# DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000 • Newport Beach, CA 92660

Phone: 949-955-1500 • Fax: 949-955-1590

Project No: 12-10012.000  
 Invoice No: 1206030  
 June 30, 2012

James Hamill  
 Calif. Statewide Community Development Authority  
 2033 No. Main Street #700  
 Walnut Creek, CA 94596

Project 12-10012.000 CSCDA/CFD Otay Mesa Sewer Project  
 Professional Services through June 30, 2012

Dear Mr. Hamill:

This invoice is submitted for professional consulting services in association with formation of a CFD for Otay Mesa Sewer project. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services	Hours	Rate	Amount
Managing Director			
Roess, Andrea			
06-05-12 Call from Mehdi at City of San Diego	.25	225.00	56.25
06-06-12 Revise RMA, coord with RJ	1.00	225.00	225.00
06-07-12 Review RMA	.25	225.00	56.25
06-08-12 Revise RMA with John's comments	.75	225.00	168.75
06-11-12 Conf call with John and RJ, revise RMA, prepare first draft of admin procedures	2.00	225.00	450.00
06-14-12 Attend developer mtg	5.00	225.00	1,125.00
<b>Totals</b>	<b>9.25</b>		<b>2,081.25</b>

Reimbursable Expenses	Amount
Mileage	92.55
<b>Total Reimbursables</b>	<b>92.55</b>

**Total this Invoice \$2,173.80**

### Outstanding Invoices

Number	Date	Balance
1203207	03-31-12	2,388.75
1204005	04-30-12	3,060.55
1205044	05-31-12	2,407.09
<b>Total</b>		<b>7,856.39</b>

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000 • Newport Beach, CA 92660  
 Phone: 949-955-1500 • Fax: 949-955-1590

Project No: 12-11980.000  
 Invoice No: 1206203  
 June 30, 2012

James Hamill  
 Calif. Statewide Community Development Authority  
 2033 No. Main Street #700  
 Walnut Creek, CA 94596

Project 12-11980.000 CSCDA/Orinda Wilder Project-Admin  
 Professional Services through June 30, 2012

Dear Mr. Hamill:

This invoice is submitted for professional consulting services in association with the special tax administration of California Statewide Communities Development Authority CFD No. 2007-01 (Orinda Wilder Project) for fiscal year 2012-13. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services	Hours	Rate	Amount
Vice President			
Morgan, Shayne			
06-22-12 Researched parcel changes, corres with M. O'Hara re: project status, researched delinquencies.	1.63	185.00	301.55
<b>Totals</b>	<b>1.63</b>		<b>301.55</b>
<b>Additional Fees</b>			
3% Administrative Expenses			9.05
<b>Total Additional Fees</b>			<b>9.05</b>
		<b>Total this Invoice</b>	<b>\$310.60</b>

# DTA DAVID TAUSSIG & ASSOCIATES

Public Finance and Urban Economics

5000 Birch Street, Ste. 6000 • Newport Beach, CA 92660

Phone: 949-955-1500 • Fax: 949-955-1590

Project No: 11980.000  
 Invoice No: 1206199  
 June 30, 2012

James Hamill  
 Calif. Statewide Community Development Authority  
 2033 No. Main Street #700  
 Walnut Creek, CA 94596

Project 11980.000 CSCDA/Orinda Wilder Project-Admin  
 Professional Services through June 30, 2012

Dear Mr. Hamill:

This invoice is submitted for professional consulting services in association with the special tax administration of California Statewide Communities Development Authority CFD No. 2007-01 (Orinda Wilder Project) for fiscal year 2011-12. Please remit invoice payment payable to David Taussig and Associates, Inc.

PAYMENT IS DUE UPON RECEIPT. AN INTEREST CHARGE OF 1.2% PER MONTH WILL BE APPLIED TO INVOICES 30 DAYS PAST DUE.

Professional Services	Hours	Rate	Amount
Vice President			
Morgan, Shayne			
06-07-12 Downloaded and reviewed May account statements and transactions.	.25	185.00	46.25
06-08-12 Answered property owner phone calls from inquiring realtors.	.25	185.00	46.25
<b>Totals</b>	<b>.50</b>		<b>92.50</b>

**Additional Fees**

3% Administrative Expenses	2.78
<b>Total Additional Fees</b>	<b>2.78</b>

**Total this Invoice \$95.28**

**Outstanding Invoices**

Number	Date	Balance
1201055	01-31-12	57.55
1204056	04-30-12	190.55
1205091	05-31-12	238.19
<b>Total</b>		<b>486.29</b>



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-1255/071212**

**PLEASE REMIT COPY OF  
INVOICE WITH PAYMENT**

Re: \$6,180,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2010 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$1,525.00

Total Due: **\$1,525.00**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-1255

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-1400/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$9,190,000.00  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2011 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$2,297.50

Total Due: **\$2,297.50**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-1400

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-401/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$6,270,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2003 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$1,363.75

Total Due: **\$1,363.75**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-401

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-520/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$3,590,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2004 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$761.25

Total Due: **\$761.25**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-520

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-597/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$10,645,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2005 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$2,335.00

Total Due: **\$2,335.00**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-597

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-768/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$19,015,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2006

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$4,202.50

Total Due: **\$4,202.50**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-768

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-847/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$25,545,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2007A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$5,782.50

Total Due: **\$5,782.50**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-847

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-916/071212**  
**PLEASE REMIT COPY OF**  
**INVOICE WITH PAYMENT**

Re: \$10,460,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program Revenue Bonds  
Series 2007B

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$1,758.75

Total Due: **\$1,758.75**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-916

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139



777 South Figueroa Street  
Suite 3200  
Los Angeles, CA 90017-5832  
Phone 213 612 2200 Fax 213 612 2316  
www.blxgroup.com

E.I.N. 51-0404065

July 12, 2012

James Hamill  
Program Manager  
California Statewide Communities Development Authority  
2033 N. Main Street, Suite 700  
Walnut Creek, CA 94596

**INVOICE NO: 41987-1007/071212**

**PLEASE REMIT COPY OF  
INVOICE WITH PAYMENT**

Re: \$21,805,000  
California Statewide Communities Development Authority  
Statewide Community Infrastructure Program  
Revenue Bonds, Series 2008 A

SCIP - Program Administrative Fee associated with the above-captioned issue.

04/01/12 to 06/30/12: \$4,420.00

Total Due: **\$4,420.00**

Payment to be wired as follows:

Wells Fargo Bank  
ABA # 121000248  
Acct. Name: BLX Group LLC  
Acct. # 4123701104  
Invoice no. 41987-1007

If a check is sent please send as follows:

BLX Group LLC  
Dept 34461  
P.O. Box 39000  
San Francisco, CA 94139

**Item V**

Approve Consent Calendar

3. Approve the City of Chino as a Program Participant

## Item VI

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

- a. Delphi Schools, Inc., City of Los Angeles, County of Los Angeles; up to \$5 million in 501(C)(3) non-profit revenue bonds.

---

---

## SUMMARY AND APPROVALS

---

---

<b>DATE:</b>	AUGUST 9, 2012
<b>APPLICANT:</b>	DELPHI SCHOOLS, INC.
<b>AMOUNT:</b>	UP TO \$5 MILLION OF TAX-EXEMPT NONPROFIT BONDS
<b>PURPOSE:</b>	REFINANCE THE ACQUISITION AND IMPROVEMENT OF EDUCATIONAL FACILITIES
<b>PRIMARY ACTIVITY:</b>	K THROUGH 12TH GRADE EDUCATION
<b>LEGAL STRUCTURE:</b>	501(C)(3) CORPORATION

---

### **Background:**

Delphi Academy of Los Angeles (“Delphi”) is an independent, coeducational, day school with classes from pre-kindergarten through twelfth grade. Delphi was established in 1984 in La Canada Flintridge, California. In January of 2003 the school moved into its present location on 8 acres in the foothills of the Angeles National Forest in the community of Lake View Terrace. Delphi is seeking up to \$5 million in tax-exempt nonprofit bonds (the “Bonds”) to refinance existing bonds that were issued to acquire and improve the Lake View Terrace Campus located at 11341 Brainard Avenue Los Angeles, California (the “Project”). Delphi’s current enrollment is approximately 200 boys and girls who live in the Los Angeles area.

Delphi Schools, Inc. is a nonprofit organization founded in 1973 by a group of educators who shared a dream of transforming education (the “Borrower”). The Borrower’s goal is to empower its students to take responsibility for their education and their lives. The Borrower licenses and provides marketing and oversight functions to schools in the Delphi Schools Network. Through its publishing entity, Heron Books, all the Delphi Schools are furnished with a standardized curriculum, common teaching and administrative methods and a comprehensive curriculum training program that ensure consistency and effectiveness within the network. The Borrower owns and operates four campuses in Sheridan, Oregon and Santa Clara, Santa Monica, and Los Angeles.

Delphi does not discriminate on the basis of national or ethnic origin, disability, race, creed, color, sexual preference or religion in the administration of its admission policies.

The Borrower’s application was submitted to CSCDA on May 2, 2012. This is the Borrower’s first financing with CSCDA.

**TEFRA Information:**

A TEFRA hearing was held by the City of Los Angeles on June 18, 2012. It is anticipated that the City Council will approve the issuance of Bonds at its next council meeting. Approval by the CSCDA Commission will be conditioned upon approval by the City of Los Angeles.

**Finance Team:**

- Bond Counsel: Gilmore & Bell, P.C.
- Private Placement Bank: Key Government Finance, Inc., Lake Oswego, OR

**Financing Structure:**

The unrated Bonds will mature in no more than 20 years and bear a floating interest rate. The Bonds will be privately placed with Key Government Finance, Inc., an affiliate of KeyBank N.A. The proposed issuance is in accordance with CSCDA's issuance guidelines.

**Estimated Sources and Uses:**

Sources:

2012 Revenue Bonds	\$	4,894,898	99.55%
Cash Contribution by Delphi	\$	<u>22,102</u>	<u>0.45%</u>
Total Sources:	\$	4,917,000	100.00%

Uses:

Payoff KeyBank Loan	\$	4,797,000	97.56%
Cost of Issuance	\$	<u>120,000</u>	<u>2.44%</u>
Total Uses:	\$	4,917,000	100.00%

**Financing Approval:**

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

1. Approves the issuance of the Bonds (subject to approval by the City of Los Angeles);
2. Approves all necessary actions and documents in connection with the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

## Attachment 1

### **K-12 Public Benefit Requirements:**

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

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

### **Community Outreach:**

Delphi's Youth for Human Rights group, made up of high school students, has helped to increase student awareness of human right issues. The group has presented to the student body about human rights and also participated in a petition to have human rights education funded by the government.

The Middle School's "Way 2 Be" team has been involved in many community activities to support environmental clean-up. Earth Week celebrations included clean-up of a local park and planting flowers around the campus. The Way to Be team also held a teddy bear drive where they were able to donate over 200 new teddy bears to the local fire department. The team also hosted a clothing drive to help battered women and children.

A school-wide Thanksgiving canned food drive and Christmas toy drive are held annually to support local charities. In 2011, the students collected over 2,000 cans of food.

### **Public Benefit:**

Delphi provides meeting rooms on campus for the local Cub Scouts and Boy Scouts weekly as well as the use of the facilities on the weekends when needed. Delphi has also provided a location to film student work for local college film students.

### **Financial Assistance:**

For the 2011-2012 school term Delphi provided \$492,929 in financial aid to 89 students which represents 49% of the student body.

**Tuition Costs:**

Annual tuition for non-scholarship students costs \$14,452 for the lower school, \$15,700 for the elementary school, and \$17,104 for middle/upper school students. Below are examples of tuition for comparable non-parochial schools in the Los Angeles Area:

- Ribet Academy - \$10,445 (Kindergarten), \$12,445 (Elementary), \$16,445 (Middle), \$19,445 (Upper)
- Polytechnic - \$21,500 (Kindergarten and Elementary), \$25,650 (Middle), \$29,850 (Upper)
- Lycee International - \$12,733 (Kindergarten and Elementary), \$13,818 (Middle), \$15,973 (Upper)
- Bridges Academy - \$31,561 (Middle and Upper)

**Attachments:**

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



Building Communities, Investing in Local Government Since 1988

## 501(c)(3) Nonprofit Bond Application

### APPLICANT INFORMATION

Application Number: **2012036**  
Name of Borrower: **Delphi Schools, Inc.**  
Primary Contact: **John Nosko**  
Title: **Treasurer**  
Street Address: **20950 SW Rock Creek Road** Suite: \_\_\_\_\_  
City: **Sheridan** State: **OR** Zip Code: **97378**  
Telephone Number: **(503) 843-5891**  
Fax Number: **(503) 843-7825**  
E-mail: **butchn@delphian.org**  
Type of Entity:  For-profit Corporation  Non-profit Corporation  
 Municipality  Partnership  
 Other (specify): \_\_\_\_\_  
Date Organized: **December 31, 1973**

### PROJECT INFORMATION

**Type of Project:**  Small Issue Public Benefit Project  
Health Care:  Continuing Care  Clinic  Hospital  Assisted Living  
 Skilled Nursing  Other (specify): \_\_\_\_\_  
Education:  K-12  Colleges/Universities  
Other:  Museum/Cultural  Other (specify): \_\_\_\_\_

Project/Facility Name: **Delphi Academy of Los Angeles**  
Street Address: **11341 Brainard Avenue**  
City: **Lake View Terrace** State: **CA** Zip Code: **91342**  
County: **Los Angeles**

Is Project located in unincorporated part of the County? **No**

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

Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext. \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
E-mail: \_\_\_\_\_



Building Communities, Investing in Local Government Since 1988

### 501(c)(3) Nonprofit Bond Application

#### FINANCING INFORMATION

Principal Amount:	<b>\$4,900,000</b>
Tax-exempt Amount:	<b>\$4,900,000</b>
Taxable Amount:	<b>\$0</b>
Proposed Closing Date: <b>07/15/2012</b>	
Maturity: <b>20 Years</b>	Interest Rate Mode: <input type="checkbox"/> Fixed <input checked="" type="checkbox"/> Variable
Type of Offering: <input type="checkbox"/> Public Offering	<input checked="" type="checkbox"/> Private Placement
Denominations: <b>\$1</b>	
Type of Financing: <input type="checkbox"/> Acquisition of Existing Facility	<input type="checkbox"/> New Construction
<input checked="" type="checkbox"/> Refunding	
Credit Enhancement: <input checked="" type="checkbox"/> None	<input type="checkbox"/> Letter of Credit
<input type="checkbox"/> FNMA(Fannie Mae)	<input type="checkbox"/> Freddie Mac
<input type="checkbox"/> Bond Insurance	<input type="checkbox"/> Other (specify): _____
Name of Credit Enhancement Provider or Private Placement Purchaser: <b>N/A</b>	
Expected Rating: <input checked="" type="checkbox"/> Unrated	<input type="checkbox"/> S & P _____
<input type="checkbox"/> Moody's _____	<input type="checkbox"/> Fitch _____

#### PRINCIPAL FINANCE TEAM INFORMATION

UNDERWRITER/PLACEMENT AGENT	BOND COUNSEL
Firm: <b>Key Government Finance, Inc.</b>	Firm: <b>Gilmore &amp; Bell, P.C.</b>
Contact: <b>Kendall Hansen</b>	Contact: <b>Thomas Becker</b>
Address: <b>1000 South McCaslin Boulevard Superior, CO 80027</b>	Address: <b>2405 Grand Boulevard, Suite Suite 1100 Kansas City, MO 64108</b>
Telephone: <b>(503) 790-7624</b>	Telephone: <b>(816) 221-1000</b>
Fax: <b>(216) 357-6106</b>	Fax: <b>(816) 221-1018</b>
E-mail: <b>kendall.hansen@key.com</b>	E-mail: <b>tbecker@gilmorebell.com</b>



*Building Communities, Investing in Local Government Since 1988*

## 501(c)(3) Nonprofit Bond Application

### PRINCIPAL FINANCE TEAM INFORMATION (continued)

FINANCIAL ADVISOR		REBATE ANALYST	
Firm:	<b>N/A</b>	Firm:	<b>TBD</b>
Contact:		Contact:	
Address:		Address:	
Telephone:		Telephone:	
Fax:		Fax:	
E-mail:		E-mail:	

### ADDITIONAL INFORMATION REQUIRED

Please provide the following information as additional attachments:

<u>Attachment</u>	<u>Description of Information</u>
A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."
B	Detailed Applicant History.
C	Description of project or each facility to be financed or refinanced.
D	Address of each facility to be financed or refinanced.
E	Evidence of credit enhancement or intent to purchase bonds.
F	List of outstanding tax-exempt debt.
G	Financial statements for last complete fiscal year.
H	Project Costs (Sources and Uses of Proceeds).
I	Interested Parties List.

\*Refundable only if financing not approved. Small Issue Program issuance fee deposit is \$2,500.

#### MAILING ADDRESS

California Communities®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596



Application Number: **2012036 - Delphi Schools, Inc.**  
Name of Borrower: **Delphi Schools, Inc.**  
Facility/Project #1: **Delphi Academy of Los Angeles**

**PUBLIC BENEFITS (continued)**

**WORKFORCE**

Employment Creation

Job Type/Description

**None**

During  
Construction

**0**

Post  
Construction

**0**

**GOVERNMENTAL INFORMATION**

Congressional District #

**27**

State Senate District #

**25**

State Assembly District #

**38**

**CSCDA K-12 Private School Policy**

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

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

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

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

Effective Date: April 20, 2011.

## Item VI

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

- b. Total Road Improvement Program (TRIP), City of Lynwood, County of Los Angeles; up to \$9 million in Gas Tax Revenue Certificates of Participation.

---

---

**SUMMARY AND APPROVALS**

---

---

**DATE:** AUGUST 9, 2012  
**APPLICANT:** CITY OF LYNWOOD  
**AMOUNT:** UP TO \$9,000,000 OF TRANSPORTATION REVENUE CERTIFICATES OF PARTICIPATION  
**PURPOSE:** FINANCE THE IMPROVEMENT OF STREET INFRASTRUCTURE  
**PROGRAM:** TOTAL ROAD IMPROVEMENT PROGRAM (TRIP)

---

**Background:**

In 2008 the Commission approved the ability of the Authority to offer a program to cities and counties to finance street improvement projects by a pledge of gas tax revenues and other transportation-related funding, with the Authority entering into Installment Sale Agreements with such cities and counties which are members of the Authority. The payments under which would represent payments on Certificates of Participation (“COPs”) to be executed and delivered on a pooled or stand-alone basis.

An eighteen cent state fuel excise tax is collected on all gasoline, diesel and other fuel sales, and distributed by the State Controller on a monthly basis to cities and counties. This fuel excise tax was further increased in March 2010 by state legislation which swapped former gasoline sales taxes (Prop. 42 funds) for an increase in fuel excise taxes. The State reaffirmed this fuel excise tax – gasoline sales tax swap through the passage of AB105 in March 2011.

Gas Tax funds are apportioned by population and by the number of registered vehicles. Article XIX of the State Constitution restricts use of the Gas Tax funds to maintenance/construction of public streets and highways. Most cities and counties use Gas Tax revenues for operations and maintenance.

Los Angeles County Metropolitan Transportation Authority (LACMTA) collects a ½ cent sales tax (“Measure R”) within the county to pay for regional and local transportation projects. In November 2008, Los Angeles County voters approved the Measure R sales tax collection to 2039. LACMTA member agencies (e.g. Los Angeles County cities) are allocated a portion of annual Measure R revenues to pay for local street projects allowed under the Measure R sale tax ordinance. Measure R funds are apportioned based on proportionate shares of dwelling units, sales tax generated and other factors. The Measure R revenue pledge for the TRIP COPs has been approved by the LACMTA. This represents the first time a city within Los Angeles County will pledge their Measure R revenues to a TRIP COPs.

Many cities within Los Angeles County have under-funded street maintenance and reconstruction resulting in a large project backlog. Many Los Angeles County cities have relied on funding projects on a pay-as-you-go basis using Gas Tax and Measure R funds.

**Summary:**

The City of Lynwood (the “City”) approved the issuance of approximately \$9 million of Transportation Revenue Certificates of Participation (COPs) on April 3, 2012 through CSCDA’s TRIP Program. The COPs are scheduled to issue in mid-August 2012.

***Revenues for FY 2010/11***

\$1,677,746 Gas Tax Revenues (collected under the Streets & Highways Code).  
\$613,597 Local Measure R revenues from Los Angeles County Metropolitan Transit Authority

Total: \$2,291,343.

The proposed COPs will be secured solely by a pledge of Lynwood’s Gas Tax Revenues and its apportionment of Local Measure R revenues. Based on current interest rates, the maximum annual COP payment will be approximately \$550,000. The all-in interest rate is currently estimated to be 4.97%. Based on Lynwood’s FY2010/11 Transportation Revenues, the COPs will have maximum annual payment coverage of over 4.20 times the debt .

The City of Lynwood is undertaking financing as part of the City’s ongoing effort to accelerate street system improvements within its jurisdiction. The financing is comprised of facilities that are eligible for expenditure of Gas Tax Revenues and Measure R Receipts under applicable laws of the State.

**Public Benefit:**

- The issuance of the certificates on behalf of the City of Lynwood will allow the City to make much needed improvements to their street infrastructure that would otherwise have been deferred due to lack of sufficient funds.
- The program will provide the ability to catch up on backlog repairs; increase the service level of the street network; and lower maintenance costs long term.
- The issuance will call for Certificates of Participation under an installment sale structure. No lease of assets would be required, wherein past transactions of this nature have required a lease of city/county assets.

**Approvals:**

Based on the overall public benefit, conformance to the California Communities Issuance Policies, and the City of Lynwood’s approval of the financing the Commission shall approve the Resolution which:

1. Approves the issuance of the certificates of participation through the Total Road Improvement Program;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

## Attachment A – Total Road Improvement Program

### Local Approval Information and Projects:

On April 3, 2012, the City of Lynwood approved a resolution authorizing the issuance of Gas Tax Revenue COPs TRIP Program. The following projects are those anticipated to be funded by the financing:

<u>Name of Project Component</u>	<u>Description of Project Component</u>	<u>Estimated Cost</u>
Asphalt Rubber Aggregate Membrane (ARAM) Project	Repair, upgrade, or reconstruct residential streets that are in poor or fair condition	\$2,900,000
Pavement Grind/Overlay and Full Reconstruction Project	Repair, upgrade, or reconstruct residential streets that are in poor or fair condition	<u>6,006,000</u>
Total		\$8,906,000

### Validation:

The financing structure and pledge of gas tax revenues have already been judicially validated pursuant to proceedings to be commenced in the Superior Court of the County of Los Angeles pursuant to the provisions of Section 860 et. seq. of the California Code of Civil Procedure. The proceedings went unchallenged and the Superior Court of the County of Los Angeles entered a default judgment to the effect that the Installment Payments are valid, legal, and binding obligations of the City and that the City has the legal ability to pledge Gas Tax revenues toward the repayment of the Installment Sale Agreement on June 28, 2012. Judicial validation is required so that bond counsel can opine that the Certificates are valid and legal. The issuance and sale of any subsequent series of Certificates would still need to be authorized by a future Council resolution.

### Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Los Angeles
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Underwriter: De La Rosa & Co., Los Angeles
- Underwriter's Counsel: Goodwin Proctor LLP, Los Angeles
- Financial Advisor: Urban Futures, Inc, Orange
- Trustee: Wells Fargo Bank, Los Angeles

### Financing Structure:

The bonds will mature in no more than twenty-five years and will be issued as fixed rate tax-exempt obligations. The bonds will be publicly offered by the Underwriter in minimum denominations of \$5,000. The COPs are expected to receive an "A" rating from Standard & Poor's. If the COPs qualify for Assured Guaranty COP insurance ("Aa3/AA-" rating, Moody's negative outlook) and there is an economic benefit, the COPs may be issued with Assured Guaranty insurance. The proposed sale of bonds will comply with the Authority's policies for the issuance of publicly offered securities.

**Estimated Sources and Uses:**

Sources:

Bond Proceeds	<u>\$ 9,000,000</u>
Total Sources	\$ 9,000,000

Uses:

Project Fund	\$ 8,149,843
Debt Service Reserve Fund	\$ 620,990
Cost of Issuance	<u>\$ 229,167</u>
Total Uses	\$ 9,000,000

## Item VI

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

- c. Granite Folsom, L.P. (Granite City Apartments), City of Folsom, County of Sacramento; up to \$9 million in multi-family housing debt obligations.

---

---

## SUMMARY AND APPROVALS

---

---

**DATE:** AUGUST 9, 2012

**APPLICANT:** GRANITE FOLSOM, L.P./ ST. ANTON CAPITAL L.L.C.

**AMOUNT:** UP TO \$9,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

**PURPOSE:** FINANCE THE ACQUISITION AND CONSTRUCTION OF GRANITE CITY APARTMENTS LOCATED AT 1150 SIBLEY STREET IN FOLSOM, CA

**CSCDA PROGRAM:** HOUSING

---

### **Background:**

The proposed project, Granite City Apartments (the "Project"), will be an 81-unit building located in Folsom, California. The Project application was filed on May 11, 2011 and induced on May 25, 2011.

### **Summary:**

Granite Folsom, L.P. (The "Borrower") has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$9,000,000 (the "Bonds") for the purpose of financing the construction of the Project. The Project will provide 30 one-bedroom units, 33 two bedroom units, and 18 three bedroom units in the City of Folsom.

The Project is comprised of three residential buildings plus a 4,000 square foot community clubhouse mixed use building. Each of the buildings will be three-story walk-ups (24-plex buildings on the perimeter and 9-plex above the clubhouse). Each building will be wood-framed, with stucco and Hardie Shingle exteriors. Architectural elements such as articulation of the façade, variation in roof pitch, and craftsman style embellishments are incorporated into the design of the buildings to create visual interest. The common outdoor space shall feature a swimming pool, sun deck, and dining area allowing for residents to congregate and interact. Each apartment unit will contain designer interiors, low VOC Green Label wall-to-wall carpeting, formaldehyde free cabinets, a patio or balcony, and central heating & air. The buildings will be designed to exceed Title 24 energy standards and will incorporate energy star rated appliances, energy efficient lighting, double pain windows, and energy efficient insulation. Exterior amenities include a community clubhouse with management offices, classroom, computer room, full kitchen and lounge. The site landscaping is designed to maximize communal outdoor space with drought tolerant low water usage plant material.

Construction is expected to begin in September 2012 and take approximately 12 months to complete.

The Borrower has previously constructed or rehabilitated 26 multifamily housing projects in the past ten years, including 11 with CSCDA. They currently have 2 active applications pending with CSCDA.

**Public Benefit:**

- Project Affordability
  - 100% of the project’s units will be income restricted:
    - 17 units reserved for tenants whose income is at or below 50% AMI
    - 63 units reserved for tenants whose income is at or below 60% AMI
    - 1 managers unit
  - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within ¼ mile of a Public Transit Corridor
  - The Project is located within ½ mile of a park or recreational facility
  - The Project will contract with a bona fide service coordinator/social worker
- Economic Benefits
  - Based upon \$14,064,870 Project costs using a 1.8 multiplier the Project produces \$25,316,766.00 total economic activity, and at 2.1 jobs per unit produces approximately 170 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

**Agency Approvals:**

**TEFRA Hearing:** July 10, 2012, City of Folsom, unanimous approval  
**CDLAC Approval:** July 18, 2012

**Estimated Sources and Uses:**

Sources:

Tax-Exempt Bond Proceeds	\$8,220,000	58.44%
Low Income Housing Tax-Credits	\$1,468,911	10.44%
Deferred Developer Fee	\$0	0%
Income During Construction	\$309,924	2.20%
City Subordinate Loan	\$3,211,035	22.83%
City / Seller Carry Back Note	<u>\$855,000</u>	<u>6.08%</u>
<b>Total Sources</b>	<b>\$14,064,870</b>	<b>100.00%</b>

Uses:

Acquisition Cost	\$855,000	6.08%
Construction Costs	\$9,020,358	64.13%
Government Impact Fees	\$2,362,932	16.80%
Developer Fee	\$95,000	0.68%
Financing Costs	\$254,605	1.81%
Capitalized Interest	\$332,291	2.36%
Other Soft Costs (Marketing, Etc.)	<u>\$1,144,684</u>	<u>8.14%</u>
<b>Total Uses</b>	<b>\$14,064,870</b>	<b>100.00%</b>

**Finance Team:**

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Lender: Union Bank, N.A.

**Financing Structure:**

The Bonds will mature in no more than 24 months and bear a variable interest rate during the construction period. The Bonds will then be converted to the permanent phase for 15 years with a 30 year amortization and bear a fixed interest rate. The projected true interest cost of the Bonds under current market conditions is 5.15%. The Bonds will be privately placed with Union Bank.

By using \$8,220,000 in CSCDA Bonds the Project is able to leverage an additional \$4,375,959 in other resources, for a ratio of 2.2 to 1.

**Policy Compliance:**

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

**Financing Approval:**

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of bond by the City of Folsom, and conformance to the CSCDA Issuance Policies, the Commission shall approve the Resolution as submitted to the Commission, which:

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

**Attachments:**

1. Original application
2. City of Folsom TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



Building Communities, Investing in Local Government Since 1988

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2011038**  
Name of Developer: **St. Anton Capital, LLC**  
Primary Contact: **Robert Lawler**  
Title: **Project Manager**  
Address: **1801 I Street, Suite 200  
Sacramento, CA 95811**  
Telephone Number: **(916) 446-7603**  
Fax Number: **(916) 444-9843**  
E-mail: **ral@antonllc.com**

### BORROWER DESCRIPTION

Type of Entity:  For-profit Corporation  Non-profit Corporation  
 Municipality  Partnership  
 Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **TBD**

Date Established: **TBD**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **26**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **26**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **TBD**

Contact:

Address:

Telephone:

Fax:

E-mail: **donotsend@tbd.com**

#### BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe, LLP**

Contact: **Thomas Downey**

Address: **405 Howard Street  
San Francisco, CA 94105**

Telephone: **(415) 773-5965**

Fax: **(415) 773-5759**

E-mail: **tdowney@orrick.com**

Application Number: **2011038 - Granite City Apartments**

Name of Borrower: **St. Anton Capital, LLC**

**PROJECT DESCRIPTION**

Current Project Name: **Granite City Apartments**  
New Project Name: **a.k a. Blue Ravine Apartments**  
Project Street Address: **1150 Sibley Street**  
City: **Folsom** State: **CA** Zip Code: **95630**  
County: **Sacramento**  
Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **1** Restricted: **79** Total Units: **80**

Lot Size: **3.93 acres**

Amenities: **Clubhouse with meeting rooms, computer lab, full service kitchen, and common laundry facilities.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **Wood Frame, Type V Construcion, 3-stories With Stucco And Hardi-board Siding.**

Type of Housing:  New Construction  Family  
 Acq/Rehab  Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:

Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Ext. \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**PUBLIC BENEFIT**

Percentage of Units in Low Income Housing: **99%**

Percentage of Area Median Income(AMI) for Low Income Housing Units: **50% & 60%**

Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	6	\$636	\$875	\$239
1 Bedroom	60	24	\$773	\$875	\$102
2 Bedrooms	50	7	\$762	\$1,100	\$338
2 Bedrooms	60	24	\$927	\$1,100	\$173
3 Bedrooms	50	4	\$879	\$1,350	\$471
3 Bedrooms	60	14	\$1,069	\$1,350	\$281

Remarks:

**OTHER PUBLIC BENEFIT**

**SERVICES PROVIDED**

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT**

**Energy**

Does the facility exceed Title 24 Standards?  Yes  No  N/A

If Yes, by what percent? **10%**

Does the facility have solar(PV) panels?  Yes  No  N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits?  Yes  No  N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets?  Yes  No  N/A

Water-saving showerheads?  Yes  No  N/A

Drought tolerant landscaping?  Yes  No  N/A

Other, specify: \_\_\_\_\_

**Transportation**

Does the entity provide carpooling or mass-transit subsidies?  Yes  No  N/A

Does the entity maintain a fuel efficient fleet?  Yes  No  N/A

**Waste**

Does the project provide recycling facilities?  Yes  No  N/A

**WORKFORCE**

**Employment Creation**

Job Type/Description	During Construction	Post Construction
None	<u>0</u>	<u>0</u>

**GOVERNMENTAL INFORMATION**

Congressional District # \_\_\_\_\_ State Senate District # 1 State Assembly District # 5

Application Number: **2011038 - Granite City Apartments**

Name of Borrower: **St. Anton Capital, LLC**

**FINANCING STRUCTURE**

Type of Financing:  Public Sale  Private Placement  Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **33** Years

Interest Rate Mode:  Fixed  Variable

**CONSTRUCTION FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): **non-rated direct purchase**

Name of Credit Enhancement Provider or Private Placement Purchaser: **TBD**

**PERMANENT FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): **non-rated direct purchase**

Name of Credit Enhancement Provider or Private Placement Purchaser: **TBD**

Expected Rating:  Unrated  S & P \_\_\_\_\_  
 Moody's \_\_\_\_\_  Fitch \_\_\_\_\_

Projected State Allocation Pool:  General  Mixed Income  Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

**SOURCES & USES**

<b>CONSTRUCTION SOURCES</b>		<b>USES</b>	
Tax-Exempt Bond Proceeds:	<b>\$8,220,000</b>	Land Acquisition:	<b>\$855,000</b>
Taxable Bond Proceeds:		Building Acquisition:	
Tax Credits:	<b>\$734,423</b>	Construction or Remodel:	<b>\$8,137,886</b>
Developer Equity:		Cost of Issuance:	<b>\$244,658</b>
Other Funds(Describe):		Capitalized Interest:	<b>\$390,706</b>
City of Folsom	<b>\$3,685,000</b>	Reserves:	
City of Folsom Seller Carry-Back Note	<b>\$855,000</b>	Other Funds(Describe):	
Net Operating Income During Lease-Up	<b>\$308,141</b>	Development Impact Fees	<b>\$2,605,360</b>
_____	.....	Other Soft Costs	<b>\$1,568,954</b>
_____	.....	_____	.....
<b>TOTAL:</b>	<b>\$13,802,564</b>	_____	.....
		_____	.....
		<b>TOTAL:</b>	<b>\$13,802,564</b>

Application Number: **2011038 - Granite City Apartments**  
Name of Borrower: **St. Anton Capital, LLC**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>		<b>REBATE ANALYST</b>	
Firm:	<b>N/A</b>	Firm:	<b>TBD</b>
Contact:		Contact:	
Address:		Address:	
Telephone:		Telephone:	
Fax:		Fax:	
E-mail:	<b>donotsend@n-a.com</b>	E-mail:	<b>donotsend@tbd.com</b>

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."  *Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596

**RESOLUTION NO. 8864**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FOLSOM  
APPROVING THE ISSUANCE OF MULTIFAMILY HOUSING  
REVENUE BONDS FOR THE PURPOSE OF FINANCING THE  
ACQUISITION AND CONSTRUCTION OF THE GRANITE CITY  
APARTMENTS LOCATED AT 1150 SIBLEY STREET**

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is authorized by the laws of the State of California (the "Law") to execute and deliver multifamily housing revenue obligations for the purpose of financing the acquisition, construction/rehabilitation and development of multifamily residential rental facilities located within the area of operation of the Authority which are to be occupied, in part, by very-low and low-income tenants; and

**WHEREAS**, St. Anton Capital, LLC, a California limited liability company, on behalf of a limited liability company or limited partnership to be formed by or related to St. Anton Capital, LLC (the "Borrower") has requested the Authority to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$9,000,000 (the "Obligations"), the proceeds of which may only be used for the purpose of financing the acquisition and construction of an 80-unit multifamily residential rental facility to be commonly known as the Granite City Apartments to be located at 1150 Sibley Street in the City of Folsom, California (the "Project"); and

**WHEREAS**, the Obligations which are expected to be issued and delivered to finance the acquisition and construction of the Project would be considered "qualified exempt facility bonds" under Section 142 (a) of the Internal Revenue Code of 1986, as amended (the "Code"), and Section 147(f) of the Code requires that the "applicable elected representatives" with respect to the jurisdiction in which the Project is located hold a public hearing on the issuance and delivery of the Obligations; and

**WHEREAS**, the City Council of the City of Folsom as the "applicable elected representatives" to hold said public hearing, has held said public hearing at which all those interest in speaking with respect to the proposed financing of the Project were heard.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The City Council hereby finds and determines that the foregoing recitals are true and correct.
2. For purposes of the requirements of the Internal Revenue Code only, the City Council hereby approves the proposed financing of the Project by the Authority with the proceeds of the Obligations.
3. The issuance and delivery of the Obligations shall be subject to the approval of and execution by the Authority of all financing documents relating thereto to which the Authority is a party and subject to the sale of the Obligations by the Authority.

**The foregoing instrument is a correct copy  
of the original on file in this office.**

**ATTEST:** Christa Freeman  
City Clerk of the City of Folsom, California

4. The adoption of this Resolution is solely for the purpose of meeting the requirements of the Internal Revenue Code and shall not be construed in any other manner, the City nor its staff having fully reviewed or considered the financial feasibility of the Project or the expected financing or operation of the Project with regards to any State of California statutory requirements, and such adoption shall not obligate (i) the City to provide financing to the Borrower for the acquisition, construction and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the City, of or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.

5. The City Clerk of the City shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the public hearing notice to:

Thomas A. Downey  
The Orrick Building  
Orrick, Herrington & Sutcliffe LLP  
405 Howard Street  
San Francisco, California 94105

6. This resolution shall take effect upon its adoption.

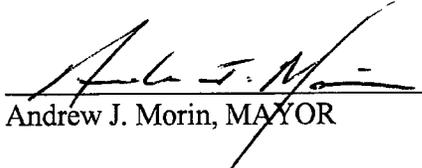
**PASSED AND ADOPTED** this 28<sup>th</sup> day of June 2011 by the following roll-call vote:

**AYES:** Council Member(s): Miklos, Sheldon, Starsky, Morin

**NOES:** Council Member(s): None

**ABSENT:** Council Member(s): Howell

**ABSTAIN:** Council Member(s): None

  
Andrew J. Morin, MAYOR

ATTEST:

  
Christa Freemantle, CITY CLERK

## NOTICE OF PUBLIC HEARING

16404096

NOTICE OF PUBLIC HEARING  
CITY OF FOLSOMREGARDING ISSUANCE OF  
MULTIFAMILY HOUSING REVENUE BONDS

**NOTICE IS GIVEN HEREWITH** that the City of Folsom City Council at its regular meeting on Tuesday, June 28, 2011 at 6:30 p.m. in the City Council Chambers, 50 Natoma Street, will conduct a Public Hearing as required by Section 147(f) of the Internal Revenue Code of 1986, at which it will hear and consider information concerning the proposed issuance by the California Statewide Communities Development Authority of multifamily housing revenue bonds in an aggregate principal amount not-to-exceed \$9,000,000 to finance the acquisition, construction and development of an 80-unit multifamily affordable housing apartment rental project to be located at 1150 Sibley Street in the City of Folsom (the "Project"). The City will not be under any obligation to repay the bond indebtedness. The Project will be owned and operated by a limited liability company or limited partnership to be formed by or related to St. Anton Capital, LLC, a California limited liability company.

Those wishing to comment on the proposed financing and the nature and location of the Project may either appear in person at the public hearing or submit written comments, which must be received by the City prior to the hearing. Written comments should be sent to the City of Folsom, Community Development Department, 50 Natoma Street, Folsom, California 95630. The telephone number is (916) 355-7222.

**NOTICE IS FURTHER GIVEN** that if you subsequently challenge the decision in a court of law, you may be limited to raising only those issues that you or someone else raised during the public hearing described in this notice or in written correspondence delivered to the City Clerk as provided in this notice.

Christa Freemantle, City Clerk

**PUBLISHED IN FOLSOM TELEGRAPH: JUNE 15, 2011**

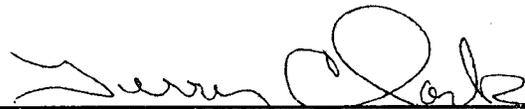
The above space is reserved for Court/County Filed Date Stamp

PROOF OF PUBLICATION  
(2015.5 C.C.P.)STATE OF CALIFORNIA  
County of Sacramento

I am a citizen of the United States and employed by a publication in the County aforesaid. I am over the age of eighteen years, and not a party to the mentioned matter. I am the principal clerk of **The Folsom Telegraph**, a newspaper of general circulation, in the City of Folsom, which is printed and published in the County of Placer. This newspaper has been judged a newspaper of general circulation by the Superior Court of the State of California, in and for the County of Sacramento, on the date of April 3, 1952, Superior Court Order Number 89429. The notice, of which the attached is a printed copy (set in type not smaller than nonpareil) has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

JUNE 15

I certify, under penalty of perjury, that the foregoing is true and correct.



Terry Clark

Dated in Folsom, California

JUNE 15, 2011

PROOF OF PUBLICATION  
THE FOLSOM TELEGRAPH  
921 Sutter Street  
Folsom, CA 95630

**RESOLUTION NO. 12-65**  
**(QUALIFIED RESIDENTIAL RENTAL PROJECT)**  
**EXHIBIT A**

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 12-073
3. Project Sponsor: Granite Folsom L.P. (Anton Granite, LLC and Pacific Housing, Inc.)
4. Project Management Co.: St. Anton Management Inc.
5. Project Name: Granite City Apartments
6. Type of Project: New Construction/Family
7. Location: Folsom, CA
8. Private Placement Purchaser: Union Bank, N.A.
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 80 plus 1 manager unit
11. Total Number of Restricted Rental Units: 80
12. The term of the income and rental restrictions for the Project will be at least 55 years.
13. The Project will utilize Gross Rents as defined in Section 5170 of the Committee's Regulations.  
**Applicable**
14. Income and Rental Restrictions:  
For the entire term of the income and rental restrictions, the Project will have:  
  
At least 17 Qualified Residential units rented or held vacant for rental for persons or families whose income is at 50% or below of the Area Median Income.  
  
At least 63 Qualified Residential units rented or held vacant for rental for persons or families whose income is at 60% or below of the Area Median Income.
15. For acquisition and rehabilitation projects, a minimum of \$10,000 in hard construction costs will be expended for each Project unit. **Not Applicable**
16. A minimum of \$0,000 of public funds will be expended for the Project. **Not Applicable**

**RESOLUTION NO. 12-65**

**Exhibit A**

Page 2 of 4

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing. **Not Applicable**
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least three-bedroom or larger units. **Not Applicable**
19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit. **Not Applicable**
20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school programs of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. The programs shall include, but are not limited to: tutoring, mentoring, homework club, and art and recreation activities to be provided weekdays throughout the school year for at least 10 hours per week. **Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents instructor-led educational, health and wellness, or skill building classes. The classes shall include, but are not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation and smoking cessation. Classes shall be provided at a minimum of 84 hours per year (drop-in computer labs, monitoring and technical assistance shall not qualify) and be located within 1/4 mile of the Project. **Applicable**
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project. **Not Applicable**
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents health and wellness services and programs within 1/4 mile of the Project. Such services and programs shall provide individualized support for tenants (not group classes) but need to be provided by licensed individuals or organizations. The services shall include, but are not limited to: visiting nurses programs, intergenerational visiting programs, and senior companion programs. Services shall be provided for a minimum of 100 hours per year. **Not Applicable**
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. The responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or enrichment activities for tenants (such as holiday events, tenant council, etc.) **Not Applicable**
25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals, if available, throughout the Project's useful life. **Not Applicable**
26. All projects that receive points for being a Federally Assisted At-Risk Project based on an expiring Low Income Housing Tax Credit Regulatory Agreement or Tax-Exempt Bond Regulatory Agreement shall have a plan in place to re-certify the incomes of the existing tenants and shall not cause involuntary displacement of any tenant whose income may exceed the Project's income limits. **Not Applicable**

**RESOLUTION NO. 12-65**

**Exhibit A**

27. Applicants shall meet the multiple sustainable building standards utilizing landscaping and construction materials which are compatible with the neighborhood in which the proposed project is to be located, and that the architectural design and construction materials will provide for low maintenance and durability, as well as be suited to the environmental conditions to which the project will be subjected: **Applicable**

Section Waived:

<input type="checkbox"/>	Energy Efficiency
<input type="checkbox"/>	CALGreen Compliance
<input type="checkbox"/>	Landscaping
<input type="checkbox"/>	Roofs
<input type="checkbox"/>	Exterior Doors
<input type="checkbox"/>	Appliances
<input type="checkbox"/>	Window Coverings
<input type="checkbox"/>	Water Heater
<input type="checkbox"/>	Floor Coverings
<input type="checkbox"/>	Paint
<input type="checkbox"/>	Insulation

28. The project commits to becoming certified under any one of the following programs upon completion:

- a. Leadership in Energy & Environmental Design (LEED) **Not Applicable**
- b. Green Communities **Not Applicable**
- c. GreenPoint Rated Multifamily Guidelines **Not Applicable**

29. The project is a New Construction or Adaptive Reuse Project exceeding the Standards of Title 24, Part 6, of the California Building Code by:

- a. 17.5% **Not Applicable**
- b. 20% **Not Applicable**
- c. 25% **Not Applicable**

30. The Project will exceed the minimum energy efficiency certification requirements for New Construction/ Adaptive Reuse:

- a. LEED for Homes (Silver) **Not Applicable**
- b. LEED for Homes (Gold) **Not Applicable**
- c. Green Point Rated (100) **Not Applicable**
- d. Green Point Rated (125) **Not Applicable**

31. The project is a Home Energy Rating System (HERS II) Rehabilitation Project that commits to improve energy efficiency above the current modeled energy consumption of the building(s) by:

- a. 15% **Not Applicable**
- b. 20% **Not Applicable**
- c. 25% **Not Applicable**
- d. 30% **Not Applicable**

32. The project is a Rehabilitation Project that commits to developing, and/or managing the Project with the following Photovoltaic generation or solar energy:

- a. Photovoltaic generation that offsets tenants loads **Not Applicable**
- b. Photovoltaic generation that offsets 50% of common area load **Not Applicable**
- c. Solar hot water for all tenants who have individual water meters **Not Applicable**

**RESOLUTION NO.**

**Exhibit A**

Page 3 of 3

33. The project will implement sustainable building management practices that include: 1) development of a percent-specific maintenance manual including replacement specifications and operating information on all energy and green building features; 2) Certification of building management staff in sustainable building operations per BPI Multifamily Building Operator or equivalent training program; and 3) Undertaking formal building systems commissioning, retro-commissioning or re-commissioning as appropriate (continuous commissioning is not required): **Not Applicable**
34. The project will sub-meter centralized hot water systems for all tenants: **Not Applicable**

## Item VI

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

- d. 100 Stadium Rd., L.P. (Madera Family Apartments), City of Madera, County of Madera; up to \$7 million in multi-family housing debt obligations.

---

---

## SUMMARY AND APPROVALS

---

---

<b>DATE:</b>	AUGUST 9, 2012
<b>APPLICANT:</b>	100 STADIUM RD., L.P./CORPORATION FOR BETTER HOUSING
<b>AMOUNT:</b>	UP TO \$7,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS
<b>PURPOSE:</b>	FINANCE THE ACQUISITION AND CONSTRUCTION OF MADERA FAMILY APARTMENTS LOCATED AT 100 STADIUM ROAD IN LOS MADERA, CA
<b>CSCDA PROGRAM:</b>	HOUSING

---

### **Background:**

The proposed project, Madera Family Apartments (the "Project"), will be a 40-unit multi-family property located in Madera, California. The Project application was filed on February 25, 2011 and induced on March 2, 2011.

### **Summary:**

100 Stadium Rd., L.P. (the "Borrower") has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$7,000,000 (the "Bonds") for the purpose of financing the acquisition and construction of the Project. The Project will provide 16 one-bedroom units, 12 two-bedroom units, and 12 three-bedroom units to low-income families in Madera.

The Project will be located on 2.5 acres in the city of Madera within walking distance to local schools and shopping. Each apartment will include a range, frost-free refrigerator, oven, dishwasher, garbage disposal, energy efficient appliances, central heating and air conditioning, granite countertops, vertical blinds, carpeting and CAT 5 wiring. Common amenities include laundry facilities, a perimeter fence, gated entry, 1,500 square foot community room with high-speed internet, a barbeque area, playground, and tot lot.

The rehabilitation is expected to begin in September, 2012 and be completed by September, 2013.

The Borrower has previously constructed or rehabilitated 36 multifamily and senior housing properties throughout California, including 13 with CSCDA.

### **Public Benefit:**

- Project Affordability
  - 100% of the Project's units will be income restricted:
    - 6 units reserved for tenants whose income is at or below 30% AMI
    - 10 units reserved for tenants whose income is at or below 45% AMI
    - 23 units reserved for tenants whose income is at or below 50% AMI
    - 1 manager unit

- The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within a Public Transit Corridor
  - The Project is located within ½ mile of a public K-12 school
- Economic Benefits
  - Based upon \$9,096,729 Project costs using a 1.8 multiplier the Project produces \$16,374,112.20 total economic activity, and at 2.1 jobs per unit produces approximately 84 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

**Agency Approvals:**

**TEFRA Hearing:** March 21, 2012, City of Madera, unanimous approval  
**CDLAC Approval:** May 16, 2012

**Estimated Sources and Uses:**

Sources:

Tax-Exempt Bond Proceeds	\$5,250,000	57.71%
LIHTC Equity	\$346,729	3.81%
HOME Loan	<u>\$3,500,000</u>	<u>38.48%</u>
Total Sources	\$9,096,729	100.00%

Uses:

Land Purchase	\$350,000	3.85%
Total Hard Construction Costs	\$5,723,006	62.91%
Architecture and Engineering Costs	\$222,000	2.44%
Contractor Overhead & Profit	\$423,808	4.66%
Developer Fee	\$785,000	8.63%
Cost of Issuance	\$130,600	1.44%
Other Soft Costs	<u>\$1,462,315</u>	<u>16.08%</u>
Total Uses	\$9,096,729	100.00%

**Finance Team:**

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Lender: Pacific Western Bank

**Financing Structure:**

The construction Bonds will mature in no more than 18 months and then be converted to the permanent phase for 30 years. The projected true interest cost of the fixed rate Bonds under current market conditions is 5.20%. The Bonds will be privately placed with Pacific Western Bank.

By using \$5,250,000 in CSCDA Bonds the Project is able to leverage an additional \$3,846,729 in other resources, for a ratio of 1.36 to 1.

**Policy Compliance:**

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

**Financing Approval:**

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of Bonds by the City of Madera, and conformance to the CSCDA Issuance Policies, the Commission shall approve the Resolution as submitted to the Commission, which:

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

**Attachments:**

1. Original application
2. City of Madera TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2011017**  
 Name of Developer: **Corporation for Better Housing**  
 Primary Contact: **David Sclafani**  
 Title: **Senior Vice President**  
 Address: **15303 Ventura Blvd, Suite 1100  
 Sherman Oaks, CA 91403**  
 Telephone Number: **(818) 905-2430 Ext. 110**  
 Fax Number: **(818) 905-2440**  
 E-mail: **dsclafani@sbcglobal.net**

### BORROWER DESCRIPTION

Type of Entity:  For-profit Corporation  Non-profit Corporation  
 Municipality  Partnership  
 Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **100 Stadium Rd., L.P.**

Date Established: **7/1/2010**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **33**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **33**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **Hunt Capital Partners, LLC**

Contact: **Jeffrey Weiss**

Address: **2029 Century Park East, Suite 8800  
 Los Angeles, CA 90067**

Telephone: **(424) 204-4413**

Fax: **(310) 245-8826**

E-mail: **jeff.weiss@huntcompanies.com**

#### BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe, LLP**

Contact: **Justin Cooper**

Address: **405 Howard St.  
 San Francisco, CA 91405**

Telephone: **(415) 773-5908**

Fax: **(415) 773-5759**

E-mail: **jcooper@orrick.com**

Application Number: **2011017 - Madera Family Apartments**  
 Name of Borrower: **Corporation for Better Housing**

**PROJECT DESCRIPTION**

Current Project Name: **Madera Family Apartments**  
 New Project Name:  
 Project Street Address: **100 Stadium Road**  
 City: **Madera** State: **CA** Zip Code: **93637**  
 County: **Madera**  
 Is Project located in unincorporated part of the County? **No**

Total Number of Units: Market: **0** Restricted: **40** Total Units: **40**  
 Lot Size: **approx 2.50 acres**

Amenities: **Energy efficient appliances including: dishwasher, range/oven, garbage disposal, refrigerator. Grant counter tops and patios. Additional amenities will include: BBQ and picnic areas, tot-lot and a approximate 1,500 sq. ft. community room.**

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

Type of Housing:  New Construction  Family  
 Acq/Rehab  Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:  
 Contact Name: **Daniel Abdella**  
 Title: **Grant Administrator**  
 Phone Number: **(559) 661-3690**  
 Fax Number: **(559) 674-2972**  
 E-mail: **dabdella@cityofmadera.com**

**PUBLIC BENEFIT**

Percentage of Units in Low Income Housing: **100%**  
 Percentage of Area Median Income(AMI) for Low Income Housing Units: **30%, 40%, 50%**  
 Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	50	10	\$487	\$745	\$258
1 Bedroom	30	2	\$271	\$745	\$474
1 Bedroom	45	4	\$434	\$745	\$311
2 Bedrooms	50	6	\$583	\$800	\$217
2 Bedrooms	30	2	\$325	\$800	\$475
2 Bedrooms	45	3	\$521	\$800	\$279
3 Bedrooms	50	7	\$671	\$1,000	\$329
3 Bedrooms	30	2	\$370	\$1,000	\$630
3 Bedrooms	45	4	\$596	\$1,000	\$404

Application Number: **2011017 - Madera Family Apartments**  
Name of Borrower: **Corporation for Better Housing**

**PUBLIC BENEFIT(continued)**

Remarks: **The Manager unit is captured above as a 3-bedroom unit.**

**OTHER PUBLIC BENEFIT**

**SERVICES PROVIDED**

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT**

**Energy**

Does the facility exceed Title 24 Standards?  Yes  No  N/A

If Yes, by what percent? **18%**

Does the facility have solar(PV) panels?  Yes  No  N/A

If Yes, what is the size in kWh? \_\_\_\_\_

Does the facility purchase carbon credits?  Yes  No  N/A

If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

Does the facility provide any of the following:

Efficient Toilets?  Yes  No  N/A

Water-saving showerheads?  Yes  No  N/A

Drought tolerant landscaping?  Yes  No  N/A

Other, specify: \_\_\_\_\_

**Transportation**

Does the entity provide carpooling or mass-transit subsidies?  Yes  No  N/A

Does the entity maintain a fuel efficient fleet?  Yes  No  N/A

**Waste**

Does the project provide recycling facilities?  Yes  No  N/A

**WORKFORCE**

**Employment Creation**

Job Type/Description	During Construction	Post Construction
None	<u>0</u>	<u>0</u>

**GOVERNMENTAL INFORMATION**

Congressional District #      State Senate District #      State Assembly District #  
19                              12                              29

Application Number: **2011017 - Madera Family Apartments**

Name of Borrower: **Corporation for Better Housing**

**FINANCING STRUCTURE**

Type of Financing:  Public Sale  Private Placement  Refunding

For Refundings only: Will you be applying for State Volume Cap? **No**

For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_

Maturity: **30 Years**

Interest Rate Mode:  Fixed  Variable

**CONSTRUCTION FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

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

**PERMANENT FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

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

Expected Rating:  Unrated  S & P \_\_\_\_\_  
 Moody's \_\_\_\_\_  Fitch \_\_\_\_\_

Projected State Allocation Pool:  General  Mixed Income  Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

**SOURCES & USES**

<b>CONSTRUCTION SOURCES</b>		<b>USES</b>	
Tax-Exempt Bond Proceeds:	<b>\$5,250,000</b>	Land Acquisition:	<b>\$350,000</b>
Taxable Bond Proceeds:		Building Acquisition:	
Tax Credits:	<b>\$346,729</b>	Construction or Remodel:	<b>\$5,674,875</b>
Developer Equity:		Cost of Issuance:	<b>\$163,000</b>
Other Funds(Describe):		Capitalized Interest:	<b>\$236,250</b>
HCD State HOME funds	<b>\$3,500,000</b>	Reserves:	
_____	.....	Other Funds(Describe):	
_____	.....	Developer Fee	<b>\$785,000</b>
_____	.....	Impact fees and Permits	<b>\$801,760</b>
_____	.....	Legal, Studies, TCAC Fees, etc	<b>\$1,085,844</b>
<b>TOTAL:</b>	<b>\$9,096,729</b>	_____	.....
		_____	.....
		<b>TOTAL:</b>	<b>\$9,096,729</b>

Application Number: **2011017 - Madera Family Apartments**  
Name of Borrower: **Corporation for Better Housing**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>		<b>REBATE ANALYST</b>	
Firm:	<b>N/A</b>	Firm:	<b>TBD</b>
Contact:		Contact:	
Address:		Address:	
Telephone:		Telephone:	
Fax:		Fax:	
E-mail:	<b>donotsend@n-a.com</b>	E-mail:	<b>donotsend@tbd.com</b>

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."  *Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MADERA  
APPROVING THE ISSUANCE BY THE CALIFORNIA STATEWIDE  
COMMUNITIES DEVELOPMENT AUTHORITY OF MULTIFAMILY  
HOUSING REVENUE BONDS FOR THE MADERA FAMILY  
APARTMENTS**

**WHEREAS**, the California Statewide Communities Development Authority (the "Authority") is authorized pursuant to the provisions of California Government Code Section 6500 et seq. and the terms of an Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988 (the "Agreement"), among certain local agencies throughout the State of California, including the City of Madera (the "City"), to issue revenue bonds in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code for the purpose of financing multifamily rental housing projects; and

**WHEREAS**, 100 Stadium Rd., L.P., or related entities, has requested that the Authority adopt a plan of financing providing for the issuance of multifamily housing revenue bonds (the "Bonds") in one or more series issued from time to time, including bonds issued to refund such revenue bonds in one or more series from time to time, and at no time to exceed \$7,000,000 in outstanding aggregate principal amount, to finance the acquisition, construction and development of a 40-unit multifamily rental housing project located at 100 Stadium Road, Madera, California, generally known as Madera Family Apartments (the "Project") and operated by CBH Property Management LLC; and

**WHEREAS**, the Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986 (the "Code"); and

**WHEREAS**, pursuant to Section 147(f) of the Code, prior to their issuance, private activity bonds are required to be approved by the "applicable elected representative" of the governmental units on whose behalf such bonds are expected to be issued and by a governmental unit having jurisdiction over the entire area in which any facility financed by such bonds is to be located, after a public hearing held following reasonable public notice; and

**WHEREAS**, the members of this City Council (this "City Council") are the applicable elected representatives of the City; and

**WHEREAS**, there has been published, at least 14 days prior to the date hereof, in a newspaper of general circulation within the City, a notice that a public hearing regarding the Bonds would be held on a date specified in such notice; and

**WHEREAS**, such public hearing was conducted on such date, at which time an opportunity was provided to interested parties to present arguments both for and against the issuance of the Bonds; and

**WHEREAS**, the Authority is also requesting that the City Council approve the issuance of any refunding bonds hereafter issued by the Authority for the purpose of refinancing the Bonds which financed the Project (the "Refunding Bonds"), but only in such cases where federal tax laws would not require additional consideration or approval by the City Council; and

**WHEREAS**, it is intended that this resolution shall constitute the approval of the issuance of the Bonds required by Section 147(f) of the Code and Section 9 of the Agreement;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MADERA AS FOLLOWS:**

Section 1. The above recitals are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds and the Refunding Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitutes approval of the Bonds for the purposes of (a) Section 147(f) of the Code and (b) Section 9 of the Agreement.

Section 3. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents that they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing approved hereby.

Section 4. The City Clerk shall forward a certified copy of this Resolution and a copy of the affidavit of publication of the hearing notice to:

Justin Cooper, Esq.  
Orrick, Herrington & Sutcliffe LLP  
405 Howard Street  
San Francisco, California 94105

Section 5. This resolution shall take effect immediately upon its passage.

\*\*\*\*\*

PASSED AND ADOPTED by the City Council of the City of Madera this 21<sup>st</sup> day of March,  
2012 by the following vote:

AYES: Council Members Frazier, Medellin, Svanda, Poythress.

NOES: None.

ABSTENTIONS: None.

ABSENT: Council Member Bompreszi.

  
BRETT FRAZIER, Mayor

ATTEST:

  
SONIA ALVAREZ, City Clerk



APPROVED AS TO LEGAL FORM:  
CITY ATTORNEY

  
By: BRENT RICHARDSON

**RESOLUTION NO. 12-45**  
**(QUALIFIED RESIDENTIAL RENTAL PROJECT)**  
**EXHIBIT A**

1. Applicant: California Statewide Communities Development Authority
2. Application No.: 12-051
3. Project Sponsor: 100 Stadium Rd., L.P. (Corporation For Better Housing and Kavigem, Inc.)
4. Project Management Co.: CBH Property Management, LLC
5. Project Name: Madera Family Apartments
6. Type of Project: New Construction/Family
7. Location: Madera, CA
8. Private Placement Purchaser: Hunt Capital Partners, LLC
9. The Private Placement Purchaser at the time of issuance will be the same as represented in the application.
10. Total Number of Units: 39 plus 1 manager unit
11. Total Number of Restricted Rental Units: 39
12. The term of the income and rental restrictions for the Project will be at least 55 years.
13. The Project will utilize Gross Rents as defined in Section 5170 of the Committee's Regulations.  
**Applicable**
14. Income and Rental Restrictions:  
For the entire term of the income and rental restrictions, the Project will have:  
  
All 39 Qualified Residential units rented or held vacant for rental for persons or families whose income is at 50% or below of the Area Median Income.
15. For acquisition and rehabilitation projects, a minimum of \$10,000 in hard construction costs will be expended for each Project unit. **Not Applicable**
16. A minimum of \$5,000,000 of public funds will be expended for the Project. **Not Applicable**

**RESOLUTION NO. 12-45**

**Exhibit A**

Page 2 of 4

17. At a minimum, the financing for the Project shall include a Taxable Tail in the amount of \$0,000. Taxable debt may only be utilized for Project related expenses, not for the cost of issuance, for which the Project Sponsor could otherwise have used tax-exempt financing. **Not Applicable**
18. If the Project received points for having large family units, for the entire term of the income and rental restrictions, the Project will have at least 12 three-bedroom or larger units. **Applicable**
19. For a period of ten (10) years after the Project is placed in use, the Project will provide to Project residents high-speed Internet or wireless (WiFi) service in each Project unit. **Not Applicable**
20. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents an after school programs of an ongoing nature on-site or there must be an after school program available to Project residents within 1/4 mile of the Project. The programs shall include, but are not limited to: tutoring, mentoring, homework club, and art and recreation activities to be provided weekdays throughout the school year for at least 10 hours per week. **Not Applicable**
21. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents instructor-led educational, health and wellness, or skill building classes. The classes shall include, but are not limited to: financial literacy, computer training, home-buyer education, GED, resume building, ESL, nutrition, exercise, health information/awareness, art, parenting, on-site food cultivation and preparation and smoking cessation. Classes shall be provided at a minimum of 84 hours per year (drop-in computer labs, monitoring and technical assistance shall not qualify) and be located within 1/4 mile of the Project. **Not Applicable**
22. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents 20 hours or more per week of licensed childcare on-site or there must be 20 hours or more per week of licensed childcare available to Project residents within 1/4 mile of the Project. **Not Applicable**
23. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents health and wellness services and programs within 1/4 mile of the Project. Such services and programs shall provide individualized support for tenants (not group classes) but need to be provided by licensed individuals or organizations. The services shall include, but are not limited to: visiting nurses programs, intergenerational visiting programs, and senior companion programs. Services shall be provided for a minimum of 100 hours per year. **Not Applicable**
24. For a period of ten (10) years after the Project is placed in use, the Project will offer to Project residents a bona fide service coordinator. The responsibilities must include, but are not limited to: (a) providing tenants with information about available services in the community, (b) assisting tenants to access services through referral and advocacy, and (c) organizing community-building and/or enrichment activities for tenants (such as holiday events, tenant council, etc.) **Not Applicable**
25. All projects that receive points for being a Federally Assisted At-Risk Project will renew all Section 8 HAP Contracts or equivalent Project-based subsidies for their full term, and will seek additional renewals, if available, throughout the Project's useful life. **Not Applicable**
26. All projects that receive points for being a Federally Assisted At-Risk Project based on an expiring Low Income Housing Tax Credit Regulatory Agreement or Tax-Exempt Bond Regulatory Agreement shall have a plan in place to re-certify the incomes of the existing tenants and shall not cause involuntary displacement of any tenant whose income may exceed the Project's income limits. **Not Applicable**

- 27. Applicants shall meet the multiple sustainable building standards utilizing landscaping and construction materials which are compatible with the neighborhood in which the proposed project is to be located, and that the architectural design and construction materials will provide for low maintenance and durability, as well as be suited to the environmental conditions to which the project will be subjected: **Applicable**

Section Waived:

<input type="checkbox"/>	Energy Efficiency
<input type="checkbox"/>	CALGreen Compliance
<input type="checkbox"/>	Landscaping
<input type="checkbox"/>	Roofs
<input type="checkbox"/>	Exterior Doors
<input type="checkbox"/>	Appliances
<input type="checkbox"/>	Window Coverings
<input type="checkbox"/>	Water Heater
<input type="checkbox"/>	Floor Coverings
<input type="checkbox"/>	Paint
<input type="checkbox"/>	Insulation

- 28. The project commits to becoming certified under any one of the following programs upon completion:

- a. Leadership in Energy & Environmental Design (LEED) **Not Applicable**
- b. Green Communities **Not Applicable**
- c. GreenPoint Rated Multifamily Guidelines **Applicable**

- 29. The project is a New Construction or Adaptive Reuse Project exceeding the Standards of Title 24, Part 6, of the California Building Code by:

- a. 17.5% **Applicable**
- b. 20% **Not Applicable**
- c. 25% **Not Applicable**

- 30. The Project will exceed the minimum energy efficiency certification requirements for New Construction/ Adaptive Reuse:

- a. LEED for Homes (Silver) **Not Applicable**
- b. LEED for Homes (Gold) **Not Applicable**
- c. Green Point Rated (100) **Applicable**
- d. Green Point Rated (125) **Not Applicable**

- 31. The project is a Home Energy Rating System (HERS II) Rehabilitation Project that commits to improve energy efficiency above the current modeled energy consumption of the building(s) by:

- a. 15% **Not Applicable**
- b. 20% **Not Applicable**
- c. 25% **Not Applicable**
- d. 30% **Not Applicable**

- 32. The project is a Rehabilitation Project that commits to developing, and/or managing the Project with the following Photovoltaic generation or solar energy:

- a. Photovoltaic generation that offsets tenants loads **Not Applicable**
- b. Photovoltaic generation that offsets 50% of common area load **Not Applicable**
- c. Solar hot water for all tenants who have individual water meters **Not Applicable**

**RESOLUTION NO.**

**Exhibit A**

Page 3 of 4

- 33. The project will implement sustainable building management practices that include: 1) development of a percent-specific maintenance manual including replacement specifications and operating information on all energy and green building features; 2) Certification of building management staff in sustainable building operations per BPI Multifamily Building Operator or equivalent training program; and 3) Undertaking formal building systems commissioning, retro-commissioning or re-commissioning as appropriate (continuous commissioning is not required): **Not Applicable**
  
- 34. The project will sub-meter centralized hot water systems for all tenants: **Not Applicable**

**Item VII**

Discuss and approve new fee schedule.

---

---

## SUMMARY AND APPROVALS

---

---

**DATE:** AUGUST 9, 2012

**REQUEST:** DISCUSS AND APPROVE PROPOSED REVISIONS TO CSCDA'S FEE SCHEDULE

---

### **Background/Discussion:**

CSCDA Staff periodically reviews the Authority's fee schedule and evaluates whether any changes are necessary. The Authority's existing fee schedule, shown in Attachment 1, was last revised on March 1, 2012. Staff has recently analyzed current market activity, CSCDA's current administrative operations, CSCDA's competitors and anticipated future interest in the Authority for particular types of financings. We have concluded that it would be prudent to make a number of specific revisions to the Authority's current fee schedule.

Staff has recently experienced interest from a number of borrowers seeking to finance economic development oriented projects with taxable bonds. Accordingly, Staff recommends that the Authority add a taxable category to its fee schedule to accommodate these borrowers. In addition, the current competitive landscape among conduit issuers warrants changes to the annual administrative fees assessed on housing and nonprofit financings. Staff proposes that the Commission consider the following amendments to the Authority's fee schedule:

1. Add a Taxable Bond Program fee category and implement an issuance fee of 25 bps on the first \$20 Million and 12.5 bps on any amounts issued in excess of \$20 Million. Assess an annual administration fee of 1.5 bps;
2. Amend the Annual Administration Fees for 501(c)(3) Nonprofit financings and assess an annual fee of 1.5 bps;
3. Implement an issuance fee cap of \$100,000 and annual administrative fee cap of \$150,000 on all nonprofit healthcare financings;
4. Amend the Annual Administration Fees for Housing and Nonprofit Housing financings and assess an annual fee of 5 bps based on the aggregate principal outstanding on the payment date; and
5. Reduce the minimum annual administrative fee on all Housing financings to \$5,000.

Staff has consulted with CSAC and the League on all proposed changes to the Authority's fee schedule.

### **Approvals:**

Staff recommends that the Board approve the fee schedule as proposed in the form of Attachment 2.

## Attachment 1

**California Statewide Communities Development Authority (CSCDA)  
Fee Schedule**

**Conduit Fees**

Bond Program	Issuance Fee <sup>1</sup>		Annual Administration Fee <sup>2</sup>		
	Up to \$20 Million	Over \$20 Million			Assessed Against
Housing <sup>3</sup>	0.25% (Min \$25,000)	\$50,000 + 0.125% over \$20 M	Housing	Up to First \$100MM or 10 Transactions: 0.12% Amount > \$100MM or 10 Transactions and ≤ \$200MM or 20 Transactions: 0.10% Amount > \$200MM or 20 Transactions: 0.08%	Aggregate Issuance Amount <sup>4</sup>
501(c)(3) Nonprofit Housing <sup>3</sup>	0.20% (Min \$15,000)	\$40,000 + 0.05% over \$20 M	Nonprofit Housing	Up to First \$100MM or 10 Transactions: 0.12% Amount > \$100MM or 10 Transactions and ≤ \$200MM or 20 Transactions: 0.10% Amount > \$200MM or 20 Transactions: 0.08%	Aggregate Issuance Amount <sup>4</sup>
501(c)(3) Nonprofit Solid Waste (Vol Cap)	0.20% (Min \$15,000)	\$40,000 + 0.05% over \$20 M		Up to First \$100MM on First Transaction: 0.03% Amount in excess of \$100MM and < \$1.0B on First Transaction: 0.02% All Subsequent Transactions: 0.02% In excess of \$1.0B on all Transactions: 0.015%	Aggregate Principal O/S on interest payment date
Airports	0.25% (Min \$25,000)	\$50,000 + 0.125% over \$20 M	Airports	0.05%	Aggregate Principal O/S on interest payment date
Municipal	0.15% (Min \$7,500)	\$30,000 + 0.025% over \$20 M		0.02%	Aggregate Principal O/S on interest payment date
Mello Roos <sup>5</sup>	0.25% (Min \$30,000)	\$50,000 + 0.25% over \$20 M		0.25% + Actual Costs	Aggregate Issuance Amount
IDB	\$25,000	N/A		0.10%	Aggregate Principal O/S on interest payment date

Note: Bond Programs require one \$5,000 Issuance Fee Deposit, per borrower, per calendar year (except Municipal).

**Small Issue Public Benefit Program Fees**

Bond Program	Issuance Fee		Annual Administration Fee	Issuance Fee Deposit
	Up to \$3 Million	Over \$3 Million		
IDB LBP & EP, Solid Waste EP, Nonprofit	3.00% (Min \$60,000)	2.00%	None	\$2,500

Note: Small Issue Public Benefit Bond Programs require one \$2,500 Issuance Fee Deposit, per borrower, per calendar year.

Revised: 3/1/2012

<sup>1</sup> Issuance Fees are based on cumulative volume per borrower entity during the calendar year. No individual transaction will be charged less than \$10,000.

<sup>2</sup> Annual Administration Fee assessed against aggregate bond issuance amount per borrower, not including prior bond issuance refunding.

Example: Assuming no principal pay down, a \$150MM 501(c)(3) bond for a first time borrower will result in an Annual Administration Fee as follows: (\$100MM x 0.03%) + (\$50MM x 0.02%) = (\$30,000) + (\$10,000) = \$40,000

<sup>3</sup> Housing issues requiring Volume Cap pay all fees upfront as a deposit. In addition, one-half of the Annual Administration Fee will be collected at time of issuance.

<sup>4</sup> Housing developers are eligible for a one-time reduction in Annual Administration Fee based on conversion from construction to permanent financing within two years of the bond issuance date. No Minimum Annual Administration Fee will be less than: \$5,000 per project with 75 total units or less or \$7,500 per project with more than 75 total units. Projects requiring IRP monitoring will be charged: \$10,000 (in addition to the Annual Administration Fee) for CSCDA issued projects or \$15,000 for non-CSCDA issued projects. A \$1,000 annual monitoring fee will replace the existing Annual Administration Fee when bonds are repaid and the Qualified Project Period has expired.

<sup>5</sup> Mello Roos issues require all fees + \$20,000 upfront as a deposit.

## Attachment 2

**California Statewide Communities Development Authority (CSCDA)  
Fee Schedule**

Bond Program	Issuance Fee		Annual Administration Fee	
	Up to \$20 Million	Over \$20 Million	Fee	Assessed Against
Housing <sup>1</sup>	0.20% (Min \$15,000)	\$40,000 + 0.125% over \$20 M	0.05%	Aggregate Principal O/S on interest payment date <sup>2</sup>
501(c)(3) Nonprofit Housing <sup>1</sup>	0.20% (Min \$15,000)	\$40,000 + 0.05% over \$20 M	0.05%	Aggregate Principal O/S on interest payment date <sup>2</sup>
501(c)(3) Nonprofit	0.20% (Min \$15,000)	\$40,000 + 0.05% over \$20 M	0.015%	Aggregate Principal O/S on interest payment date <sup>3</sup>
Municipal	0.15% (Min \$7,500)	\$30,000 + 0.025% over \$20 M	0.015%	Aggregate Principal O/S on interest payment date
Airports/Solid Waste/Exempt Facilities	0.25% (Min \$25,000)	\$50,000 + 0.125% over \$20 M	0.05%	Aggregate Principal O/S on interest payment date
Taxable	0.25% (Min \$25,000)	\$50,000 + 0.125% over \$20 M	0.015%	Aggregate Principal O/S on interest payment date
Mello Roos <sup>4</sup>	0.25% (Min \$30,000)	\$50,000 + 0.25% over \$20 M	0.25% + Actual Costs	Aggregate Issuance Amount
Industrial Development Bonds	\$25,000	N/A	0.10%	Aggregate Principal O/S on interest payment date

Note: Bond Programs require one \$5,000 Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

**Small Issue Public Benefit Program Fees**

Bond Program	Issuance Fee		Annual Administration Fee
	Up to \$3 Million	Over \$3 Million	
IDB LBP & EP, Solid Waste EP, Nonprofit	3.00% (Min \$60,000)	2.00%	None

Note: Small Issue Public Benefit Bond Programs require one \$2,500 Issuance Fee Deposit, per borrower, per calendar year which is applied to the issuance fee at closing.

<sup>1</sup> One-half of the Annual Administration Fee for Housing Bond issuances will be collected at the time of issuance.

In addition, CSCDA reserves the right to collect all issuance fees upfront as a deposit for any bond issuance requiring volume cap allocation.

<sup>2</sup> Minimum Annual Administration Fee for Housing bond issuances is \$5,000 per project (a \$1,000 annual compliance monitoring fee will replace the existing Annual Administration Fee throughout the CDLAC Compliance Period after the Qualified Project Period has expired).

Projects requiring IRP monitoring will be charged: \$10,000 (in addition to the Annual Administration Fee) for CSCDA issued projects or \$15,000 for non-CSCDA issued projects.

**Item VIII**

Discuss and approve supplemental resolution for the Sonoma Gardens Apartments.

---

---

## SUMMARY AND APPROVALS

---

---

**DATE:** AUGUST 9, 2012

**APPLICANT:** SANTA ROSA PACIFIC ASSOCIATES, L.P./PACIFIC WEST COMMUNITIES, INC.

**AMOUNT:** UP TO \$7,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

**PURPOSE:** FINANCE THE ACQUISITION AND CONSTRUCTION OF SONOMA GARDENS APARTMENTS LOCATED AT 3330-3336 SANTA ROSA AVE. IN UNINCORPORATED SONOMA COUNTY, CA

**CSCDA PROGRAM:** HOUSING

---

### **Summary:**

On June 21, 2012 the Commission unanimously approved the issuance of \$7,000,000 in tax exempt multi-family bonds for the Sonoma Gardens Apartments (the "Project"). Following approval, the lender of the project changed. Bond documents have been updated to reflect Union Bank as the Private Placement Purchaser. There have been no other changes made to the Project or structure.

### **Finance Team:**

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Lender: Union Bank, N.A.

### **Financing Structure:**

The construction Bonds will mature in no more than 17 months and then be converted to the permanent phase for 15 years. The permanent loan will be fixed with a swap rate of 5.02%. The Bonds will be privately placed with Union Bank.

### **Financing Approval:**

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, approval of the issuance of bonds by the County of Sonoma, and conformance to the CSCDA Issuance Policies, the Commission shall approve the Resolution as submitted to the Commission, which:

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

**Attachments:**

1. June 21, 2012 Staff Report
2. Original application

---

---

**SUMMARY AND APPROVALS**

---

---

**DATE:** JUNE 21, 2012

**APPLICANT:** SANTA ROSA PACIFIC ASSOCIATES, L.P./PACIFIC WEST COMMUNITIES, INC.

**AMOUNT:** UP TO \$7,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS

**PURPOSE:** FINANCE THE ACQUISITION AND CONSTRUCTION OF SONOMA GARDENS APARTMENTS LOCATED AT 3330-3336 SANTA ROSA AVE. IN UNINCORPORATED SONOMA COUNTY, CA

**CSCDA PROGRAM:** HOUSING

---

**Background:**

The proposed project, Sonoma Gardens Apartments (the "Project"), will be a 60-unit property located in unincorporated Sonoma County, California. The Project application was filed on July 29, 2011 and induced on August 10, 2011.

**Summary:**

Santa Rosa Pacific Associates, L.P. (the "Borrower") has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$7,000,000 (the "Bonds") for the purpose of financing the construction of the Project. The Project will provide 12 one-bedroom units, 35 two-bedroom units and 12 three-bedroom units to low-income families and one manager in Sonoma County.

The units will be newly constructed two story garden style apartments. The buildings will be oriented throughout the four acre site with the intent to create a community concept. For the benefit and welfare of its family residents, the project will include a nearly 2,000 square foot community building. The community building includes an office, maintenance room, computer learning center, laundry facilities and a community/TV room with a kitchen. The Project also includes a large playground, a covered picnic area with a barbeque, community gardens and an outdoor meeting area.

Within the units, tenants will enjoy standard features such as refrigerators, exhaust fans, dishwashers, disposals, microwaves and ranges with ovens. All units will include hook-ups for washers and dryers as well as feature a patio or balcony and secure storage area.

Construction is expected to begin in August, 2012 and be completed by August, 2013.

The Borrower has previously constructed or rehabilitated 43 multifamily and senior housing properties throughout California, including 21 with CSCDA. The Borrower currently has 3 other active financing applications pending with CSCDA.

**Public Benefit:**

- Project Affordability
  - 100% of the Project’s units will be income restricted:
    - 3 units reserved for tenants whose income is at or below 30% AMI
    - 3 units reserved for tenants whose income is at or below 50% AMI
    - 53 units reserved for tenants whose income is at or below 60% AMI
    - 1 manager unit
  - The term of the income and rental restrictions for the Project will be at least 55 years
- Site Amenities
  - The Project is located within a Public Transit Corridor
  - The Project is located within ½ mile of a public K-12 school
  - The Project is located within ½ mile of a park or recreational facility
- Economic Benefits
  - Based upon \$11,400,009 Project costs using a 1.8 multiplier the Project produces \$20,520,016.20 total economic activity, and at 2.1 jobs per unit produces approximately 126 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

**Agency Approvals:**

**TEFRA Hearing:** October 4, 2012, Sonoma County, unanimous approval  
**CDLAC Approval:** March 21, 2012

**Estimated Sources and Uses:**

Sources:

Tax-Exempt Bond Proceeds	\$5,910,000	51.84%
County of Sonoma RDA Funds*	\$2,000,000	17.54%
Deferred Costs & Developer Fee	\$1,488,232	13.05%
LIHTC Equity	<u>\$2,001,777</u>	<u>17.56%</u>
<b>Total Sources</b>	<b>\$11,400,009</b>	<b>100.00%</b>

Uses:

Land Cost	\$755,000	6.62%
Hard Construction Costs	\$5,592,410	49.06%
Architecture and Engineering Costs	\$660,000	5.79%
Contractor Overhead & Profit	\$399,427	3.50%
Developer Overhead & Profit	\$1,328,091	11.65%
Cost of Issuance	\$267,950	2.35%
Building Permit and Impact Fees	\$1,109,857	9.74%
Financing Costs	\$542,950	4.76%
Other Soft Costs	<u>\$744,324</u>	<u>6.53%</u>
<b>Total Uses</b>	<b>\$11,400,009</b>	<b>100.00%</b>

\*CSCDA staff and the California Debt Limit Allocation Committee have confirmed that the funds committed to the Project are not impacted by legislation and litigation affecting redevelopment agencies.

**Finance Team:**

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Private Placement Lender: California Bank & Trust

**Financing Structure:**

The construction Bonds will mature in no more than 12 months and then be converted to the permanent phase for 18 years. The projected true interest cost of the fixed rate bonds under current market conditions is 4.91%. The Bonds will be privately placed with California Bank & Trust.

By using \$5,910,000 in CSCDA Bonds the Project is able to leverage an additional \$5,490,009 in other resources, for a ratio of 1.08 to 1.

**Policy Compliance:**

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

**Financing Approval:**

Based on the overall public benefits as outlined in the California Debt Limit Allocation Committee resolution, as described on the attached Exhibit A, approval of the issuance of bonds by the County of Sonoma, and conformance to the CSCDA Issuance Policies, the Commission shall approve the Resolution as submitted to the Commission, which:

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

**Attachments:**

1. Original application
2. County of Sonoma TEFRA Resolution
3. CDLAC Qualified Residential Rental Program Resolution Exhibit A



*Building Communities, Investing in Local Government Since 1988*

## Housing Bond Application

### APPLICANT INFORMATION

Application Number: **2011061**  
 Name of Developer: **Pacific West Communities, Inc.**  
 Primary Contact: **Caleb Roope**  
 Title: **President**  
 Address: **430 E. State Street, Suite 100  
Eagle, ID 83616**  
 Telephone Number: **(208) 461-0022 Ext. 3015**  
 Fax Number: **(208) 461-3267**  
 E-mail: **calebr@tpchousing.com**

### BORROWER DESCRIPTION

Type of Entity:  For-profit Corporation  Non-profit Corporation  
 Municipality  Partnership  
 Other (specify): \_\_\_\_\_

For Non-profits only: Will you be applying for State Volume Cap? **No**

Name of Borrowing Entity: **Santa Rosa Pacific Associates, a California L.P.**

Date Established: **1-1-2011**

Number of Multi-Family Housing Projects Completed in the Last 10 Years: **90**

Number of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **90**

### PRINCIPAL FINANCE TEAM INFORMATION

#### UNDERWRITER/PLACEMENT AGENT

Firm: **U.S. Bank**

Contact: **Lisa Gutierrez**

Address: **621 Capitol Mall, Suite 800  
Sacramento, CA 95814**

Telephone: **(916) 498-3457**

Fax: **(916) 498-3817**

E-mail: **lisa.gutierrez@usbank.com**

#### BOND COUNSEL

Firm: **Orrick, Herrington & Sutcliffe, LLP**

Contact: **Justin Cooper**

Address: **405 Howard Street, Orrick Building  
San Francisco, CA 94105-2669**

Telephone: **(415) 773-5908**

Fax: **(415) 773-5759**

E-mail: **jcooper@orrick.com**

Application Number: **2011061 - Sonoma Gardens**  
 Name of Borrower: **Pacific West Communities, Inc.**

**PROJECT DESCRIPTION**

Current Project Name: **Sonoma Gardens**  
 New Project Name:  
 Project Street Address: **3330-3336 Santa Rosa Avenue**  
 City: **Santa Rosa** State: **CA** Zip Code: **95407**  
 County: **Sonoma**  
 Is Project located in unincorporated part of the County? **Yes**

Total Number of Units: Market: **0** Restricted: **59** Total Units: **59**  
 Lot Size: **3.88 acres**

Amenities: **The project will consist of five 2 & 3 story garden style buildings plus a centralized clubhouse/leasing office with meeting rooms, kitchen, computer lab, and common laundry room. Site amenities will include a large outdoor gathering area with decorative trellis and fire pit adjacent to the clubhouse, several community gardens, and playground with equipment.**

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings): **The Project Will Consist Off Five 2 & 3 Story Garden Style Buildings Plus A Centralized Community Area. It Will Be Wood Framed With 120 Parking Spaces, 60 Are Covered.**

Type of Housing:  New Construction  Family  
 Acq/Rehab  Senior Is this an Assisted Living Facility? \_\_\_\_\_

City or county contact information:  
 Contact Name: **Cindy Rich**  
 Title: **Senior Community Development Specialist**  
 Phone Number: **(707) 565-7537**  
 Fax Number: **(707) 565-7557**  
 E-mail: **crich@sonoma-county.org**

**PUBLIC BENEFIT**

Percentage of Units in Low Income Housing: **100%**  
 Percentage of Area Median Income(AMI) for Low Income Housing Units: **30%, 50% and 60% AMI**  
 Total Number of Management Units: **1**

Unit Size	% AMI	# of Restricted Units	Restricted Rent	Market Rent	Expected Savings
1 Bedroom	30	1	\$421	\$1,109	\$688
1 Bedroom	50	1	\$727	\$1,109	\$382
1 Bedroom	60	10	\$868	\$1,109	\$241
2 Bedrooms	30	1	\$502	\$1,369	\$867
2 Bedrooms	50	1	\$869	\$1,369	\$500
2 Bedrooms	60	33	\$1,053	\$1,369	\$316
3 Bedrooms	30	1	\$580	\$1,675	\$1,095
3 Bedrooms	50	1	\$1,004	\$1,675	\$671
3 Bedrooms	60	10	\$1,216	\$1,675	\$459

Application Number: **2011061 - Sonoma Gardens**  
Name of Borrower: **Pacific West Communities, Inc.**

**PUBLIC BENEFIT(continued)**

Remarks:

**OTHER PUBLIC BENEFIT**

**SERVICES PROVIDED**

- High-speed internet service in each affordable unit of an on-going nature for a minimum of 10 years.
- After school program of an on going nature for the minimum of 10 years.
- Educational classes (which are not the same as the after school program) for a minimum of 10 years.
- Licensed childcare providing 20 hours or more per week(Monday through Friday) to residents of the development.
- Contract for services, such as assistance with the daily living activities, or provision of senior counseling services.

**ENVIRONMENT**

**Energy**

- Does the facility exceed Title 24 Standards?  Yes  No  N/A  
 If Yes, by what percent? \_\_\_\_\_%
- Does the facility have solar(PV) panels?  Yes  No  N/A  
 If Yes, what is the size in kWh? \_\_\_\_\_
- Does the facility purchase carbon credits?  Yes  No  N/A  
 If Yes, what is the annual consumption? \_\_\_\_\_

**Water**

- Does the facility provide any of the following:
- Efficient Toilets?  Yes  No  N/A
- Water-saving showerheads?  Yes  No  N/A
- Drought tolerant landscaping?  Yes  No  N/A
- Other, specify: \_\_\_\_\_

**Transportation**

- Does the entity provide carpooling or mass-transit subsidies?  Yes  No  N/A
- Does the entity maintain a fuel efficient fleet?  Yes  No  N/A

**Waste**

- Does the project provide recycling facilities?  Yes  No  N/A

**WORKFORCE**

**Employment Creation**

Job Type/Description	During Construction	Post Construction
None _____	<u>0</u>	<u>0</u>

**GOVERNMENTAL INFORMATION**

Congressional District # _____ <u>6</u> _____	State Senate District # _____ <u>3</u> _____	State Assembly District # _____ <u>6</u> _____
--	---	---

Application Number: **2011061 - Sonoma Gardens**  
 Name of Borrower: **Pacific West Communities, Inc.**

**FINANCING STRUCTURE**

Type of Financing:  Public Sale  Private Placement  Refunding  
 For Refundings only: Will you be applying for State Volume Cap? **No**  
 For Refundings only: Is this a transfer of property to a new owner? \_\_\_\_\_  
 Maturity: **35 Years** Interest Rate Mode:  Fixed  Variable

**CONSTRUCTION FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

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

**PERMANENT FINANCING:**

Credit Enhancement:  None  Letter of Credit  
 FNMA(Fannie Mae)  Freddie Mac  
 Bond Insurance  Other (specify): \_\_\_\_\_

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

Expected Rating:  Unrated  S & P \_\_\_\_\_  
 Moody's \_\_\_\_\_  Fitch \_\_\_\_\_

Projected State Allocation Pool:  General  Mixed Income  Rural

Will the project use Tax-Credit as a source of funding?: **Yes**

**SOURCES & USES**

<b>CONSTRUCTION SOURCES</b>		<b>USES</b>	
Tax-Exempt Bond Proceeds:	<b>\$5,910,000</b>	Land Acquisition:	<b>\$750,000</b>
Taxable Bond Proceeds:		Building Acquisition:	
Tax Credits:	<b>\$1,906,048</b>	Construction or Remodel:	<b>\$5,930,770</b>
Developer Equity:		Cost of Issuance:	<b>\$203,274</b>
Other Funds(Describe):		Capitalized Interest:	<b>\$266,626</b>
Sonoma County - RDA	<b>\$2,000,000</b>	Reserves:	<b>\$234,771</b>
Deferred Dev. Fee	<b>\$1,302,909</b>	Other Funds(Describe):	
Deferred Costs	<b>\$194,871</b>	Architecture & Engineer	<b>\$660,000</b>
_____	.....	Developer Fee	<b>\$1,302,909</b>
_____	.....	Permits & Impact Fees	<b>\$1,459,680</b>
<b>TOTAL:</b>	<b>\$11,313,828</b>	Soft Costs	<b>\$505,798</b>
		_____	.....
		<b>TOTAL:</b>	<b>\$11,313,828</b>

Application Number: **2011061 - Sonoma Gardens**  
Name of Borrower: **Pacific West Communities, Inc.**

**PRINCIPAL FINANCE TEAM INFORMATION (continued)**

<b>FINANCIAL ADVISOR</b>		<b>REBATE ANALYST</b>	
Firm:	<b>N/A</b>	Firm:	<b>TBD</b>
Contact:		Contact:	
Address:		Address:	
Telephone:		Telephone:	
Fax:		Fax:	
E-mail:		E-mail:	

**ADDITIONAL REQUIREMENT**

Please provide the following as an additional attachment:

<u>Attachment</u>	<u>Description of Information</u>
A	\$5,000 non-refundable* issuance fee deposit payable to "California Communities."  *Refundable only if financing not approved.

**MAILING ADDRESS**

California Communities®  
2033 N. Main St., Suite 700  
Walnut Creek, CA 94596