



REGULAR MEETING AGENDA
August 5, 2021
2:00 pm

Pursuant to Governor Newsom’s Executive Order, Commissioners of the California Statewide Communities Development Authority or staff may participate in this meeting via a teleconference. In the interest of maintaining appropriate social distancing, members of the public may participate in the meeting telephonically. Members of the public may observe and offer comment at this meeting telephonically by dialing 623-404-9000, Meeting ID 240 338 9861 Passcode 747188. If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (“ADA”) please contact info@cscda.org or 1-800-531-7476 prior to the meeting for assistance.

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.
____ Kevin O’Rourke, Chair
____ Tim Snellings, Vice Chair
____ Brian Moura, Secretary
____ Jordan Kaufman, Treasurer
____ Dan Mierzwa, Member
____ Brian Stiger, Member
____ Marcia Raines, Member
____ Niroop Srivatsa, Alt. Member
2. Consideration of the Minutes of the July 15, 2021 Regular Meeting.
3. Consent Calendar.
4. Public Comment.

B. ITEMS FOR CONSIDERATION AND ACTION

5. Consideration of the issuance of revenue bonds or other obligations to finance or refinance the following projects, the execution and delivery of related documents, and other related actions:
 - a. Front Porch Communities and Services, City of Anaheim, County of Orange; City of Claremont, County of Los Angeles; City of Oakland, County of Alameda; Cities of San Diego & Chula Vista, County of San Diego; City of Pacific Grove, County of Monterey; City of Santa Rosa, County of Sonoma; Cities of Los Gatos & Palo Alto, County of Santa Clara, issue up to \$450,000,000 in nonprofit revenue bonds.

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- b. Santee Senior Retirement Communities LLC (Lantern Crest Senior Living), City of Santee, County of San Diego, issue up to \$4,000,000 in commercial PACE bonds.

6. Proceedings related to California Statewide Communities Development Authority Community Facilities District No. 2020-02, Improvement Area No. 2 (Atwell), City of Banning, County of Riverside, State of California:

- i. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter).
- ii. Consideration of the following resolutions with respect to formation of CFD No. 2020-02:
 - 1. A Resolution Deeming It Necessary to Incur Bonded Indebtedness to Finance Certain Public Improvements and Certain Development Impact Fees within California Statewide Communities Development Authority Community Facilities District No. 2020-02, Improvement Area No. 2 (Atwell), City of Banning, County of Riverside, State of California.
 - 2. Resolution Calling Special Mailed-Ballot Election within Improvement Area No. 2 of the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California
- iii. Conduct special election within Improvement Area No. 2.
- iv. Resolution Declaring Results of Special Mailed-Ballot Election within Improvement Area No. 2 of the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California

7. Statewide Community Infrastructure Program (SCIP) 2021B:

- 1. Conduct proceedings with respect to the Statewide Community Infrastructure Program (“SCIP”) for certain Assessment Districts (collectively, the “Assessment Districts”) for multiple development projects:
 - a. Open consolidated Assessment District public hearing.
 - b. Close consolidated Assessment District public hearing.
- 2. Conduct following actions with respect to the SCIP Assessment Districts:

- a. Open assessment ballots of landowners within the Assessment Districts and announce results.
 - b. Consideration of resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.
3. Conduct following actions with respect to issuance of SCIP Local Obligations and Revenue Bonds:
 - a. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
 - b. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$24,306,661.53 of SCIP Revenue Bonds, Series 2021B and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.
 8. Consideration of a Joint Exercise of Powers Agreement between CSCDA and the West County Wastewater District.
 9. Consideration of California City Management Foundation (CCMF) Sponsorship.
 10. Consideration of Urban Ingenuity as a commercial PACE Program Administrator.
 11. Quarterly Financial Review (Informational Item).

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, August 19, 2021 at 2:00 p.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Inducement of Community Development Partners (2nd & B Apartments), City of Oxnard, County of Ventura; issue up to \$32 million in multi-family housing revenue bonds.
2. Inducement of Western National Group (Gerald Ford Apartments), City of Palm Desert, County of Riverside; issue up to \$55 million in multi-family housing revenue bonds.
3. Inducement of C&C Development Co., LLC (The Meadows Seniors Apartments), City of Lake Forest, County of Orange; issue up to \$24 million in multi-family housing revenue bonds.
4. Inducement of Lynx Family Housing Partners, L.P. (Lynx Family Housing), City of Irvine, County of Orange; issue up to \$55 million in multi-family housing revenue bonds.
5. Inducement of Centennial Square Apartments, LP (Centennial Square Apartments), City of Santa Maria, County of Santa Barbara; issue up to \$60 million in multi-family housing revenue bonds.
6. Consideration of a resolution making certain determinations associated with placing assessments on the Ventura County tax roll.

August 5, 2021



TABLE OF CONTENTS
August 5, 2021

Item 2	July 15, 2021 Regular Meeting Minutes	Page 6
Item 3	Consent Calendar	Page 9
Item 5a.	Front Porch Communities	Page 14
Item 5b.	Santee Senior Retirement Communities	Page 17
Item 6	Atwell CFD	Page 20
Item 7	SCIP 2021B	Page 23
Item 8	West County Wastewater District JPA	Page 26
Item 9	CCMF Sponsorship	Page 30
Item 10	Quarterly Financial Review	Page 31



MINUTES

REGULAR MEETING AGENDA July 15, 2021 at 2:00 pm

Commission Chair Kevin O'Rourke called the meeting to order at 2:07 pm.

1. Roll Call.

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

Others participating via teleconference: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Sindy Young, CSAC Finance Corporation; and Tricia Ortiz, Richards Watson & Gershon; Stephen Lee, Richards Watson & Gershon; and Patricia Eichar, Orrick, Herrington & Sutcliffe..

2. Consideration of the Minutes of July 1, 2021 Regular Meeting.

The Commission approved the July 1, 2021 Regular Meeting.

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

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Inducement of Fiddymont Affordable Partners, L.P. (Hayden Parkway Apartments), City of Roseville, County of Placer; issue up to \$28 million in multi-family housing revenue bonds.

2. Consider and approve the levy of special taxes for fiscal year 2021-2022 for the following:

(i) Community Facilities District No. 2012-01 (Fancher Creek) Improvement Area Nos. 1 & 3;

(ii) Community Facilities District No. 2007-01 (Orinda Wilder Project);

(iii) Community Facilities District No. 2018-03 (Uptown Newport);

(iv) Community Facilities District No. 2016-02 (Delta Coves) Improvement Area Nos. 1 & 2;

- (v) Community Facilities District No. 2015-01 (University District) Improvement Area Nos. 1 & 2;
- (vi) Community Facilities District No. 2016-01 (Napa Pipe);
- (vii) Community Facilities District No. 2019-01 (333 North Prairie);
- (viii) Community Facilities District No. 2020-01 (Sand Creek).

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

4. Public Comment.

There was no public comment.

5. Consider Resolution to Amend the Appropriations Limit and the Authorization to Incur Bonded Indebtedness for Improvement Area No. 2 Established in and for California Statewide Communities Development Authority Community Facilities District No. 2016-02 (Delta Coves), County of Contra Costa, State of California and Related Matters.

Motion to approve and set the public hearing for August 19, 2021 by J. Kaufman. Second by M. Raines. Unanimously approved by roll-call vote.

6. Consider the following resolutions to initiate proceedings to form Community Facilities District No. 2021-02 (Citro), County of San Diego:
- a. A resolution approving a joint community facilities agreements and acquisition agreements and declaring intention to establish California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California and to levy special taxes therein to finance certain public improvements and certain development impact fees.

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

- b. A resolution to incur bonded indebtedness to finance certain public improvements and certain development impact fees within California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California and calling for a public hearing.

Motion to approve by D. Mierzwa. Second by J. Kaufman. Unanimously approved by roll-call vote

7. Consideration of lender consent policy for commercial PACE.

CSCDA's Executive Director Barna explained that establishing a policy requiring lender consent for commercial PACE projects will maintain the integrity of the program and CSCDA. The Economic, Innovation and Sustainability Committee have reviewed and recommend approval of the policy. Executive Director. The Executive Director

recommended that lender consent be required for all commercial PACE financings effective August 1, 2021.

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

8. Consideration of PACE policy related to state and federal securities laws.

CSCDA's Executive Director reported that in consultation with CSCDA's PACE counsels it is recommended that the Commission add a policy relating to PACE financings and state and federal securities laws. This is to ensure that if a program administrator is not an initial purchaser of the PACE bonds, they have complied with all securities laws. The Executive Director recommended approve of the attached referenced PACE policy, and such policy be added to the CSCDA website.

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

9. Closed Session.

- a. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Paragraph (1) of subdivision (d) of Section 54956.9) Name of Case: Verity Health System of California, Inc., et al. Chapter 11, Bankruptcy Case No. 2:18-bk-20151-ER; Verity Health System of California, Inc. v. California Statewide Communities Development Corporation dba CSCDA, Adversary Number 20:20-ap-01234-ER

CSCDA Counsel had nothing to report.

10. Executive Director Update.

Executive Director Barna had no update

11. Staff Update.

Staff will be sending Commission Members a link to the CSCDA website that is currently promoting 4 available scholarships for the annual Local Governance Summer Institute seminar. The application deadline is August 13th. Once the slots have been filled, staff will bring back to the Commission for approval.

12. Adjourn.

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

Submitted by: Sedy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, August 5, 2021 at 2:00 p.m.



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

Agenda Item No. 3

Agenda Report

DATE: August 5, 2021
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

6. Consideration of a resolution making certain determinations associated with placing assessments on the Ventura County tax roll.

The County of Ventura has put in place a new requirement for enrolling PACE assessments. The Commission is required to adopt a resolution that provides a list of unpaid assessments. The resolution was drafted by Jones Hall as PACE Counsel and DTA Finance provided the list of unpaid assessments. Recommend approval.

Documents: <https://www.dropbox.com/sh/8qmq1jkwvr87w6j/AACLbkP3RxSgA48IRiVDFaA1a?dl=0>

RESOLUTION NO. 21H-16

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PASSED AND ADOPTED by the California Statewide Communities Development Authority this August 5, 2021.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of said Authority at a duly called meeting of the Commission of said Authority held in accordance with law on August 5, 2021.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
2nd & B Apartments	City of Oxnard, County of Ventura	56	New Construction	Community Development Partners	\$22,000,000
Gerald Ford Apartments	City of Palm Desert, County of Riverside	149	New Construction	Western National Group	\$55,000,000
The Meadows Seniors Apartments	City of Lake Forest, County of Orange	65	New Construction	C&C Development Co., LLC	\$24,000,000
Lynx Family Housing	City of Irvine, County of Orange	144	New Construction	Lynx Family Housing Partners, L.P.	\$55,000,000
Centennial Square Apartments	City of Santa Maria, County of Santa Barbara	184	New Construction	Centennial Square Apartments, LP	\$60,000,000



Agenda Item No. 5a

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Front Porch Communities and Services

PURPOSE: Authorize the Issuance of Bonds for Financing and Refinancing the Acquisition, Construction, Renovation, Equipping and Furnishing of Senior Living Communities located throughout California

AMOUNT: Not to Exceed \$450,000,000

EXECUTIVE SUMMARY:

Front Porch Communities and Services, a 501c3 nonprofit organization (“Front Porch”), has requested that CSCDA issue revenue bonds in an amount not to exceed \$450,000,000 (the “Bonds”) for financing and refinancing the acquisition, construction, improvement, equipping and furnishing of senior living communities located throughout California (collectively, the “Project”).

PROJECT ANALYSIS:

About Front Porch Communities and Services:

Front Porch Communities and Services (“Front Porch”) along with its affiliate, Covia Communities, own and operates market rate senior housing communities, throughout California and with locations in Louisiana and Florida. These communities include continuing care retirement communities, some of which have been in operation for more than 100 years, monthly rental communities, and affordable communities. Front Porch serves a variety of income levels and offers options for a full continuum of care. Currently providing services to more than 4,000 residents, Front Porch’s mission is “To empower individuals to live connected and fulfilled lives through community and innovation.”

Front Porch and its subsidiaries employ more than 2,900 staff in the various Front Porch communities. CARING Housing Ministries along with Covia Affordable Housing, wholly owned subsidiaries of Front Porch, develops, owns and manages affordable housing for more than 3,400 people, including seniors, families and children, who are economically, physically, mentally or developmentally challenged. Each year, Front Porch provides services to residents with limited means and benefits to the broader community.

About the Project:

Approximately \$350 million of Project bond proceeds will be used to refinance outstanding bonds as part of Front Porch’s affiliation with Covia Communities. This will allow the consolidation of the debt from two organizations to one.

Public Agency Approval:

TEFRA Hearings: City of Anaheim – May 18, 2021 – unanimous approval
City of Claremont – May 11, 2021 – unanimous approval
County of Monterey – July 20, 2021 – unanimous approval
City of Oakland – May 25, 2021 – unanimous approval
County of San Diego – July 13, 2021 – unanimous approval
City and County of San Francisco – July 20, 2021 – unanimous approval
County of Santa Clara – June 4, 2021 – unanimous approval
County of Sonoma – July 13, 2021 – unanimous approval

Public Benefit:

- The benefits of the proposed bonds will accrue to the current residents of their communities through: 1) lower interest cost on outstanding fixed rate debt; 2) a more stable capital structure by refunding outstanding variable rate debt to a long term, fixed interest rate; and 3) funding projects that will help sustain and improve Front Porch’s operations and its affiliation with Covia Communities.
- Front Porch and its subsidiaries employ more than 3,000 employees in the various Front Porch communities, predominantly in California.
- Medi-Cal and Medicare Acceptance – Approximately half of the people served at Front Porch and its subsidiaries receive financial assistance through federal or state government programs, including Medicare and Medi-Cal.
- Volunteerism – Residents have volunteered more than 16,000 hours outside their Front Porch community and more than 75,000 hours to their Front Porch community since the inception of the programs.
- Housing and Health Care Resources – Front Porch serves more than 3,000 people each day by providing a warm and friendly place to live along with personal care for many residents in their independent living, assisted living and care center communities.

Sources and Uses:

Sources of Funds:

Bond Proceeds:	\$ 318,500,000.00
Premium:	\$ 38,518,054.35
Equity Payoff – Kingsley Manor	<u>\$ 10,517,000.00</u>
Total Sources:	\$ 367,535,054.35

Uses of Funds:

Project Fund:	\$ 15,000,000.00
Refunded Bonds:	\$ 247,789,141.55
SLGS Purchase:	\$ 96,751,245.00
Costs of Issuance:	\$ 7,962,500.00
Additional Proceeds:	\$ <u>32,167.80</u>
Total Uses:	\$ 367,535,054.35

Finance Partners:

Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP, Sacramento
Authority Counsel:	Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter:	Bank of America Merrill Lynch, San Francisco

Finance Terms:

Anticipated Rating:	A (Fitch)
Term:	30 years at a fixed interest rate
Method of Sale:	Public Offering
Estimated Closing:	September 9, 2021

CSCDA Policy Compliance:

The financing complies with CSCDA's general and issuance policies.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends that the Commission adopt the resolution, which:

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

Documents:

https://www.dropbox.com/sh/b85joukzzk2r4qd/AADVEmd_lJxvAeoprXQrAzdia?dl=0



Agenda Item No. 5b

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Santee Senior Retirement Communities LLC (Lantern Crest Senior Living)

PURPOSE: Authorize the Issuance of commercial PACE Bonds.

AMOUNT: Not to Exceed \$4,000,000

EXECUTIVE SUMMARY:

The proposed commercial PACE financing is for a to-be-built expansion of an assisted living and memory care retirement community. The existing 80-unit facility was built in 2012. The addition will be comprised of a 3-story apartment building featuring 46 assisted living studios, 2 duplexes and 4 independent living villas.

PACE will be used for eligible measures including, but not limited to, energy efficient lighting, windows, water conservation measures and seismic mitigation.

PROJECT ANALYSIS:

About Santee Senior Retirement Communities (SSRC):

SSRC was formed in 2000 by the Grant Companies when the CEO was unable to find a retirement community in Santee for his mother-in-law. As a real estate developer, the Grant Companies bought a significant amount of acreage in Santee, rezoned the land and received approval to build 450 units. The development is being phased out to mitigate construction and lease-up risk.

Public Agency Approval:

TEFRA approval is not required as the financing falls into the category of PACE and not tax-exempt private activity bonds. The City of Santee approved CSCDA levying assessments under PACE on May 8, 2019.

Public Benefit:

The financing will provide energy savings/conservation and seismic safety mechanisms as intended under the PACE statute.

Estimated Sources and Uses:

Sources of Funds:

Bonds:	\$ 3,300,000.00
Total Sources:	\$ 3,300,000.00

Uses of Funds:

Project Fund:	\$ 3,184,250.00
Capitalized Interest:	\$ 10,000.00
Costs of Issuance:	\$ 105,750.00
Total Uses:	\$ 3,300,000.00

Finance Partners:

Bond Counsel:	Jones Hall PLC, San Francisco
C-PACE Provider:	Rockwood Group, St. Louis
Private Placement Purchaser:	Live Oak Bank, Wilmington, North Carolina

Method of Sale:

Anticipated Rating:	Unrated
Term:	10 years at a fixed interest rate
Structure:	Private Placement
Estimated Closing:	August 26, 2021

CSCDA Policy Compliance:

The financing complies with CSCDA's general, issuance and PACE policies.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends that the Commission adopt the resolution, which:

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

Documents: https://www.dropbox.com/sh/p77s99ol8mlixpt/AABY6EhlH_3pQDCQiRqfzVZ2a?dl=0



Agenda Item No. 6

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Atwell (City of Banning) – Community Facilities District (CFD)

PURPOSE: Proceedings related to California Statewide Communities Development Authority Community Facilities District No. 2020-02, Improvement Area No. 2 (Atwell), City of Banning, County of Riverside, State of California

EXECUTIVE SUMMARY:

- On June 17, 2021 the Commission approved annexing the territory in the Atwell Community Facilities District (CFD) located in Banning, California (the “City”), and designating it as Improvement Area No. 2.
- CSCDA issued \$18,000,000 for the first series of CFD bonds for the Atwell project on March 4, 2021 designated as Improvement Area No. 1. Improvement Area No. 2 will be a continuation of financing public facilities and services as outlined below.
- On July 1, 2021 the Commission conducted the second reading and adoption of the ordinance for Improvement Area No. 2.
- The CFD is being formed to finance public facilities and maintenance as outlined below.

Today is the public hearing for the Atwell CFD.

The approval of the financing will be brought back to the Commission when bonds are ready to be issued.

BACKGROUND:

TriPointe Homes, formerly Pardee Homes, has an approved master planned community in the City of Banning that will create up to 4,862 single and multifamily residential developments, with neighborhood and community parks, trails, a community center, and 2 elementary school sites. The financing will include the following improvements, fees and maintenance:

Public Capital Improvements:

- a. Public Streets, Freeway Interchange and other related improvements within public right of way
- b. Potable and Non-Potable Water Facilities

- c. Sewer Facilities
- d. Dry Utilities
- e. Public Parks, Park and Ride Lots, Community Center, Open Space and Landscaping
- f. Storm Water Drainage, Retention and Detention Facilities
- g. Fire Facilities, Police Facilities and other Government Facilities

City of Banning Development Impact Fees:

- a. Fire Facilities
- b. Police Facilities
- c. Traffic Control Facilities
- d. General Plan
- e. Park Land Development
- f. General City Facilities
- g. Energy Conservation
- h. New Electrical Service
- i. Water Connection
- j. Water Meter
- k. Sewer/Wastewater Connection
- l. Any other Capital Improvement, Development Impact, Mitigation, Capacity or Connection Fees and Charges

Maintenance:

The types of services authorized to be financed are police protection services, fire protection and suppression services, ambulance and paramedic services, lighting of parks, parkways, streets, traffic signals, roads and open space, flood and storm protection and water quality improvement services.

The financing is estimated to not exceed \$30,000,000.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the following:

- 1. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter).
- 2. Consideration of the following resolutions with respect to formation of CFD No. 2020-02:
 - a. A Resolution Deeming It Necessary to Incur Bonded Indebtedness to Finance Certain Public Improvements and Certain Development Impact Fees within California Statewide Communities Development Authority Community Facilities District No. 2020-02, Improvement Area No. 2 (Atwell), City of Banning, County of Riverside, State of California.
 - b. Resolution Calling Special Mailed-Ballot Election within Improvement Area No. 2 of the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California
- 3. Conduct special election within Improvement Area No. 2.

4. Adopt a Resolution Declaring Results of Special Mailed-Ballot Election within Improvement Area No. 2 of the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), City of Banning, County of Riverside, State of California.

Documents: <https://www.dropbox.com/sh/0nirkdd4d98yzoy/AADPJtzNOFguJ8Qjio2Xuhoaa?dl=0>



Agenda Item No. 5

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE:

1. Conduct proceedings with respect to SCIP 2021B (hearing to be held at 2:00 p.m. or shortly thereafter)
2. Consideration of resolutions with respect to SCIP 2021B

BACKGROUND AND SUMMARY:

On June 17, 2021 the Commission approved the resolutions of intention for certain SCIP assessments and set the public hearing for today for the formation of the assessment districts as outlined below.

The Commission is being asked today to:

- a. Open consolidated Assessment District public hearing.
- b. Close consolidated Assessment District public hearing.
- c. Open assessment ballots of landowners within the Assessment Districts and announce results.
- d. Consideration of resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.
- e. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
- f. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$24,306,661.53 of SCIP Revenue Bonds, Series 2021B and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

FORMATION OF DISTRICTS:

The assessment districts are being formed for the purpose of financing certain improvements and/or development impact fees as further described in the related engineer's reports for such projects. Depending on market conditions and development status of each of the projects, such assessment and community facilities districts will be included in one or more pooled or standalone bond issuances for SCIP.

THE FINANCING:

The Series 2021B pooled SCIP revenue bonds will be issued to acquire certain limited obligation bonds issued for certain assessment districts, as described in the table below. The total anticipated financing for SCIP 2021B is expected to not exceed \$24,306,661.53 for the following projects:

Local Agency	Project	Developer	Land Use	Land Use Type	Units	Estimated Par Amount
Gardena, City of	Walnut Place	G3Urban	Townhomes	Residential	52	574,000
Anaheim, City of	Emerald Pointe	Lennar Homes of California, Inc.	Townhomes	Residential	115	723,000
Anaheim, City of	Townes at Magnolia	Melia Homes, Inc.	Townhomes	Residential	59	448,000
Hesperia, City of	Topaz	D.R. Horton Los Angeles Holding Company, Inc.	Single-Family	Residential	91	1,043,000
Yucaipa, City of	Peppertree Heights	Pacific Horizon Builders	Single-Family	Residential	22	470,000
San Diego, City of	Corallina	Shea Homes, LP	Townhomes	Residential	85	1,270,000
Manteca, City of	Cerri (Units 3, 4, & 5)	Meritage Homes of California, Inc.	Single-Family	Residential	372	6,990,000
Manteca, City of	North Main Commons	Taylor Builders	Single-Family	Residential	154	3,288,000
Manteca, City of	Freestone	Kiper Development, Inc.	Single-Family	Residential	60	1,541,000
Petaluma, City of	Casa Grande	DeNova Homes	Single-Family	Residential	36	1,389,000
Yuba City, City of	Hooper Ranch Estates	Riverland Homes, Inc.	Single-Family	Residential	21	571,000
Yuba, County of	Orchard 124	LGI Homes - California, LLC	Single-Family	Residential	124	3,058,000
Total	12 Projects				1,191	\$21,365,000

Inclusion of the foregoing assessment districts in the SCIP 2021B pool is dependent upon market and development conditions for each assessment district, and certain of such assessment districts may be removed from the pool with the advice of the underwriter and bond counsel.

ESTIMATED SOURCES & USES:

Sources:

Bond Proceeds	\$21,365,000
Premium	<u>\$ 2,371,530</u>
	\$23,736,530

Uses:

Project Fund	\$19,967,539
Capitalized Interest	\$ 823,739
Debt Service Reserve Fund	\$ 1,261,000
Cost of Issuance	\$ 1,150,127
Underwriter Discount	<u>\$ 534,125</u>
	\$23,736,530

Pursuant to Section 5852.1 of the California Government Code, the Authority has received certain representations and good faith estimates from RBC Capital Markets, as the underwriter of the California Statewide Communities Development Authority Statewide Community Infrastructure Program Revenue Bonds, Series 2021B and has disclosed such good faith estimates as follows:

1. TIC: 3.348%
2. Sum of all fees and charges paid to third parties: \$1,684,252
3. Net Proceeds: \$19,967,539
4. Total Net Debt Service +Annual Fees: \$37,304,339

RECOMMENDED ACTION:

CSCDA's Executive Director recommends that the Commission take the following actions:

1. Conduct the proceedings for SCIP 2021B.
2. Approve the resolution approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amount of unpaid assessments and directing related actions in relation to the Assessment Districts.
3. Approve the resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.
4. Approve the resolution authorizing the issuance, sale and delivery of not to exceed \$24,306,661.53 of SCIP Revenue Bonds, Series 2021B and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

Documents:

<https://www.dropbox.com/sh/b7go29yhmzlgq6t/AACbbzx1ifoUb47VqALKMEkPa?dl=0>



Agenda Item No. 8

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of a Joint Exercise of Powers Agreement between CSCDA and the West County Wastewater District

EXECUTIVE SUMMARY:

The West County Wastewater District (“the District”) located in the City of Richmond has requested that CSCDA enter into a new joint exercise of powers agreement, creating the West County Facilities Financing Authority, to assist with the financing and refinancing of capital improvement projects for the District.

BACKGROUND & SUMMARY:

Bonds will be issued (i) to provide funds of approximately \$90 million for the design, acquisition, construction, installation and equipping of certain energy efficiency and improvements to certain lift stations and the gravity sewer (the “Project”) to the District’s wastewater enterprise. In light of the currently low interest rate environment, a bond financing is being contemplated and the bonds will be issued by a joint powers authority. In order to form a joint powers authority, the District needed to find an eligible public entity to be the counterparty to a joint exercise of powers agreement.

- After approval by District Board and the CSCDA Commission, the District and CSCDA will enter into the Joint Powers Agreement to form the West County Facilities Financing Authority (the “Authority”). CSCDA will have no other role in the proposed bond financing.
- The governing board of the Authority will consist of the members of the District Board. The administration and operation of the Authority will be provided by District staff.
- CSCDA will be the only other member to the Authority. Standard limitations on liability and indemnification are contained in the Joint Exercise of Powers Agreement between the District and CSCDA.

- CSCDA has previously entered into similar joint powers agreements to assist the San Bruno Park School District, Cameron Park Community Services District, San Dieguito Union High School District, Alameda County Flood Control and Water Conservation District, Zone 7, City of Orange, Mountain House Community Services District and the City of Martinez, in connection with similar financings.
- CSCDA will charge the District its standard fee of \$10,000 for the arrangement, payable from bond proceeds upon the issuance of the proposed bonds.
- Best, Best & Krieger is serving as bond counsel. CSCDA's General Counsel has reviewed the Joint Exercise of Powers Agreement and approves of its form and content.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends that the Commission approve the resolution (Attachment A) to authorize CSCDA to enter into the joint exercise of powers agreement by and between CSCDA and the West County Wastewater District.

Joint Exercise of Powers Agreement:

https://www.dropbox.com/sh/t7ufcij0fgdmmjg/AABHriq1BB_pZJzCmDi85-xTa?dl=0



Agenda Item No. 10

Agenda Report

DATE: August 5, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of Urban Ingenuity Finance as a commercial Open PACE Program Administrator.

EXECUTIVE SUMMARY:

CSCDA received a proposal from Urban Ingenuity to become a commercial PACE only program administrator under the CSCDA Open PACE program.

The Economic, Innovation and Sustainability Committee reviewed and approved recommended to the Commission approving Urban Ingenuity.

OVERVIEW:

Urban Ingenuity

- Urban Ingenuity provides innovative solutions to develop and finance advanced energy projects, building retrofits, and state of the art clean energy infrastructure.
- With special expertise in PACE financing and other tools of public and private financing, Urban Ingenuity brings new capital resources to support deep energy efficiency retrofits of commercial and multi-family buildings, and to support project development of clean-energy micro-grids, co-generation facilities, and solar installations.
- Urban Ingenuity is the program administrator for the DC PACE program, and has created innovative PACE solutions for nonprofits and multifamily housing.

Urban Ingenuity exceeds all of the CSCDA Program Administrator requirements as outlined below:

1. Program administration contract with CSCDA;

2. Exclusively offer C-PACE through CSCDA only in California;
3. Minimum of \$25MM in capital available for financing C-PACE loans. Availability of capital needs to be evidenced by a capital commitment letter or letter of intent; ***Urban Ingenuity has a commitment from a capital provider for \$125 million to fund CPACE projects.***
4. Minimum transaction size \$2MM;
5. C-PACE finance team established including bond counsel, assessment engineer and trustee;
6. Minimum 2 years of C-PACE or similar financing experience; ***The Urban Ingenuity team has over 10+ years' experience in CPACE.***
7. Ability to manage delinquency of assessments.
8. Upon Commission approval of program handbook and documents, individual C-PACE transactions do not need to be approved by the CSCDA Commission.

Urban Ingenuity has agreed to the terms and conditions of the CSCDA Program Administration Agreement.

RECOMMENDED ACTION:

Recommend the approval of Urban Ingenuity as a new commercial Open PACE Program Administrator, and approve the agreement for services.

Documents: <https://www.dropbox.com/sh/il0nsba4w52g7nq/AAAu0qJpoX9TtKHb2ddi8vF4a?dl=0>



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

Agenda Item No. 9

Agenda Report

DATE: August 5, 2021
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
SUBJECT: Consideration of Sponsorships for the California City Management Foundation (CCMF)

BACKGROUND:

CSCDA has been a Foundation Circle sponsor of CCMF since 2015 in the amount of \$10,000 per year. The sponsorship includes social media promotion via CCMF, six guests at the CCMF dinner at the annual City Managers Conference and recognition on the CCMF website.

In 2020, CSCDA lowered its sponsorship level to the Benefactor level in the amount of \$3,000 due to many of the sponsorship benefits not being available due to COVID.

RECOMMENDATION:

It is recommended that CSCDA move back to a Foundation Circle sponsor for CCMF in the amount of \$10,000 due to the sponsorship benefits being offered in 2021-22.



Agenda Item No. 11

Agenda Report

DATE: August 5, 2021
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: 2020-21 Financials and Bank Account Activity

CSCDA's bank account activity and budget to actual figures for FY 2020-21 are provided on the attached financial reports.

FY 2020-21 BUDGET REPORT:

The budget report provides FY 2019-20 actual figures for CSCDA, 2020-21 budget information, and actual figures through June 30, 2021. The variances represent 2020-21 budget figures compared to actual amounts received or disbursed through June 30, 2021. A variance of 100% reflects that the amount was on target for the fiscal year while variances below 100% were below budget and variances above 100% were above budget.

1. **Issuance Fee Receipts** - Issuance fees received were \$7.3 million which represented 160% of the annual budget, or \$2.75 million over the annual budget amount.
 - **Qualified 501(c)(3)** issuance fees were at 158% of the amount budgeted for the fiscal year and over budget by about \$145 thousand.
 - **Affordable Housing** was below budget at 71% of the amount budgeted for the fiscal year, representing \$287 thousand below the annual budget amount, reflecting the continuing difficulty in obtaining bond allocation from the State.
 - **PACE** generated \$4 million in fees representing 200% of the amount budgeted for the year. The increase is primarily due to the success of CSCDA's C-PACE projects and is expected to continue.
 - **SCIP/CFD** issuance fees were at 165% of the amount budgeted for the year and exceeded the annual budget amount by approximately \$800 thousand. This includes the closing of SCIP Series 2020-A which was delayed from FY 2020.
 - **Other Municipal Bond Programs** are at 112% of the annual budget amount and \$6 thousand over the annual amount budgeted.
2. **Bond Administrative Fee Receipts** - Bond administrative fee collections were \$9.4 million for 2020-21, or 97.4% of the amount budgeted for the year.
3. **Issuance Fee Disbursements** - Issuance fee disbursements were \$7.2 million representing 158% of the amount budgeted for the year.
4. **Bond Administration Fee Disbursements** - Bond Administration Fee Disbursements were \$9.074 million at 98% of the amount budgeted for the year, which reflects a normal delay in disbursements over the fiscal year.

5. **General Administrative** - General Administrative disbursements equal to \$482 thousand were made representing 113% of the annual budget. General Counsel expenses were at 441% of the amount budgeted and significantly higher than expected due to PACE and other unexpected litigation matters. General Counsel and Staff are in the process of establishing and funding a PACE litigation reserve fund to address a portion of the increased general counsel expenses.

BANK ACCOUNT ACTIVITY:

CSCDA's fee collections are disbursed monthly after funding the professional services and operations accounts. Receipts, disbursements and balances as of June 30, 2021 in the two accounts are provided below.

1. **Professional Services Account**

- Deposits of \$470 thousand and disbursements of \$505 thousand have been made through the fiscal year.
- The beginning balance on July 1, 2020 was \$147 thousand, less \$34 thousand in disbursements over receipts equates to an ending balance as of June 30, 2021 of \$113 thousand.

2. **Operations Account**

- The balance as of July 1, 2020 was \$312 thousand. The \$312 thousand was returned to the League and CSAC as they originally provided the funds for the Operations Account. The Account was replenished with excess CDLAC deposit amounts of \$213 thousand and the June 30, 2021 balance remains to be \$213 thousand.

SUMMARY AND QUESTIONS

CSCDA staff and League accounting personnel are available to respond to any questions the Commissioners may have about the attached FY 2020-21 financial reports.

CSCDA
Budget-to-Actual Comparison for the Twelve Months Ended June 30, 2021

	Actual 2019-20	Budget 2020-21	YTD 2020-21	Variance 2020-21
Amounts collected				
Issuance fees				
Qualified 501 (c)(3)	211,734	250,000	395,850	158.34%
Qualified residential rental program	1,880,209	1,000,000	712,396	71.24%
PACE	2,202,063	2,000,000	3,989,522	199.48%
SCIP / Mello Roos	984,800	1,250,000	2,056,950	164.56%
Other municipal bond programs	43,750	50,000	56,041	112.08%
Investment income	36,138	0	97,636	
Total issuance fees	5,358,694	4,550,000	7,308,395	160.62%
Bond administrative fees				
Qualified 501 (c)(3)	1,894,047	1,800,000	1,735,826	96.43%
Qualified residential rental program	6,997,108	7,000,000	6,962,392	99.46%
SCIP / Mello Roos	495,432	550,000	591,738	107.59%
Other municipal bond programs	320,083	350,000	233,376	66.68%
Investment income	300,817	0	(75,180)	
Total bond administrative fees	10,007,486	9,700,000	9,448,153	97.40%
Total amounts collected	15,366,180	14,250,000	16,756,548	117.59%
Amounts disbursed				
Issuance				
Program management fees - BSP	2,741,454	2,350,000	3,513,607	149.52%
Program governance fees - CSAC	1,290,551	1,100,000	1,848,577	168.05%
Program governance fees - League	1,290,551	1,100,000	1,848,577	168.05%
Total issuance	5,322,556	4,550,000	7,210,760	158.48%
Bond administration				
Program administration fees - BSP	948,413	895,000	1,033,726	115.50%
Compliance/portfolio monitoring fees - BSP	461,005	450,000	502,555	111.68%
Prior administration fees - HB Capital	4,316,673	4,285,000	4,012,144	93.63%
Program governance fees - CSAC	1,667,804	1,735,000	1,670,427	96.28%
Program governance fees - League	1,667,804	1,735,000	1,670,427	96.28%
Compliance fees - Urban Futures	184,800	175,000	184,800	105.60%
Total bond administration	9,246,499	9,275,000	9,074,079	97.83%
Subtotal Issuance & Bond Administration	14,569,055	13,825,000	16,284,840	117.79%

CSCDA
Budget-to-Actual Comparison for the Twelve Months Ended June 30, 2021

	Actual 2019-20	Budget 2020-21	YTD 2020-21	Variance 2020-21
General administrative				
Executive Director	62,543	72,000	60,750	84.38%
General Counsel - Richards Watson Gershon	52,646	50,000	220,879	441.76%
Insurance	26,922	30,000	28,768	95.89%
Board travel reimbursements	1,759	2,000	15	0.75%
Issuer counsel - Orrick	100,000	100,000	100,000	100.00%
Auditor - MUN CPAs	15,900	20,000	15,900	79.50%
Other professional services	0	5,000	4,812	96.25%
BSP municipal advisor fee	24,000	24,000	24,000	100.00%
Bank service fees	6,300	7,000	6,300	90.00%
Marketing and Sponsorships	63,169	65,000	14,940	22.98%
Annual meeting	41,884	45,000	4,402	9.78%
Other	2,842	5,000	1,700	34.00%
Total general administrative	<u>397,964</u>	<u>425,000</u>	<u>482,467</u>	<u>113.52%</u>
Total amounts disbursed	<u>14,967,019</u>	<u>14,250,000</u>	<u>16,767,306</u>	<u>117.67%</u>
Net surplus (deficit)	<u>399,161</u>	<u>(0)</u>	<u>(10,758)</u>	

CSCDA
Bank Account Activity
For the Twelve Months Ended June 30, 2021

	Beg Bal	Add:	Less:	End Bal
	06/30/20	Deposits	Disbursements	06/30/21
Bank account:				
Professional Services	147,798	470,929	(505,655)	113,072
Operations	312,083	213,271	(312,086)	213,267
	-----	-----	-----	-----
	459,881	684,199	(817,741)	326,339
	=====	=====	=====	=====