



REGULAR MEETING AGENDA
September 16, 2021
at 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.

<input type="checkbox"/> Kevin O'Rourke, Chair	<input type="checkbox"/> Brian Stiger, Member
<input type="checkbox"/> Tim Snellings, Vice Chair	<input type="checkbox"/> Marcia Raines, Member
<input type="checkbox"/> Brian Moura, Secretary	<input type="checkbox"/> Niroop Srivatsa, Alt. Member
<input type="checkbox"/> Jordan Kaufman, Treasurer	
<input type="checkbox"/> Dan Mierzwa, Member	
2. Consideration of the Minutes of the September 2, 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. CHF Irvine, LLC (University of California, Irvine), City of Irvine, County of Orange, issue up to \$225,000,000 in nonprofit revenue bonds.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2021 at ___: ___m, Signed _____. Please email signed page to info@cscda.org

- b. Broadway 1 Preservation LP (Broadway Apartments), City of El Cajon, County of San Diego, issue up to \$60,000,000.00 in multi-family housing revenue bonds.
- 6. Conduct second reading of and adopt “Ordinance Levying a Special Tax for Fiscal Year 2021-2022 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California”.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, September 23, 2021 at 2:00 p.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

1. Consideration of California Housing Consortium membership.

September 16, 2021



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MINUTES

REGULAR MEETING AGENDA

September 2, 2021

2:00 pm

Commission Vice Chair Tim Snellings called the meeting to order at 2:01 pm.

1. Roll Call.

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

Others participating via teleconference: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Sendy Young, CSAC Finance Corporation; Tricia Ortiz, Richards Watson & Gershon; and Patricia Eichar, Orrick, Herrington & Sutcliffe.

2. Consideration of the Minutes of August 19, 2021 and August 26, 2021 Regular Meetings.

The Commission approved the August 19, 2021 and August 26, 2021 Regular Meetings minutes.

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

3. Consideration of the Consent Calendar.

The Commission approved the Consent Calendar.

1. Consideration of resolution authorizing hand billing for the CSCDA Open PACE program.

Staff will bring back this item to the Commission if an issue with Disabled Veterans' billing occurs.

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

4. Public Comment.

There was no public comment.

5. Community Facilities District No. 2021-02 (Citro) (“CFD No. 2021-02”)

- a. Conduct public hearing (hearing to be held at 2 p.m. or shortly thereafter):
 - i. Open CFD No. 2021-02 Public Hearing.
 - ii. Close CFD No. 2021-02 Public Hearing.

Commission Vice Chair Snellings opened the public hearing with respect to Facilities District No. 2021-02. There were no oral or written comments from the public. The hearing was closed.

Motion to close hearing by N. Srivatsa. Second by B. Moura. Unanimously approved by roll-call vote.

- b. Consideration of the following resolutions with respect to formation of CFD No. 2021-02:
 - i. Resolution of formation establishing CFD No. 2021-02 providing for the levy of a special tax to finance certain public improvements and certain development impact fees.

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

- ii. Resolution deeming it necessary to incur bonded indebtedness to finance certain public improvements and development impact fees to mitigate the impacts of development within CFD No. 2021-02.

Motion to approve by M. Raines. Second by J. Kaufman. Unanimously approved by roll-call vote.

- iii. Resolution calling special mailed-ballot election within CFD No. 2021-02.

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

- c. Conduct special election within CFD No. 2021-02.
- d. Consider resolution declaring result of special mailed-ballot election within CFD No. 2021-02.

All ballots have been cast in favor of formation of the district, and no ballots have been cast opposed. The assessment districts are being formed for the purpose of financing certain improvements and/or development impact fees.

- e. Conduct first reading of “Ordinance Levying a Special Tax for Fiscal Year 2021-2022 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California”.

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

6. Consideration of a Joint Exercise of Powers Agreement between CSCDA and the City of Dublin.

Executive Director Barna reported that the City of Dublin has requested that CSCDA enter into a new joint exercise of powers agreement, creating the Dublin Financing Authority, to assist with the financing and refinancing of capital improvement projects of, and to finance working capital. CSCDA’s Executive Director recommends that the Commission approve the resolution to authorize CSCDA to enter into the joint exercise of powers agreement by and between CSCDA and the City of Dublin.

Motion to approve by J. Kaufman. Second by M. Raines. Unanimously approved by roll-call vote.

7. Executive Director Update.

Executive Director Barna informed the Commission that she will be attending both the League of Cities and CSAC FC Annual meetings in September.

Commission Chair O’Rourke asked staff to report back, to the Commission, the impact of SB 9 on CSCDA at a later date. He also encouraged the Commission to share the announcement of CSCDA scholarships.

8. Staff Update.

Staff had no update.

9. Adjourn.

The meeting was adjourned at 2:16 p.m.

Submitted by: Sindy Young, CSAC Finance Corporation

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



Agenda Item No. 3

Agenda Report

DATE: September 16, 2021
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consent Calendar

SUMMARY:

1. Consideration of membership to California Housing Consortium (CHC)

CSCDA is currently a member to CHC. CHC represents the affordable housing community in Sacramento. The membership grants CSCDA access to policy forums, advocacy and annual conferences. The membership fee is \$2,500. Recommend approval.



Agenda Item No. 5a

Agenda Report

DATE: September 16, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: University of California, Irvine - East Campus Apartments

PURPOSE: Authorize the Issuance of Bonds to Finance the Acquisition, Construction, Expansion, Improvement, Renovation, Furnishing and Equipping of Student Housing and Related Facilities located in the City of Irvine, County of Orange

AMOUNT: Not to Exceed \$225,000,000

EXECUTIVE SUMMARY:

CHF Irvine, LLC (“CHF Irvine”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$225,000,000 (the “Bonds”) to finance the acquisition, construction, improvement and equipping of student housing facilities located at the University of California, Irvine (the “Project”).

PROJECT ANALYSIS:

About CHF Irvine:

CHF Irvine is a limited liability company organized in 2004 for the purpose of assisting the University of California, Irvine to provide housing for its students. CHF Irvine’s sole member is Collegiate Housing Foundation (the “Foundation”), a non-profit corporation. The Foundation was organized in 1996 exclusively for charitable and educational purposes, including assisting its member colleges and universities in providing housing for their enrolled students and faculty and otherwise assisting its member colleges and universities in furtherance of their educational missions. The membership of the Foundation is comprised of those colleges and universities assisted by the Foundation, including the University of California.

About the Project:

The Project is comprised of Phase IV-B of the East Campus Apartments, owned and operated by CHF Irvine. The housing facilities are located in the City of Irvine on the campus of the University of California, Irvine (the “University”). CSCDA previously issued bonds for the prior project phases of the East Campus Apartments in 2004, 2006, 2008, 2011, 2016, and 2017. Phase IV-B is

the second phase in a two phased development in one large community located on the University campus. The Project will deliver a total of 279 units and 1,071 beds in four buildings on the 4.8-acre site. The buildings will range from 42 units (162 beds) to 119 units (446 beds) and will be five stories tall. Each of the buildings would have a central area featuring a lobby, social lounge, study room, laundry facility, and covered, secured bicycle storage. Additionally, each building will feature a fifth-floor lounge and gathering space that would be used for events and Resident Advisor programming. The Bonds will also be used to refinance CSCDA's outstanding 2011 bonds, issued to finance an earlier phase of student housing on the UC Irvine campus. The refinancing is expected to produce gross cash flow savings of \$23 million and net present value savings of \$18 million.

Public Agency Approval:

TEFRA Hearing: Scheduled for September 14, 2021. CSCDA staff will report on the outcome of the TEFRA hearing at the CSCDA Commission meeting.

Public Benefit:

CHF Irvine provides housing to help the University accomplish its educational purpose by, among other benefits, providing safe and well-maintained on-campus housing to students that is affordable relative to alternatives in the surrounding community. CHF Irvine currently provides high-quality student housing at competitive rental rates at its existing housing facilities. Phase IV-B will provide additional critical housing units for the University's growing student population.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 188,260,000
Premium:	\$ 30,571,888
2011 Reserve Transfers:	<u>\$ 9,644,182</u>
Total Sources:	\$ 228,476,070

Uses of Funds:

Project Fund:	\$ 122,507,465
Refunding Escrow Deposits:	\$ 78,546,693
Reserves:	\$ 13,045,825
Capitalized Interest:	\$ 12,125,630
U/W Discount/Costs of Issuance:	<u>\$ 2,250,457</u>
Total Uses:	\$ 228,476,070

Finance Partners:

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

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

Underwriter: Jefferies, New York

Finance Terms:

Anticipated Rating: Baa1 (Moody's) – equivalent to BBB+
Term: 35 years at a fixed interest rate
Method of Sale: Public offering
Estimated Closing: October 19, 2021

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

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.

ATTACHMENT A

RESOLUTION NO. ____-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF REVENUE BONDS IN A PRINCIPAL AMOUNT NOT TO EXCEED \$225,000,000 TO FINANCE AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, FURNISHING AND EQUIPPING OF STUDENT HOUSING AND RELATED FACILITIES AT THE UNIVERSITY OF CALIFORNIA, IRVINE FOR CHF-IRVINE, L.L.C. AND OTHER MATTERS RELATING THERETO

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

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

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

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

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

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

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

WHEREAS, CHF-Irvine, L.L.C., an Alabama limited liability company (the “Borrower”) whose sole member is a non-profit corporation organized and existing under the laws of the State of Alabama, wishes to finance the acquisition, construction, improvement, furnishing and equipping of student housing facilities, and other related and appurtenant facilities (the “Project”), owned by the Borrower and/or The Regents of the University of California and operated by ACC SC Management (California), LP (the “Operator”) and located in the City at the University of California, Irvine (the “University”);

WHEREAS, the Borrower also wishes to refinance the acquisition, construction, expansion, improvement, renovation, furnishing and equipping of student housing facilities and other related and appurtenant facilities (the “2011 Project”), owned by the Borrower and operated by the Operator and located in the City at the University;

WHEREAS, the Borrower is requesting the assistance of the Authority in financing the Project and refinancing the 2011 Project;

WHEREAS, pursuant to an Indenture of Trust, dated as of December 1, 2004, as previously supplemented and amended (the “Master Indenture”), and as supplemented by the Third Supplemental Indenture, dated as of December 1, 2011, between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), the Authority has issued bonds designated as the “California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding – CHF—Irvine, L.L.C.) Series 2011” (the “Prior Bonds”) for the purpose, among others, of financing the 2011 Project;

WHEREAS, pursuant to the Master Indenture, as supplemented and amended by that certain Sixth Supplemental Indenture, dated as of October 1, 2021 (the “Sixth Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), between the Authority and the Trustee, the Authority will issue bonds to be designated generally as the “California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B CHF-Irvine, L.L.C.) Series 2021”, in one or more series (the “Bonds”) for the purpose, among others, of financing the Project and refinancing the 2011 Project by refunding all of the outstanding Prior Bonds;

WHEREAS, pursuant to a loan agreement, dated as of December 1, 2004, as previously supplemented and amended (the “Master Loan Agreement”), and as supplemented and amended by one or more supplemental loan agreements, including the Sixth Supplemental Loan Agreement, dated as of October 1, 2021 (the “Sixth Supplemental Loan Agreement” and, together with the Master Loan Agreement, the “Loan Agreement”), between the Authority and the Borrower, the Authority will loan the proceeds of the Bonds to the Borrower for the purpose, among others, of financing the Project and refinancing the 2011 Project by refunding all of the outstanding Prior Bonds;

WHEREAS, pursuant to one or more Purchase Contracts, to be dated the date of sale of the Bonds (collectively, the “Purchase Contract”), among Jefferies LLC (the “Underwriter”), the Authority and the Borrower, the Bonds will be sold to the Underwriter and the proceeds of such sale will be used as set forth in the Sixth Supplemental Indenture to finance the Project, refinance the 2011 Project by refunding all of the outstanding Prior Bonds, and pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, the Bonds will be offered for sale to purchasers through one or more official statements (collectively, the “Official Statement”);

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

- (1) A proposed form of the Sixth Supplemental Indenture;
- (2) A proposed form of the Sixth Supplemental Loan Agreement;
- (3) A proposed form of the Purchase Contract; and
- (4) A proposed form of the Official Statement to be used by the Underwriter in connection with the offering and sale of the Bonds; and

WHEREAS, in compliance with Government Code Section 5852.1, the Authority has obtained from the Underwriter the required good faith estimates and such estimates are disclosed and set forth on Exhibit A attached hereto;

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

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds, designated generally as the “California Statewide Communities Development Authority Student Housing Revenue Bonds (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B CHF-Irvine, L.L.C.) Series 2021” in one or more series and in an aggregate principal amount not to exceed two hundred twenty-five million dollars (\$225,000,000), from time to time, with such other name or names of the Bonds or series thereof as designated in the Indenture pursuant to which the Bonds will be issued. The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in, the Indenture. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 20R-1 of the Authority adopted on January 23, 2020 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Sixth Supplemental Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Sixth Supplemental Indenture in substantially said form, with such changes and insertions therein as any member of the

Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Sixth Supplemental Indenture, as finally executed.

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

Section 4. The proposed form of Purchase Contract, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Contract, in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Official Statement, as made available to the Commissioners, is hereby approved. The Underwriter is hereby authorized to distribute the Official Statement in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form, in substantially the form of the preliminary Official Statement, to the purchasers of the Bonds.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. Orrick, Herrington & Sutcliffe LLP is hereby appointed as bond counsel in connection with the issuance of the Bonds.

Section 9. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 10. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the City has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, and has approved the issuance of the Bonds as may be required thereby and in accordance with Section 9 of the Agreement to provide financing for the Project and refinancing for the 2011 Project.

Section 11. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 16th day of September, 2021.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on September 16, 2021.

By: _____
Authorized Signatory
California Statewide Communities
Development Authority

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Statewide Communities Development Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its Commission (the "Commission") at which Meeting the Commission will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: CHF-Irvine, L.L.C.
2. Authority Meeting Date: September 16, 2021
3. Name of Obligations: Student Housing Revenue Bonds, (University of California, Irvine East Campus Apartments, Phase I Refunding and Phase IV-B CHF-Irvine, L.L.C.) Series 2021
4. Private Placement Lender or Bond Purchaser, X Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 2.905%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$2,250,456.51.
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$216,581,431.19.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$322,490,048.33.
5. The good faith estimates provided above were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board,

presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: September 16, 2021



Agenda Item No. 5b

Agenda Report

DATE: September 16, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Broadway Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of El Cajon, County of San Diego

AMOUNT: Not to Exceed \$60,000,000

EXECUTIVE SUMMARY:

Broadway Apartments (the “Project”) is an acquisition and rehabilitation of 213 units of rental housing located in the City of El Cajon. 100% of the units will remain rent restricted for low-income residents.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 140-unit affordable rental housing facilities located at 1562 East Main Street and 849 N. 3rd Street in the City of El Cajon.
- 21 two-story residential buildings, community center, and laundry rooms.
- Consists of 210 one-bedroom, two-bedroom and three-bedroom units and three manager’s units.

PROJECT ANALYSIS:

Background on Applicant:

For over 50 years, Security Properties (“SP”) has focused on multifamily investments and the stewardship of capital in a fiduciary capacity on behalf of thousands of private investors and numerous institutional investors. SP’s diverse portfolio of performing assets and its senior management team with an average of 29 years industry experience provide an uncommon level of multifamily expertise. Since its formation in 1969, SP and its partners have invested over \$1.8 billion of equity in multifamily real estate, representing a portfolio value of nearly \$7.2 billion. Today, the SP portfolio reflects interests in 123 assets encompassing over 25,000 multifamily housing units, making it one of the largest owners of residential real estate in the country. This is SP’s first financing with CSCDA.

Public Agency Approval:

TEFRA Hearing: August 10, 2021 – City of El Cajon – unanimous approval

CDLAC Approval: April 28, 2021

Public Benefits:

- 100% of the total units will be rent restricted for 55 years.
 - 11% (23 units) restricted to 30% or less of area median income households.
 - 11% (23 units) restricted to 50% or less of area median income households.
 - 78% (164 units) restricted to 60% or less of area median income households.
 - Three manager's units.
- The Project is in walking distance to parks, recreational facilities, public schools, grocery stores and other retail establishments.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 47,380,000
Taxable Bonds:	\$ 8,039,000
Tax Credit Equity:	\$ 31,019,061
Deferred Developer Fee:	\$ 5,818,278
Total Sources:	\$ 92,256,339

Uses of Funds:

Acquisition:	\$ 57,417,589
Construction Costs:	\$ 16,439,555
Architecture & Engineering:	\$ 300,000
Capitalized Interest/Fees:	\$ 3,980,405
Reserves:	\$ 1,112,176
Developer Fee:	\$ 10,485,910
Costs of Issuance:	\$ 465,560
Soft Costs:	\$ 2,055,144
Total Uses:	\$ 92,256,339

Finance Partners:

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

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

Private Placement Purchaser: PNC Bank, N.A.

Finance Terms:

Rating:	Unrated
Term:	35 years
Method of Sale:	Private Placement
Estimated Closing:	October 5, 2021

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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.

ATTACHMENT A

RESOLUTION NO. 21H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE SERIES OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$60,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT GENERALLY KNOWN AS BROADWAY APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTE

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

WHEREAS, Broadway I Preservation LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”) has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Note (Broadway Apartments) 2021 Series S (the “Note”) to assist in the financing of the acquisition, rehabilitation and development of a multiphase multifamily housing rental development consisting of 161 units (including one manager’s unit) on Phase 1, and 52 units (including two manager’s units) on Phase 2, both located in the City of El Cajon, California, and collectively known or to be known as Broadway Apartments (the “Project”);

WHEREAS, on April 28, 2021, the Authority received an allocation in the amount of \$37,765,000 for Phase I and \$9,615,000 for Phase 2 (collectively, the “Allocation Amount”) of private activity volume cap from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of El Cajon (the “City”) is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Note;

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$60,000,000, provided that the portion of such Note executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project,

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

WHEREAS, the Note will be executed and delivered to PNC Bank, National Association, as initial funding lender (the “Funding Lender”) and initial holder of the Note, in accordance with the Authority’s private placement policy;

WHEREAS, the Federal Home Loan Mortgage Company, a shareholder-owned government-sponsored enterprise (“Freddie Mac”) has entered into an agreement with the Funding Lender whereby Freddie Mac has committed to facilitate the financing of the Project by purchasing the Funding Loan as evidenced by the Note from PNC Bank, National Association (the “Freddie Mac Seller/Servicer”), subject to such Freddie Mac Seller/Servicer’s purchase of the Funding Loan as evidenced by the Note from the Funding Lender subject to satisfaction of certain conditions as described in the Funding Loan Agreement (defined below);

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth in Exhibit A hereto;

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

(1) A proposed form of Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into among the Authority, Zions Bancorporation, National Association, as fiscal agent (the “Fiscal Agent”), and the Funding Lender with respect to the Note;

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

(3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) with respect to the Project to be entered into among the Authority, the Fiscal Agent and the Borrower.

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in one or more series. The Note shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Broadway Apartments) 2021 Series S” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$60,000,000; provided that the aggregate principal amount of any tax-exempt Note executed and

delivered shall not exceed the Allocation Amount. The Note shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and the Note shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Note shall be secured in accordance with the terms of the Funding Loan Agreement, as presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Note shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 20R-1 of the Authority, adopted on January 23, 2020 (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Authority is hereby authorized to execute and deliver the Note to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 7. The Note, when executed, shall be delivered to the Fiscal Agent for authentication. The Fiscal Agent is hereby requested and directed to authenticate the Note by executing the certificate of authentication of the Fiscal Agent appearing thereon, and to deliver the Note, when duly executed and authenticated, to or at the direction of the Funding Lender, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and

directed to execute and deliver such instructions to the Fiscal Agent. Such instructions shall provide for the delivery of the Note to or at the direction of the Funding Lender in accordance with the Funding Loan Agreement upon payment of the purchase price thereof.

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Note are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note, termination of regulatory agreement and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Note and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

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

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this September 16, 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 the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on September 16, 2021.

By _____
Authorized Signatory

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Statewide Communities Development Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its Commission (the "Commission") at which Meeting the Commission will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: Broadway 1 Preservation LP
2. Authority Meeting Date: 9/16/2021
3. Name of Obligations: Broadway Apartments
4. X Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A)] The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 3.14 %.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$ 426,420 .
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: \$46,953,580.
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$ 35,811,869 .]
5. The good faith estimates provided above were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, X

presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: September 10, 2021



Agenda Item No. 6

Agenda Report

DATE: September 16, 2021

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Citro (San Diego County)– Community Facilities District

PURPOSE: Conduct second reading of and adopt “Ordinance Levying a Special Tax for Fiscal Year 2021-2022 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California”.

EXECUTIVE SUMMARY:

The action requested today is the last step in the formation of the Citro Community Facilities District (CFD) located in the County of San Diego, California (the “County”). The CFD is being formed to finance public facilities and fees for the County and the Rainbow Municipal Water District. The County unanimously approved the formation of the CFD by CSCDA on March 17, 2021. The Rainbow Municipal Water District also approved the CFD formation by CSCDA on October 27, 2020.

BACKGROUND:

The proposed CFD will be formed to fund water and sewer connection fees, water and sewer onsite and offsite infrastructure costs, and costs associated with the relocation of SDG&E overhead utilities, all associated with the Citro residential development by tri pointe Homes in North San Diego County, adjacent to I-15.

Property within this proposed CFD will encompass approximately 844 residential units, including townhomes, paired homes, and single-family homes.

The financing is estimated to not exceed \$55,000,000 and will be brought back to the Commission for completion of the formation of the CFD, and for final approval of the bond issuance. Bonds will likely be issued in Q1 2022. Attachment A includes photos of current grading and a model home.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends conducting the second reading and adopt the following ordinance:

1. Ordinance Levying a Special Tax for Fiscal Year 2021-2022 and Following Fiscal Years Solely Within and Relating to California Statewide Communities Development Authority Community Facilities District No. 2021-02 (Citro), County of San Diego, State of California.

Documents: <https://www.dropbox.com/sh/h29xpr73yrttjzy/AAB3CLxXJuVZuiEYLowt4Jzca?dl=0>

Attachment A







CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



REGULAR MEETING AGENDA

September 16, 2021

2:00 p.m. or upon adjournment of the CSCDA Commission Meeting

Pursuant to Governor Newsom's Executive Order, Directors of the California Statewide Communities Development Corporation 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, President	_____ Brian Stiger, Member
_____ Tim Snellings, Vice President	_____ Marcia Raines, Member
_____ Brian Moura, Secretary	_____ Niroop Srivatsa, Alt. Member
_____ Jordan Kaufman, Treasurer	
_____ Dan Mierzwa, Member	

2. Consideration of the minutes of the January 7, 2021 Meeting.

3. Public Comment.

B. ITEMS FOR CONSIDERATION

4. Consideration of (i) Resolution authorizing execution of an Allocation Agreement with the CDFI Fund to receive \$55,000,000 in New Markets Tax Credits; (ii) Unanimous Written Consent of Members of Subsidiary Allocatees; and (iii) Certificate in Support of Opinion of Allocatee and Subsidiary Allocatees.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

5. Executive Director Update.

6. Staff Updates.

7. Adjourn.

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2016 at ___: ___ m, Signed _____. Please email signed page to info@cscda.org



CSCDC
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT CORPORATION



MINUTES

ANNUAL MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

January 7, 2021

2:00 PM or upon adjournment of the CaLease Meeting

Board President Kevin O'Rourke called the meeting to order at 2:25 p.m.

1. Roll Call.

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

Others participating via teleconference: Cathy Bando, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Hamill, Bridge Strategic Partners; Norman Coppinger; Alan Fernandes, CSAC Finance Corporation; Jim Manker, CSAC Finance Corporation; Sandy Young, CSAC Finance Corporation; Tricia Ortiz, Richards Watson & Gershon; Peter Pierce, Richards Watson & Gershon; and Patricia Eichar, Orrick, Herrington & Sutcliffe.

2. Election of Officer.

M. Raines nominated the following officers to be elected, second by T. Snellings:

Kevin O'Rourke as President
Tim Snellings as Vice President
Brian Moura as Secretary
J. Kaufman as Treasurer

Motion to close the nominations and adopt the slate of officers by M. Raines. Second by T. Snellings. Unanimously approved by roll-call vote.

3. Consideration of the Minutes of the August 20, 2020 Meeting.

The Commission approved the minutes of the August 20, 2020 Meeting.

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

4. Public Comment.

There was no public comment.

5. Consideration of Audited Financial Statements for Fiscal Year ending June 30, 2020.

Staff stated that unfortunately it has been an unsuccessful couple of years for the program. A new administration in U.S. Department of the Treasury will hopefully yield different result. An application for the next round of allocations has been submitted. Awards will be announced in the summer. CSCDC's Executive Director recommends approval of the 2019 and 2020 audited financial statements.

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

6. Executive Director Update.

Executive Director Bando had no updates.

7. Staff Update.

Staff reported that the previous 4 projects that were approved in 2013 can now refinance due to all the acquired equity.

8. Adjourn.

The meeting was adjourned at 2:33 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

Agenda Report

DATE: September 16, 2021

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of (i) Resolution authorizing execution of an Allocation Agreement with the CDFI Fund to receive \$55,000,000 in New Markets Tax Credits; (ii) Unanimous Written Consent of Members of Subsidiary Allocatees; and (iii) Certificate in Support of Opinion of Allocatee and Subsidiary Allocatees

BACKGROUND AND SUMMARY:

On November 12, 2020, CSCDC filed an application with the U.S. Treasury Department's Community Development Financial Institutions Fund ("CDFI Fund") seeking an allocation of New Markets Tax Credits ("NMTCs"). On September 1, 2021, CSCDC was awarded \$55 million in New Markets Tax Credit investment authority by the CDFI Fund. CSCDC's first step in deploying the allocation is signing an allocation agreement with the CDFI Fund. The allocation agreement includes as parties each of the subsidiary community development entities ("CDE's") formed by CSCDC in anticipation of the allocation.

In connection with the allocation agreement, the CDFI Fund requires CSCDC to deliver an allocation agreement legal opinion from counsel to CSCDC that addresses typical transactional state law issues like good standing, authorization and enforceability and certain federal law issues regarding tax status and some specific to the New Markets Tax Credit Program. CSCDC's New Markets counsel Nixon Peabody will deliver the allocation agreement opinion.

With a fully executed and effective allocation agreement, each of CSCDC's subsidiary CDEs may accept an investment that it will designate as a Qualified Equity Investment ("QEI") earning NMTCs for the investor so long as QEI proceeds are used to make loans or investments to Qualified Active Low Income Community Businesses or "QALICBs". CSCDC will provide NMTC financing for QALICBs that promote public benefit through: 1) economic development through creating jobs, technologies, and goods and services; 2) health and social welfare and healthy living; and 3) education and job training.

Two documents are presented for board consideration:

1. Resolution taking actions necessary to ratify steps taken to date in connection with the NMTC allocation and formation of the subsidiary CDEs and authorizing execution of the allocation agreement enabling CSCDC to proceed with deploying its allocation; and

2. Unanimous Written Consent of the Subsidiary CDEs to enter into the Allocation Agreement.

RECOMMENDED ACTION:

CSCDC's Executive Director recommends that the directors of CSCDC approve (a) the Resolution Authorizing Execution of an Allocation Agreement with the CDFI Fund to Receive \$55,000,000 in New Markets Tax Credits (in the form of Attachment 1) and (b) the Unanimous Written Consent of Members of Subsidiary Allocatees (in the form of Attachment 2), as submitted to the directors.

Attachment 1

RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

As of September 16, the Board of Directors of California Statewide Communities Development Corporation, a California nonprofit public benefit corporation (the “Allocatee”), does hereby adopt the following resolutions:

WHEREAS, the Allocatee and CSCDC 14 LLC, CSCDC 15 LLC, CSCDC 16 LLC, CSCDC 17 LLC, CSCDC 18 LLC, CSCDC 19 LLC and CSCDC 20 LLC (collectively, the “Subsidiary Allocatees”) were organized for the purpose of participating in the federal New Markets Tax Credit (“NMTC”) program, designed by Congress to encourage investment in (1) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (2) businesses and nonprofits active in low-income communities; and (3) the provision of technical assistance and other services to businesses active in low-income communities; and

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

WHEREAS, the Allocatee was certified by the Community Development Financial Institutions Fund (the “CDFI Fund”) as a CDE, and the Allocatee submitted the CY 2020 New Markets Tax Credit Allocation Application (the “Application”); and

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

WHEREAS, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended, in the amount of \$55,000,000 of NMTC authority (the “Allocation”) in connection with its Application; and

WHEREAS, the Allocatee is the managing member of each of the Subsidiary Allocatees and intends to sub-allocate all or a portion of its Allocation to the Subsidiary Allocatees.

NOW, THEREFORE, BE IT

RESOLVED, that the form, terms, and provisions of, and the transactions contemplated by, the Allocation Agreement to be entered into by and between the Allocatee, the Subsidiary Allocatees and the CDFI Fund (the “Allocation Agreement”) and the schedules (which are a part of the Allocation Agreement), the material provisions of the Application and the attachments, exhibits, appendices, and supplements to the Application be, and hereby are, authorized, adopted and approved in all respects; and be it further;

RESOLVED, that all actions taken by Jonathan Penkower in connection with the formation of the Subsidiary Allocatees and on behalf of the Allocatee and the Subsidiary Allocatees pursuant to the Allocation Agreement, the Allocation Application, the Unanimous Written Consent of Members of the Subsidiary Allocatees and any related documents, including without limitation,

signing as Managing Director, are hereby ratified, approved and adopted in all respects; and be it further;

RESOLVED, that each of the following individuals (each an “Authorized Signatory”) be, and Jonathan Penkower is singly or jointly, authorized, empowered and directed, to execute, deliver and perform the Allocation Agreement on behalf of the Allocatee in its own capacity and in its capacity as managing member of the Subsidiary Allocatees, and all related documents with such changes, additions, deletions, amendments or modifications to the Allocation Agreement as the Authorized Signatory may deem necessary, proper or advisable; and be it further;

RESOLVED, that each of the Subsidiary Allocatees is hereby authorized to receive sub-allocations of all or a portion of the Allocation, and agrees to accept such sub-allocations; and be it further;

RESOLVED, that the Allocatee is authorized to negotiate any further changes to the Allocation Agreement and all related documents as may be required and take any action necessary to implement the business plan of the Allocatee and the Subsidiary Allocatees within the NMTC requirements set forth in the Allocation Agreement and otherwise in furtherance of the NMTC program, including forming additional subsidiary limited liability companies, serving as managing member or manager of the Subsidiary Allocatees and such other subsidiaries, as may be the case, and taking any action necessary to certify such other subsidiaries as CDEs under the NMTC program; and be it further;

RESOLVED, that each of the Allocatee and the Subsidiary Allocatees be, and each of them hereby is singly or jointly, authorized, empowered and directed, to take or cause to be taken any and all actions, to make all payments, and to negotiate, enter into, execute, deliver and perform all other agreements, instruments, notices, certificates, filings, written consents and other documents as may be necessary, appropriate, convenient or proper to effectuate the intent of, and the transactions contemplated by, the foregoing resolutions, such agreements, instruments, notices, certificates, filings, written consents and other documents to be in such form and to contain such terms and conditions as the Allocatee or any of the Subsidiary Allocatees executing the same shall in its sole discretion determine to be necessary, appropriate, convenient or proper, the execution and delivery thereof by the Allocatee or the applicable Subsidiary Allocatees to be conclusive evidence of such approval; and be it further;

RESOLVED, that all actions previously taken by the Allocatee or the Subsidiary Allocatees or their officers, attorneys or agents relating to the foregoing resolutions and transactions contemplated thereby are hereby adopted, ratified, confirmed and approved in all respects; and be it further, and

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

Adopted by the Board of Directors of Allocatee at its meeting held on September 16, 2021.

Kevin O' Rourke
President

ATTEST:

Tim Snellings
Vice-President

Attachment 2

UNANIMOUS WRITTEN CONSENT OF MEMBERS OF SUBSIDIARY ALLOCATEES

On September 16, 2021, the undersigned, being the Members of CSCDC 16 LLC, CSCDC 17 LLC, CSCDC 18 LLC, CSCDC 19 LLC and CSCDC 20 LLC, each a California limited liability company (collectively referred to herein as the “Subsidiary Allocatees”), do hereby adopt the following resolutions with respect to the Subsidiary Allocatees:

WHEREAS, the Subsidiary Allocatees were organized for the purpose of participating in the federal New Markets Tax Credit (“NMTC”) program, designed by Congress to encourage investment in (1) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (2) businesses and nonprofits active in low-income communities; and (3) the provision of technical assistance and other services to businesses active in low-income communities; and

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

WHEREAS, California Statewide Communities Development Corporation (the “Allocatee”) was certified by the Community Development Financial Institutions Fund (the “CDFI Fund”) as a CDE, and the Allocatee submitted a CY 2020 New Markets Tax Credit Allocation Application (the “Application”); and

WHEREAS, each Subsidiary Allocatee has submitted a certification application to the CDFI Fund to be certified by the CDFI Fund as a subsidiary CDE of the Allocatee and expects to be certified by the CDFI Fund as a subsidiary CDE of the Allocatee; and

WHEREAS, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended, in the amount of \$55,000,000 of NMTC authority (the “Allocation”) in connection with its Application; and

WHEREAS, the Allocatee is the managing member of each of the Subsidiary Allocatees and intends to sub-allocate all or a portion of its Allocation to the Subsidiary Allocatees; and

WHEREAS, the Allocatee, as managing member of each Subsidiary Allocatee, manages the Subsidiary Allocatees in accordance with the organizational documents of each Subsidiary Allocatee and hereby consents (along with the other members) to the actions take herein.

NOW, THEREFORE, BE IT

RESOLVED, that the form, terms, and provisions of, and the transactions contemplated by, the Allocation Agreement to be entered into by and between the Allocatee, the Subsidiary Allocatees and the CDFI Fund (the “Allocation Agreement”) and the schedules (which are a part of the Allocation Agreement) be, and hereby are, authorized, adopted and approved in all respects; and be it further

RESOLVED, that each of the Subsidiary Allocatees be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform the Allocation Agreement, with such changes, additions, deletions, amendments or modifications to the Allocation Agreement as the Allocatee or the Subsidiary Allocatees may deem necessary, proper or advisable; and be it further

RESOLVED, that each of the Subsidiary Allocatees is hereby authorized to receive sub-allocations of all or a portion of the Allocation, and agrees to accept such sub-allocations; and be it further

RESOLVED, that the Allocatee is authorized to negotiate any further changes to the Allocation Agreement as may be required and take any action necessary to implement the business plan of the Allocatee and the Subsidiary Allocatees within the NMTC requirements set forth in the Allocation Agreement and otherwise in furtherance of the NMTC program, including forming additional subsidiary limited liability companies, serving as managing member or manager of the Subsidiary Allocatees and such other subsidiaries, as may be the case, and taking any action necessary to certify such other subsidiaries as CDEs under the NMTC program; and be it further

RESOLVED, that each of the Subsidiary Allocatees be, and each of them hereby is singly or jointly, authorized, empowered and directed, to take or cause to be taken any and all actions, to make all payments, and to negotiate, enter into, execute, deliver and perform all other agreements, instruments, notices, certificates, filings and other documents as may be necessary, appropriate, convenient or proper to effectuate the intent of, and the transactions contemplated by, the foregoing resolutions, such agreements, instruments, notices, certificates, filings and other documents to be in such form and to contain such terms and conditions as any of the Subsidiary Allocatees executing the same shall in its sole discretion determine to be necessary, appropriate, convenient or proper, the execution and delivery thereof by the applicable Subsidiary Allocatees to be conclusive evidence of such approval; and be it further

RESOLVED, that all actions previously taken by the Subsidiary Allocatees or their officers, attorneys or agents relating to the foregoing resolutions and transactions contemplated thereby are hereby adopted, ratified, confirmed and approved in all respects; and be it further

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

(Signatures contained on the following page)

IN WITNESS WHEREOF, the undersigned Members of the Subsidiary Allocatees have executed and delivered this Unanimous Written Consent of the Members on the date first above written.

CSCDC 16, LLC

MANAGING MEMBER:

California Statewide Communities
Development Corporation, a California
nonprofit public benefit corporation

By:

Jonathan Penkower
Authorized Signatory

NON-MANAGING MEMBER:

CSCDC Manager, LLC, a Delaware limited
liability company

By: CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
CORPORATION, a California nonprofit
public benefit corporation, its sole
member

By:

Jonathan Penkower
Authorized Signatory

CSCDC 18, LLC

MANAGING MEMBER:

California Statewide Communities
Development Corporation, a California
nonprofit public benefit corporation

By:

Jonathan Penkower
Authorized Signatory

NON-MANAGING MEMBER:

CSCDC Manager, LLC, a Delaware limited
liability company

By: CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
CORPORATION, a California nonprofit
public benefit corporation, its sole
member

CSCDC 17, LLC

MANAGING MEMBER:

California Statewide Communities
Development Corporation, a California
nonprofit public benefit corporation

By:

Jonathan Penkower
Authorized Signatory

NON-MANAGING MEMBER:

CSCDC Manager, LLC, a Delaware limited
liability company

By: CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
CORPORATION, a California nonprofit
public benefit corporation, its sole
member

By:

Jonathan Penkower
Authorized Signatory

CSCDC 19, LLC

MANAGING MEMBER:

California Statewide Communities
Development Corporation, a California
nonprofit public benefit corporation

By:

Jonathan Penkower
Authorized Signatory

NON-MANAGING MEMBER:

CSCDC Manager, LLC, a Delaware limited
liability company

By: CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
CORPORATION, a California nonprofit
public benefit corporation, its sole
member

By: _____
Jonathan Penkower
Authorized Signatory

By: _____
Jonathan Penkower
Authorized Signatory

CSCDC 20, LLC

MANAGING MEMBER:

California Statewide Communities
Development Corporation, a California
nonprofit public benefit corporation

By: _____
Jonathan Penkower
Authorized Signatory

NON-MANAGING MEMBER:

CSCDC Manager, LLC, a Delaware limited
liability company

By: CALIFORNIA STATEWIDE
COMMUNITIES DEVELOPMENT
CORPORATION, a California nonprofit
public benefit corporation, its sole
member

By: _____
Jonathan Penkower
Authorized Signatory