



## **REGULAR MEETING AGENDA**

### **February 3, 2022 at 2:00 PM**

*Pursuant to Government Code Section 54953(e) (Assembly Bill 361), 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 669-900-9128, Meeting ID 259-798-2423, Passcode 129070. If you experience technical problems with the telephonic meeting, please contact [info@cscda.org](mailto:info@cscda.org) or 1-800-531-7476 for assistance. 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](mailto:info@cscda.org) or 1-800-531-7476 prior to the meeting for assistance.*

#### **A. OPENING AND PROCEDURAL ITEMS**

1. Roll Call.

_____ Tim Snellings, Chair	_____ Marcia Raines, Member
_____ Brian Moura, Vice Chair	_____ Brian Stiger, Member
_____ Kevin O'Rourke, Secretary	_____ Niroop Srivatsa, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Matt Jennings, Alt. Member
_____ Dan Mierzwa, Member	

2. Consideration of the minutes of the January 20, 2022 Annual Meeting.

3. Consent Calendar.

4. Public Comment.

#### **B. ITEMS FOR CONSIDERATION AND ACTION**

5. Consider the following resolutions to initiate proceedings to form CFD No. 2022-01 (Tirador), City of San Juan Capistrano, County of Orange:

- a. Resolution approving joint community facilities agreements and declaring intention to establish California Statewide Communities Development Authority Community Facilities District No. 2022-01 (Tirador), City of San Juan Capistrano, County of Orange, State of California, and to levy special taxes therein to finance certain public improvements and certain development impact fees.

- b. Resolution to incur bonded indebtedness to finance certain public improvements within California Statewide Communities Development Authority Community Facilities District No. 2022-01 (Tirador), City of San Juan Capistrano, County of Orange, State of California and calling for a public hearing.
6. Consider the following resolutions to initiate proceedings to form CFD No. 2022-02 (Point Martin), City of Daly City, County of San Mateo:
  - a. Resolution approving joint community facilities agreements and declaring intention to establish California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California, and to levy special taxes therein to finance certain public improvements and certain development impact fees.
  - b. Resolution to incur bonded indebtedness to finance certain public improvements within California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California and calling for a public hearing.
7. Consider a resolution of consideration to amend the rate and method of apportionment for California Statewide Communities Development Authority Community Facilities District No. 2016-01 (Napa Pipe), County of Napa, State of California and related matters.
8. Consideration of a Joint Exercise of Powers Agreement between CSCDA and the El Toro Water District.
9. Consideration of a resolution approving an increased principal amount not-to-exceed \$700,000 of outstanding commercial PACE bonds for Santee Senior Retirement Communities LLC (Lantern Crest Senior Living), City of Santee, County of San Diego California.
10. Consideration of Second Amended and Restated Services Agreement with Bridge Strategic Partners.

**C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS**

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

**NEXT MEETING:** Thursday, February 17, 2022 at 2:00 p.m.

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

**CONSENT CALENDAR**

1. Inducement of National Community Renaissance of California (Murrieta Apartments Phase I), City of Murrieta, County of Riverside; issue up to \$15 million in multi-family housing revenue bonds.
2. Consideration of agreement with DTA Finance for assessment administration services associated with Congressional Bank.
3. Consideration of Community HousingWorks Dreambuilder sponsorship.
4. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).

February 3, 2022



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY



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## MINUTES

### REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

**January 20, 2022**

**2:00 PM or upon adjournment of the CSCDA CIA Meeting**

Commission Vice Chair Brian Moura called the meeting to order at 2:06 pm.

1. Roll Call.

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

Others participating via teleconference: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Sendy Young, CSAC Finance Corporation; Norman Copping, League of California Cities; Trisha Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the January 6, 2022 Meeting.

The Commission approved the January 6, 2022 Regular Meeting 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. Inducement of Community Development Partners (Casa Aliento Apartments), City of Oxnard, County of Ventura; issue up to \$22 million in multi-family housing revenue bonds.
2. Inducement of Prospera Homestead Partners, L.P. (Prospera at Homestead), City of Dixon, County of Solano; issue up to \$27 million in multi-family housing revenue bonds.
3. Inducement of Silvey Villas Partners, L.P. (Silvey Villas at Homestead), City of Dixon, County of Solano; issue up to \$18 million in multi-family housing revenue bonds.

4. Receive SB 165 reports for the following CSCDA Community Facilities Districts (Information Only):

- |   |  |
|---|--|
| a. CSCDA CFD No. 2012-01<br>(Fancher Creek)       | g. CSCDA CFD No. 2017A<br>(Napa Pipe)            |
| b. CSCDA CFD No. 2015-01<br>(University District) | h. CSCDA CFD No. 2018-01<br>(Wagon Wheel)        |
| c. CSCDA CFD No. 2015-02<br>(RioBravo)            | i. CSCDA CFD No. 2018-03<br>(Uptown Newport)     |
| d. CSCDA CFD No. 2016-02<br>(Delta Coves)         | j. CSCDA CFD No. 2019-01 (333<br>North Prairie)  |
| e. CSCDA CFD No. 2007-01<br>(Orinda)              | k. CSCDA CFD No. 2020-01 IA<br>No.1 (Sand Creek) |
| f. CSCDA CFD No. 2002-01<br>(River Run)           |  |

5. Consideration of Bayshore Sanitary District as new member to CSCDA.

***Motion to approve by K. O'Rourke. Second by J. Kaufman. Unanimously approved by roll-call vote.***

4. Public Comment.

There was no public comment.

5. Statewide Community Infrastructure Program (SCIP):

- a. Consideration of a 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.

***Motion to approve by M. Jennings. Second by M. Raines. Unanimously approved by roll-call vote.***

- b. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$22,000,000 of California Statewide Communities Development Authority Statewide Community Infrastructure Program Revenue Bonds Series 2022 (3Roots San Diego) (Federally Taxable) 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.

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

6. Executive Director Update.

Executive Director Barna had no update.

7. Staff Update.

Staff had no updates.

8. Adjourn.

The meeting was adjourned at 2:11 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

**NEXT MEETING:** Thursday, February 3, 2022 at 2:00 p.m.



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY

## Agenda Item No. 3

### Agenda Report

**DATE:** February 3, 2022  
**TO:** CSCDA COMMISSIONERS  
**FROM:** Cathy Barna, Executive Director  
**PURPOSE:** Consent Calendar

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2. Consideration of agreement with DTA Finance for assessment administration services associated with Congressional Bank.

*Congressional Bank, one of CSCDA's Open PACE capital providers, has engaged DTA Finance as its assessment administrator. Since the PACE assessment is levied by CSCDA the contract is required to be approved and executed by the Commission. The agreement is identical to all other agreements CSCDA has entered into with DTA Finance. Recommend approval.*

**Link to Agreement:**

<https://www.dropbox.com/s/asst65mfvs5r6i4/Congressional%20Bank%20PACE%20Services%20Agmt%201-14-22.pdf?dl=0>

3. Consideration of Community HousingWorks Dreambuilder sponsorship.

*CHW is a San Diego based nonprofit housing developer that has completed 15 financings through CSCDA. CHW has an annual fundraiser called Dreambuilder. The fundraiser helps support CHW's mission that includes not only providing beautiful, sustainable and affordable homes, but also resident services for next generation success and more – for their 9,000 residents. The recommendation is to participate as a Vision Sponsor at a \$1,000 cost, which provides social media recognition to over 5,600 followers and logo recognition on the DreamBuilder website*

4. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).

#### BACKGROUND AND SUMMARY:

This item is being presented in order to allow CSCDA's Commission and other legislative bodies to meet virtually pursuant to Assembly Bill ("AB") 361. These special provisions in the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963) give local public agencies greater flexibility to conduct teleconference meetings



when there is a declared state of emergency and either social distancing is mandated or recommended, or when the legislative body determines in-person meetings would present imminent risks to the health and safety of attendees.

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings, including authorizing legislative bodies to participate in meetings from remote locations without compliance with certain noticing requirements.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361 to amend Section 54953 of the Brown Act. Pursuant to Government Code Section 54953(e), legislative bodies of local agencies may hold public meetings via teleconferencing without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

CSCDA previously determined that as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees and has been conducting its meetings via teleconferencing under Government Code Section 54953(e).

To continue meeting remotely pursuant to Government Code Section 54953(e), an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) the emergency impacts the ability of the body's members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing.

The factual circumstances exist for CSCDA to continue holding remote meetings under AB 361. The proclaimed state of emergency in response to the COVID-19 pandemic, which Governor Newsom declared on March 4, 2020, continues to exist. Also, the U.S. Centers for Disease Control and Prevention ("CDC") continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time. COVID-19 can cause severe illness and hundreds of thousands of people have died from COVID-19 in the United States. The CDC advise that even for fully vaccinated people, breakthrough infections are likely to occur. The CDC continue to advise people to avoid crowded indoor places, which put people at higher risk for COVID-19 infection. Therefore, holding meetings via teleconferencing pursuant to Government Code Section 54953(e) will reduce the likelihood of exposure to COVID-19.

#### RECOMMENDATION:

To continue conducting open and public meetings via teleconferencing in accordance with Government Code Section 54953(e) of the Brown Act, the Commission finds that it has reconsidered the circumstances of the COVID-19 state of emergency and that the state of emergency continues to directly

impact the ability of its members to meet safely in person, and the Commission directs staff to take all actions necessary to allow the legislative bodies of CSCDA to conduct meetings via teleconferencing during the emergency.

**RESOLUTION NO. 22H-\_\_**

**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 February 3, 2022.

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 February 3, 2022.

By: \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A**

<b>Project Name</b>	<b>Project Location</b>	<b>Project Description (units)</b>	<b>New Construction/ Acquisition and Rehabilitation</b>	<b>Legal Name of initial owner/operator</b>	<b>Bond Amount</b>
Murrieta Apartments Phase I	City of Murrieta, County of Riverside	42	New Construction	National Community Renaissance of California	\$15,000,000



## **Agenda Item No. 6**

### **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Barna, Executive Director

**PROJECT:** Point Martin (City of Daly City) – Community Facilities District

**PURPOSE:** Consider the following resolutions to initiate proceedings to form CFD No. 2022-02 (Point Martin), City of Daly City, County of San Mateo:

1. Resolution approving joint community facilities agreements and declaring intention to establish California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California, and to levy special taxes therein to finance certain public improvements and certain development impact fees.

2. Resolution to incur bonded indebtedness to finance certain public improvements within California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California and calling for a public hearing.

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#### **EXECUTIVE SUMMARY:**

The action requested today is the initial step in the formation of the Point Martin Community Facilities District (CFD) located in Daly City, California (the “City”). The CFD is being formed to finance public facilities and services for the City, Bayshore Sanitary District, Jefferson Union High School District and Bayshore Elementary School District (the “Districts”). The City and Districts have approved the formation of the CFD by CSCDA.

#### **BACKGROUND:**

KB Homes (the “Developer”) project includes the construction of a 133 single-family residential units. (“Project”).

## **Public Facilities & Fees to be Financed**

- |                                       |  |
|---------------------------------------|--|
| 1. Transportation Improvements        | 6. Park, Parkway and Open Space Improvements         |
| 2. Water System Improvements          | 7. School and Educational Facilities                 |
| 3. Recycled Water System Improvements | 8. Development Impact Fees                           |
| 4. Drainage System Improvements       | 9. Other Incidental Expenses and Bond Issuance Costs |
| 5. Wastewater System Improvements     |  |

The financing is estimated to not exceed \$9,000,000 and will be brought back to the Commission for completion of the formation of the CFD, and for final approval of the bond issuance.

## **COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:**

CSCDA's Executive Director recommends approving the following resolutions:

1. Resolution approving joint community facilities agreements and declaring intention to establish California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California, and to levy special taxes therein to finance certain public improvements and certain development impact fees.
2. Resolution to incur bonded indebtedness to finance certain public improvements within California Statewide Communities Development Authority Community Facilities District No. 2022-02 (Point Martin), City of Daly City, County of San Mateo, State of California and calling for a public hearing on March 17, 2022.

Documents: <https://www.dropbox.com/sh/aqcaopsmYlgg2dn/AADyp5YCRdrxbQub2B8W6GOSa?dl=0>





## **Agenda Item No. 7**

### **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Barna, Executive Director

**PURPOSE:** Consider a resolution of consideration to amend the rate and method of apportionment for California Statewide Communities Development Authority Community Facilities District No. 2016-01 (Napa Pipe), County of Napa, State of California and related matters

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#### **EXECUTIVE SUMMARY:**

CSCDA issued bonds for the Napa Pipe CFD in 2017 in the amount of \$20,830,000 for remediation work associated with the development of the site. Remediation work for Napa Pipe is now complete and has been certified by the Regional Water Quality Control Board.

The Napa Redevelopment Partners (the “Developer”) has amended the Development Plan with the City of Napa (the planning agency now that the project has been fully annexed) to expand the residential acreage while keeping the number of units the same. In conjunction with the revised development plan, the Rate and Method of Apportionment (RMA) is proposed to be amended as follows:

- Amended special tax will apply only to residential land use on the East and West side of the project.
- Though the project has been entitled for 755 market rate units, the ongoing assumption is that 712 market rate units will be taxed based on the current mapping and development plans.
- The RMA amendment requires at least 60% of the holders of the outstanding bonds consent to the amendment.

## **DISCUSSION:**

The RMA amendment for Napa Pipe is expected to accomplish the following:

- Create additional bonding capacity for infrastructure which was not part of the original CFD.
- Shift to a more efficient per unit residential tax rate with 1.10x coverage as opposed to an acreage tax.
- Enhance marketability of finished lots to merchant builders.
- Creates a more equitable debt load to the residential zones with the highest value.

The RMA amendment is a necessary component for continued project development now that the Remediation Phase is complete. Napa Pipe is anticipating issuing another CFD later in 2022 for further project development.

CSCDA has been informed by Bondholder Communications Group that holders of 60% or more in aggregate principal amount of the Bonds outstanding have consented to the RMA amendments.

## **RECOMMENDED ACTION:**

CSCDA's Executive Director recommends approval of the resolution of consideration to amend the rate and method of apportionment for California Statewide Communities Development Authority Community Facilities District No. 2016-01 (Napa Pipe), County of Napa, State of California and related matters, and set the public hearing from March 17, 2022.

Documents: <https://www.dropbox.com/sh/5uurclrfo5voi2n/AADgg-bdB1bU9Z4lU6goK5R8a?dl=0>

## **Agenda Item No. 8**

### **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Barna, Executive Director

**PURPOSE:** Consideration of a Joint Exercise of Powers Agreement between CSCDA and the El Toro Water District

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#### **EXECUTIVE SUMMARY:**

The El Toro Water District (“the District”) has requested that CSCDA enter into a new joint exercise of powers agreement, creating the El Toro Water District Financing Authority, to assist with the financing of capital improvement projects for the District.

#### **BACKGROUND & SUMMARY:**

The District is interested in financing various capital projects within its boundaries. A bond financing is being considered 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 El Toro Water District 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 Boards. 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,

City of Martinez, West County Wastewater District, City of Dublin, Mountain House Community Services District and City of St. Helena in connection with similar financings.

- CSCDA will charge the City its standard fee of \$10,000.
- Stradling, Yocca, Carlson & Rauth is serving as bond counsel. CSCDA's General Counsel has reviewed the Joint Exercise of Powers Agreement.

**RECOMMENDED ACTION:**

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 El Toro Water District.

Documents: <https://www.dropbox.com/sh/ebk5decjfh4p4wl/AAB7ir7nCpsRZQc7MiS1TjYga?dl=0>



## **Agenda Item No. 9**

### **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Barna, Executive Director

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

**PURPOSE:** Consideration of a resolution approving an increased principal amount not-to-exceed \$700,000 of outstanding commercial PACE bonds for Santee Senior Retirement Communities LLC (Lantern Crest Senior Living), City of Santee, County of San Diego California.

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#### **EXECUTIVE SUMMARY:**

On August 5, 2021 the Commission approved the issuance of commercial PACE bonds in the amount of \$3,300,000 for the financing of a to-be-built expansion of an assisted living and memory care retirement community. The existing 80-unit facility was built in 2012. The original plans for the expansion included the addition of a 3-story apartment building featuring 46 assisted living studios, 2 duplexes and 4 independent living villas. The bonds were issued in September, 2021.

Santee Senior Retirement Communities LLC has revised the scope of the expansion project from 46 assisted living studio units and 4 independent living villa-style duplexes to 66 assisted living studio units. The additional principal amount requested will finance related PACE-eligible improvements. The Assessment Contract, the Indenture and the bond will be amended to reflect the additional financing amount.

PACE will be used for eligible measures on the additional units 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:	\$ 555,000.00
Equity Contribution	<u>\$ 45,000.00</u>
Total Sources:	\$ 600,000.00

Uses of Funds:

Project Fund:	\$ 555,000.00
Cost of Issuance:	<u>\$ 45,000.00</u>
Total Uses:	\$ 600,000.00

**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:**

<b>Anticipated Rating:</b>	Unrated
<b>Term:</b>	10 years at a fixed interest rate
<b>Structure:</b>	Private Placement
<b>Estimated Closing:</b>	February 10, 2022

**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 approving an increased principal amount not-to-exceed \$700,000 of outstanding commercial PACE bonds for Santee Senior Retirement Communities LLC (Lantern Crest Senior Living), City of Santee, County of San Diego California.

Documents: <https://www.dropbox.com/sh/20mxy5nkcoo82h4/AAADy8bK7olnAYq1Aa6JpVUda?dl=0>



## REGULAR MEETING AGENDA

February 3, 2022

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

*Pursuant to Government Code Section 54953(e) (Assembly Bill 361), Commissioners of the CSCDA Community Improvement 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 669-900-9128, Meeting ID 259-798-2423, Passcode 129070. If you experience technical problems with the telephonic meeting, please contact [info@cscda.org](mailto:info@cscda.org) or 1-800-531-7476 for assistance. 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](mailto:info@cscda.org) or 1-800-531-7476 prior to the meeting for assistance.*

1. Roll Call.

_____ Tim Snellings, Chair	_____ Marcia Raines, Member
_____ Brian Moura, Vice Chair	_____ Brian Stiger, Member
_____ Kevin O'Rourke, Secretary	_____ Niroop Srivatsa, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Matt Jennings, Alt. Member
_____ Dan Mierzwa, Member	

2. Consideration of the Minutes of the January 20, 2022 Regular Meeting.
3. Consent Calendar.
4. Public Comment.
5. Executive Director Update.
6. Staff Updates.
7. Adjourn.



**CSCDA COMMUNITY IMPROVEMENT AUTHORITY**

**CONSENT CALENDAR**

1. Ratify annual administrative fee for The Crescent Apartments.
2. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).
3. Consideration of Second Amended and Restated Services Agreement with Bridge Strategic Partners.

February 3, 2022



## MINUTES

### REGULAR MEETING OF THE CSCDA COMMUNITY IMPROVEMENT AUTHORITY

**January 20, 2022 at 2:00 p.m.**

Commission Vice Chair Brian Moura called the meeting to order at 2:01 pm.

1. Roll Call.

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

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

2. Consideration the Minutes of the December 2, 2021 Regular Meeting and January 6, 2022 Annual Regular Meeting.

The Commission approved the Minutes of the December 2, 2021 Regular Meeting and January 6, 2022 Annual Regular Meeting.

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

3. Public Comment.

There was no public comment.

4. Consideration of a resolution authorizing the acquisition and ownership of a multifamily rental housing facility (Towne at Glendale Apartments), City of Glendale, County of Los Angeles, and issue an amount not to exceed \$140,000,000 in revenue bonds.

Executive Director Barna gave an overview of the project, and it is the acquisition and financing of a 126-unit rental housing project. 100% of the units will be restricted to low and middle-income tenants. The acquisition and financing of the project complies with CSCDA CIA's issuance and project ownership policies. The project has been reviewed and approved by CSCDA CIA's Financial Advisor and Insurance Consultant. CSCDA has issued bonds for two prior affordable housing projects on behalf of BLVD and this is BLVD's second CIA

workforce housing project. CSCDA CIA's Executive Director recommended that the Board of Directors adopt the resolution.

***Motion to approve by B. Stiger. Second by K. O'Rourke. Unanimously approved by roll-call vote.***

5. Executive Director Update.

Executive Director Barna congratulated the Commission and staff for CIA's recognition as the 5<sup>th</sup> largest issuer in the nation in 2021.

6. Staff Update.

Staff had no update.

7. Adjourn.

The meeting was adjourned at 2:06 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

## **Agenda Report**

**DATE:** February 3, 2022  
**TO:** CSCDA CIA COMMISSIONERS  
**FROM:** Cathy Barna, Executive Director  
**PURPOSE:** Consent Calendar

---

1. Ratify annual administrative fee for The Crescent Apartments.

On January 6, 2022, the Commission approved the acquisition and financing of a 130-unit rental housing project located in the City of West Hollywood known as The Crescent Apartments. The capital markets experienced extreme volatility during the project's bond pricing on January 25<sup>th</sup>, jeopardizing the successful execution of the transaction and the Authority's ability to deliver the new affordable units to the City of West Hollywood. After consultation with the project's underwriting team, project sponsor, and CSCDA CIA's staff, it was determined that in order for all bonds to be sold, it was necessary to reduce the Authority's annual administrative fee from \$150,000 to \$75,000. It is recommended that the CSCDA CIA Commission approve and ratify the \$75,000 annual administrative fee for The Crescent Apartments.

2. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).

### **BACKGROUND AND SUMMARY:**

This item is being presented in order to allow CSCDA CIA's Commission and other legislative bodies to meet virtually pursuant to Assembly Bill ("AB") 361. These special provisions in the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963) give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or when the legislative body determines in-person meetings would present imminent risks to the health and safety of attendees.

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings, including authorizing legislative bodies to participate in meetings from remote locations without compliance with certain noticing requirements.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361 to amend Section 54953 of the Brown Act. Pursuant to Government Code Section 54953(e), legislative bodies of local agencies may hold public meetings via teleconferencing without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

CSCDA CIA previously determined that as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees and has been conducting its meetings via teleconferencing under Government Code Section 54953(e).

To continue meeting remotely pursuant to Government Code Section 54953(e), an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) the emergency impacts the ability of the body's members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing.

The factual circumstances exist for CSCDA CIA to continue holding remote meetings under AB 361. The proclaimed state of emergency in response to the COVID-19 pandemic, which Governor Newsom declared on March 4, 2020, continues to exist. Also, the U.S. Centers for Disease Control and Prevention ("CDC") continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time. COVID-19 can cause severe illness and hundreds of thousands of people have died from COVID-19 in the United States. The CDC advise that even for fully vaccinated people, breakthrough infections are likely to occur. The CDC continue to advise people to avoid crowded indoor places, which put people at higher risk for COVID-19 infection. Therefore, holding meetings via teleconferencing pursuant to Government Code Section 54953(e) will reduce the likelihood of exposure to COVID-19.

#### RECOMMENDATION:

To continue conducting open and public meetings via teleconferencing in accordance with Government Code Section 54953(e) of the Brown Act, the Commission finds that it has reconsidered the circumstances of the COVID-19 state of emergency and that the state of emergency continues to directly impact the ability of its members to meet safely in person, and the Commission directs staff to take all actions necessary to allow the legislative bodies of CSCDA CIA to conduct meetings via teleconferencing during the emergency.



## MEETING AGENDA

**February 3, 2022**

### **2:00 PM or upon adjournment of the CSCDA CIA Meeting**

*Pursuant to Government Code Section 54953(e) (Assembly Bill 361), Members 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 669-900-9128, Meeting ID 259-798-2423, Passcode 129070. If you experience technical problems with the telephonic meeting, please contact [info@cscda.org](mailto:info@cscda.org) or 1-800-531-7476 for assistance. 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](mailto:info@cscda.org) or 1-800-531-7476 prior to the meeting for assistance.*

#### **A. OPENING AND PROCEDURAL ITEMS**

1. Roll Call.

_____ Tim Snellings, President	_____ Brian Stiger, Member
_____ Brian Moura, Vice President	_____ Marcia Raines, Member
_____ Kevin O'Rourke, Secretary	_____ Niroop Srivatsa, Alt. Member
_____ Jordan Kaufman, Treasurer	_____ Matt Jennings, Alt. Member
_____ Dan Mierzwa, Member	

2. Consideration of the Minutes of the January 6, 2022 Annual Meeting.

3. Consent Calendar.

4. Public Comment.

#### **B. ITEMS FOR CONSIDERATION**

5. Approve all necessary actions; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:
  - a. Approve the making of up to \$11,000,000 in qualified low-income community investments by CSCDC 14 LLC to Elica Support Corp II (Elica Health Centers), unincorporated County of Sacramento, California.

**C. ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS**

6. Executive Director Update.
7. Staff Updates.
8. Adjourn.

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION**

**CONSENT CALENDAR**

1. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).
2. Consideration of Second Amended and Restated Services Agreement with Bridge Strategic Partners.

February 3, 2022





**CSCDC**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT CORPORATION



## MINUTES

### ANNUAL MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

**January 6, 2022**

**9:00 AM or upon adjournment of the CaLease Meeting**

Board President Kevin O'Rourke called the meeting to order at 9:18 a.m.

1. Roll Call.

Board 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 Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Hamill, Bridge Strategic Partners; Norman Coppinger, League of California Cities; Alan Fernandes, CSAC Finance Corporation; Jim Manker, CSAC Finance Corporation; Sendy Young, CSAC Finance Corporation; Tricia Ortiz, Richards Watson & Gershon; Roger Davis, Richards Watson & Gershon; and Patricia Eichar, Orrick, Herrington & Sutcliffe.

2. Election of Officer.

M. Raines nominated the following officers to be elected:

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

***Motion to close the nominations and adopt the slate of officers by D. Mierzwa. Second by B. Stiger. Unanimously approved by roll-call vote.***

3. Consideration of the Minutes of the December 16, 2021 Meeting.

The Commission approved the minutes of the December 16, 2021 Meeting.

***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. Consider a resolution authorizing public meetings to continue to be held via teleconferencing pursuant to Government Code Section 54953(e) and making findings and determinations regarding same.

CSCDC's Executive Director recommended that the Commission adopt the resolution.

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

6. 2021 Review

Staff gave an overview of the program and its history. CSCDC will deploy its current \$55,000,000 in NMTC allocation into 5-6 eligible projects. Staff will submit its application seeking NMTC allocation in the Round 18 competitive process. Awards are expected sometime in Q4, 2022.

7. Executive Director Update.

Executive Director Barna had no updates.

8. Staff Update.

Staff had no updates.

9. Adjourn.

The meeting was adjourned at 9:37 a.m.

Submitted by: Sendy Young, CSAC Finance Corporation

## **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDC BOARD MEMBERS

**FROM:** Cathy Barna, Executive Director

**PURPOSE:** Consent Calendar

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1. Reconsider the circumstances of the COVID-19 state of emergency and make findings in connection therewith to authorize meetings to be held via teleconferencing pursuant to Government Code Section 54953(e).

### **BACKGROUND AND SUMMARY:**

This item is being presented in order to allow CSCDC's Board of Directors and other legislative bodies to meet virtually pursuant to Assembly Bill ("AB") 361. These special provisions in the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963) give local public agencies greater flexibility to conduct teleconference meetings when there is a declared state of emergency and either social distancing is mandated or recommended, or when the legislative body determines in-person meetings would present imminent risks to the health and safety of attendees.

On March 4, 2020, Governor Newsom proclaimed a state of emergency to exist in California due to the spread of COVID-19. The Governor subsequently issued numerous executive orders suspending or modifying state laws to facilitate the response to the emergency. Among other things, these executive orders superseded certain Brown Act requirements and established special rules to give local public agencies greater flexibility to conduct teleconference meetings, including authorizing legislative bodies to participate in meetings from remote locations without compliance with certain noticing requirements.

On September 16, 2021, in anticipation of the then-imminent expiration of his special rules for teleconference meetings, the Governor signed AB 361 to amend Section 54953 of the Brown Act. Pursuant to Government Code Section 54953(e), legislative bodies of local agencies may hold public meetings via teleconferencing without complying with the requirements of Government Code Section 54953(b)(3), if the legislative body complies with certain enumerated requirements in any of the following circumstances:

1. The legislative body holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

CSCDC previously determined that as a result of the emergency, meeting in person presents imminent risks to the health or safety of attendees and has been conducting its meetings via teleconferencing under Government Code Section 54953(e).

To continue meeting remotely pursuant to Government Code Section 54953(e), an agency must make periodic findings that: (1) the body has reconsidered the circumstances of the declared emergency; and (2) the emergency impacts the ability of the body's members to meet safely in person, or state or local officials continue to impose or recommend measures to promote social distancing.

The factual circumstances exist for CSCDC to continue holding remote meetings under AB 361. The proclaimed state of emergency in response to the COVID-19 pandemic, which Governor Newsom declared on March 4, 2020, continues to exist. Also, the U.S. Centers for Disease Control and Prevention ("CDC") continue to advise that COVID-19 spreads more easily indoors than outdoors and that people are more likely to be exposed to COVID-19 when they are closer than 6 feet apart from others for longer periods of time. COVID-19 can cause severe illness and hundreds of thousands of people have died from COVID-19 in the United States. The CDC advise that even for fully vaccinated people, breakthrough infections are likely to occur. The CDC continue to advise people to avoid crowded indoor places, which put people at higher risk for COVID-19 infection. Therefore, holding meetings via teleconferencing pursuant to Government Code Section 54953(e) will reduce the likelihood of exposure to COVID-19.

#### RECOMMENDATION:

To continue conducting open and public meetings via teleconferencing in accordance with Government Code Section 54953(e) of the Brown Act, the Commission finds that it has reconsidered the circumstances of the COVID-19 state of emergency and that the state of emergency continues to directly impact the ability of its members to meet safely in person, and the Commission directs staff to take all actions necessary to allow the legislative bodies of CSCDC to conduct meetings via teleconferencing during the emergency.



## **Agenda Report**

**DATE:** February 3, 2022

**TO:** CSCDC BOARD OF DIRECTORS

**FROM:** Cathy Barna, Executive Director

**PURPOSE:** Approve the Making of \$11,000,000 in Qualified Low Income Community Investments by CSCDC 14 LLC to Elica Support Corp II (Elica Health Centers), unincorporated County of Sacramento, California

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### **SPONSOR BACKGROUND:**

Elica Health Centers (Elica) is a nonprofit federally qualified health center (FQHC) that provides medical, dental, and behavioral health services for low-income patients in the greater Sacramento area. Established in 1999, Elica now has 11 fixed-location clinics in Sacramento and Yolo counties. Elica also operates four mobile clinics that deliver healthcare services to individuals with barriers to accessing care, and underserved students at select schools within Elica's service area. In 2020, Elica served a total of 38,594 patients.

### **PROJECT OVERVIEW:**

Elica has requested that CSCDC provide \$11,000,000 in New Markets Tax Credit (NMTC) for its Arden Arcade project (the "Project") located in unincorporated Sacramento County. Elica currently operates an 8,120 SF clinic in the Arden Arcade community that serves approximately 5,500 patients each year. The existing clinic building is in need of substantial upgrades and repair, and the existing clinic has reached full capacity and is not able to adequately serve the surrounding community.

The NMTC financing will allow Elica to renovate its existing 8,120 SF Arden Arcade clinic, and also acquire and renovate an adjacent 19,800 SF office building, creating a 27,920 SF medical campus that will provide comprehensive medical services for over 14,000 low-income patients each year – over 2.5x the number of patients currently served. Elica's Arden Arcade campus will also include a 3,600 SF pharmacy for Elica patients and local community residents. Total project cost is currently \$11.4MM.

Elica plans to carry out the renovation in phases so there is no disruption to current services. The newly acquired building will be renovated first, then existing clinic operations will be moved into the renovated building while the original building undergoes renovation.

## **COMMUNITY OUTCOMES:**

- Job Creation & Retention: The Project is expected to result in 50 construction jobs, 41 new permanent FTE jobs, and the retention of 30 FTE jobs.
- Quality Jobs: It is expected that 100% of the construction and permanent jobs will pay living wages. All of the permanent jobs will offer health insurance, life insurance, retirement benefits, and job training.
- Accessible Jobs: Approximately 50% of the permanent jobs are expected to be filled by low-income individuals.
- Commercial Goods or Services to Low-Income Communities: A new 3,600 SF pharmacy will be available to Elica patients and open to the community.
- Community Goods or Services to Low-Income Communities: Elica's existing clinic is 8,120 SF, and serves 5,524 patients annually, with 7 providers and 14 exam rooms. The expanded Project will be 27,920 SF (including the pharmacy space) and is projected to serve 14,201 patients annually, with 14 providers and 37 exam rooms. Approximately 94% of the people served are expected to be low-income persons. Services will include primary medical care, dental/oral care, integrated behavioral health, enabling services (e.g., case management, interpretation, transportation, eligibility assistance), and mobile clinics for service.

## **ADVISORY BOARD APPROVAL:**

On September 29, 2021, CSCDC's Advisory Board unanimously recommended approval of the Project.

## **FINANCE TEAM:**

- |                        |  |
|------------------------|--|
| • Tax Credit Investor: | U.S. Bancorp Community Development Corporation |
| • Investor Counsel:    | Husch Blackwell, St. Louis, MO                 |
| • CSCDC Counsel:       | Nixon Peabody, LLP, Washington, DC             |

## ESTIMATED SOURCES AND USES:

Elica Health Centers					
<b>Sources</b>			<b>Uses</b>		
USBNA Loan	\$	7,900,000	Leverage Loan	\$	8,380,800
Elica Cash	\$	1,025,946	Cash Contribution to QALICB	\$	440,146
HRSA Grant	\$	876,970	USBNA Origination Fee	\$	39,500
			USBNA Rate Lock Fee	\$	40,499
			USBNA Legal	\$	25,000
			FF&E	\$	876,970
<b>Total</b>	<b>\$</b>	<b>9,802,916</b>	<b>Total</b>	<b>\$</b>	<b>9,802,915</b>
Investment Fund					
<b>Sources</b>			<b>Uses</b>		
Leverage Loan	\$	8,380,800	QEI	\$	11,000,000
NMTC Equity	\$	3,174,600	CSCDC Upfront Fee	\$	550,000
			Twain Mgmt Fee	\$	5,400
<b>Total</b>	<b>\$</b>	<b>11,555,400</b>	<b>Total</b>	<b>\$</b>	<b>11,555,400</b>
CSCDC Sub CDE					
<b>Sources</b>			<b>Uses</b>		
QEI	\$	11,000,000	QLICI A	\$	8,380,800
			QLICI B	\$	2,619,200
<b>Total</b>	<b>\$</b>	<b>11,000,000</b>	<b>Total</b>	<b>\$</b>	<b>11,000,000</b>
QALICB					
<b>Sources</b>			<b>Uses</b>		
QLICI A	\$	8,380,800	Acquisition	\$	2,737,759
QLICI B	\$	2,619,200	Hard Costs	\$	5,767,702
Sponsor Contribution	\$	440,146	Soft Costs	\$	742,980
			FF&E	\$	1,083,130
			NMTC Costs	\$	1,108,575
<b>Total</b>	<b>\$</b>	<b>11,440,146</b>	<b>Total</b>	<b>\$</b>	<b>11,440,146</b>

## DOCUMENTS:

1. Resolutions (Attachment A)

## ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approve the financing of the Project;
2. Approve all necessary actions and documents in connection with the financing;  
and
3. Authorize any member of the Board of Directors or Authorized Signatory to sign all necessary documents.

## **ATTACHMENT A**

### **RESOLUTION OF THE BOARD OF DIRECTORS OF CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION (Elica Health Center)**

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

**WHEREAS,** the Allocatee and CSCDC 14 LLC, a California limited liability company (“Sub-CDE”), were organized for the purpose of participating in the federal New Markets Tax Credit (“NMTC”) program, designed by Congress to encourage investment in (i) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (ii) businesses and nonprofits active in low-income communities; and (iii) the provision of technical assistance and other services to businesses active in low-income communities; and

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

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

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

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

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

**WHEREAS,** pursuant to a Sub-Allocation Agreement, by and between the Allocatee and Sub-CDE, the Allocatee will sub-allocate a \$11,000,000 portion of the Allocation to the Sub-CDE (the “Sub-Allocation”); and

**WHEREAS,** the Allocatee and USBCDC Investment Fund 371, LLC, a Missouri limited liability company (the “Investor Member”) seek to amend and restate the Initial Sub-CDE Operating Agreement (as amended and restated, the “A&R Sub-CDE Operating Agreement”) pursuant to which the Investor Member will make an equity investment in the Sub-CDE by making a capital contribution in an amount



equal to \$11,000,000 in return for a 99.99% equity interest in the Sub-CDE (the “CDE Investment”); and

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

**WHEREAS,** in accordance with the A&R Sub-CDE Operating Agreement, the Sub-CDE will use substantially all of the QEI proceeds to make one or more loans to Elica Support Corp II, a California nonprofit public benefit corporation (“QALICB”), in the aggregate original principal amount of \$11,000,000 (the “CDE Loan”); and

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

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

**NOW, THEREFORE, BE IT**

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

**RESOLVED,** that Jonathan Penkower (the “Authorized Signatory”) be, and hereby is, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of the Allocatee and on behalf of the Allocatee as managing member of the Sub-CDE, and with such changes, variations, omissions and insertions as he shall approve, the execution and delivery thereof by him to constitute conclusive evidence of such approval; and be it further

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

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

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

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

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

\_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## **EXHIBIT A**

### Transaction Documents

1. [Indemnification Agreement], by and among Allocatee, Sub-CDE, and [U.S. Bancorp Community Development Corporation, a Minnesota corporation] (“\_\_\_\_\_”);
2. A&R Sub-CDE Operating Agreement;
3. New Markets Fee and Expense Agreement, by and among QALICB, Elica Health Centers, a California nonprofit public benefit corporation (“Guarantor”), the Allocatee, and Sub-CDE;
4. New Markets Upfront Fee Agreement, by and among Investor Member, the Allocatee, and Sub-CDE;
5. Sub-Allocation Agreement by and among Allocatee and Sub-CDE;
6. Loan Agreement by and between the Sub-CDE and QALICB;
7. Community Benefits Agreement, by and among QALICB, Guarantor, and Sub-CDE;
8. Blocked Account Control Agreement (Disbursement Account) by and between Sub-CDE and QALICB;
9. Account Pledge Agreement (Disbursement Account) by and between the Sub-CDE, QALICB;
10. Blocked Account Control Agreement (CDE Reserve Account) by and among the Sub-CDE, QALICB, and U.S. Bank, National Association;
11. Construction Monitoring and Disbursement Agreement by and among QALICB, CDE, and [\_\_\_\_\_], and
12. Other related documents.