



TABLE OF CONTENTS
October 19, 2023

CSCDA

Item 2	Minutes	Page 6
Item 3	Consent Calendar	Page 9
Item 5	Tres Lagos II Apartments	Page 10
Item 6	Dantoni Ranch CFD & Verano CFD	Page 19
Item 7	San Juan Oaks CFD – Second Reading	Page 21
Item 8	Hilton – San Diego C- PACE	Page 23

CSCDC

Item 2	Minutes	Page 28
Item 3	FIELD – Bakersfield	Page 30
Item 4	NMTC Allocation Resolution	Page 38



REGULAR MEETING AGENDA

October 19, 2023 at 2:00 PM

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

Telephonic Locations:

3252 Southern Hills Drive
Fairfield, CA 94534

12715 Lookout Circle
Nevada City, CA 95959

County of Kern
Treasurer-Tax Collectors Office
1115 Truxtun Avenue, 2nd Floor
Bakersfield, CA 93301

709 Portwalk Place
Redwood City, CA 94065

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

Members of the public may also observe and offer comment at this meeting telephonically by dialing 669-900-9128, Meeting ID 259-798-2423, Passcode 129070.

A. OPENING AND PROCEDURAL ITEMS

1. Roll Call.

- | | |
|---|--|
| <input type="checkbox"/> Brian Moura, Chair | <input type="checkbox"/> Brian Stiger, Member |
| <input type="checkbox"/> Jordan Kaufman, Vice Chair | <input type="checkbox"/> Niroop Srivatsa, Member |
| <input type="checkbox"/> Kevin O'Rourke, Secretary | <input type="checkbox"/> Jim Erb, Alt. Member |
| <input type="checkbox"/> Dan Mierzwa, Treasurer | <input type="checkbox"/> Norman Coppinger, Alt. Member |
| <input type="checkbox"/> Tim Snellings, Member | |

2. Consideration of the Minutes of the October 5, 2023 Regular Meeting.

3. Consent Calendar

4. Public Comment.

B. AGENDA ITEMS

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. Wildomar Tres Lagos II, LP (Tres Lagos Apartments Phase 2), City of Wildomar, County of Riverside; issue up to \$35,000,000 in multi-family housing revenue bonds.

6. Community Facilities Districts Formation Proceedings:
 - a. Conduct proceedings with respect to California Statewide Communities Development Authority Statewide Community Infrastructure Program Community Facilities District No. 2023-09 (Dantoni Ranch), County of Yuba, State of California and California Statewide Communities Development Authority Community Facilities District No. 2023-07 (Verano), City of Cathedral City, County of Riverside, State of California (collectively, the “Community Facilities Districts”)
 1. Open consolidated Community Facilities District public hearing.
 2. Close consolidated Community Facilities District public hearing.

 - b. Conduct following actions with respect to the Community Facilities Districts:
 1. Consideration of resolutions of formation, among other things, establishing the Community Facilities Districts and providing for the levy of a special tax therein to finance certain public improvements and development impact fees, as applicable.
 2. Consideration of resolutions deeming it necessary to incur bonded indebtedness to finance certain public improvements either directly or to be constructed from certain development impact fees to mitigate the impacts of development within the Community Facilities Districts.
 3. Consideration of resolutions calling special mailed-ballot elections within the Community Facilities Districts.
 4. Conduct special mailed ballot elections for the Community Facilities Districts.
 5. Consideration of resolutions declaring results of special mailed-ballot elections within the Community Facilities Districts.
 6. Conduct first readings of Ordinances Levying a Special Tax in the Community Facilities Districts.

7. California Statewide Communities Development Authority Community Facilities District No. 2023-08 (San Juan Oaks), County of San Benito, State of California
 - a. Conduct second reading and adoption of the ordinance levying a special tax for fiscal year 2023-2024 and following fiscal years within the above-referenced Community Facilities District.
8. Consideration of a resolution authorizing the issuance of commercial PACE bonds relating to properties located at 1351-1371 5th Avenue, City of San Diego, County of San Diego for a Home 2 Suites and Tru by Hilton.
9. Consider Setting Time and Place of November 2, 2023 Regular Meeting to 9:00 AM at 11480 North Torrey Pines Road, La Jolla, CA 92037.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, November 2, 2023 at 9:00 a.m.

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR

1. Consideration of a resolution confirming variable rate or a drawn down structure for Petros PACE Finance related to commercial PACE transactions.

October 19, 2023



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

October 5, 2023 at 2:00 pm

Commission Chair Brian Moura called the meeting to order at 2:00 pm.

1. Roll Call.

Board members participating via teleconference: Brian Moura, Jordan Kaufman, Tim Snellings, Brian Stiger, Niroop Srivatsa , and Norman Coppinger.

Others participating via teleconference: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners; Irene de Jong, Cal Cities; Perry Stottlemeyer, Cal Cities; Rob Pierce, CSAC Finance Corporation; Sendy Young, CSAC Finance Corporation; and Trisha Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the September 28, 2023 Regular Meeting.

The Commission approved the September 28, 2023 Regular Meeting minutes.

Motion to approve by J. Kaufman. Second by B. Stiger. Unanimously approved by voice vote.

3. Consent Calendar

The Commission approved the Consent Calendar.

1. Consideration of updated custodian agreement relating to commercial PACE between Stonehill PACE, Wilmington Trust and CSCDA.

Motion to approve by T. Snellings. Second by N. Coppinger. Unanimously approved by roll-call vote.

4. Public Comment.

There was no public comment.

5. Proceedings related to the formation of CFD No. 2023-08 (San Juan Oaks), County of San Benito (“CFD 2023-08”), the designation of Improvement Area No. 1 therein, and the identification of territory proposed for future annexation:

- a. Conduct the public hearing.

Motion to close the public hearing by B. Stiger. Second by T. Snellings. Unanimously approved by roll-call vote.

- b. Consideration of a resolution of formation establishing CFD 2023-08, designating Improvement Area No. 1 therein, and providing for the levy of a special tax therein to finance certain public improvements and certain development impact fees, and identifying territory proposed for annexation to CFD 2023-08 in the future and to levy special taxes therein.

Motion to approve by N. Srivatsa. Second by N. Coppinger. Unanimously approved by roll-call vote.

- c. Consideration of a resolution deeming it necessary to incur bonded indebtedness to finance certain public improvements and certain development impact fees to mitigate the impacts of development within CFD 2023-08 and in and for Improvement Area No. 1 designated therein and territory proposed for annexation to CFD 2023-08 in the future.

Motion to approve by J. Kaufman. Second by T. Snellings. Unanimously approved by roll-call vote.

- d. Consideration of a resolution calling a special mailed-ballot election within Improvement Area No. 1 in CFD 2023-08.

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

- e. Conduct a special election within Improvement Area No. 1 in CFD 2023-08.

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

- f. Consider a resolution declaring the results of a special mailed-ballot election within Improvement Area No. 1 in CFD 2023-08.

- g. Conduct the first reading of the ordinance levying a special tax for fiscal year 2023-2024 and following fiscal years within Improvement Area No. 1 in CFD 2023-08.

Motion to approve by T. Snellings. Second by N. Srivatsa. Unanimously approved by roll-call vote

6. Statewide Community Infrastructure Program Assessment District No. 23-03 (3 Roots (District III)) City of San Diego, County of San Diego:
 - a. Consideration of a resolution amending Resolution No. 23SCIP-121 relating to the issuance, sale and delivery of not to exceed \$11 million of Statewide Community Infrastructure Program Revenue Bonds, Series 2023E (3Roots San Diego) (Federally Taxable).

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

7. Executive Director Update.

Executive Director Barna thanked the Commission for responding to the meeting planner's email regarding accommodation for the fall meeting. Staff will be sending out the agenda.

8. Staff Update.

Staff had no update.

9. Adjourn.

The meeting was adjourned at 2:12 p.m.

Submitted by: Sindy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, October 19, 2023 at 2:00 p.m.



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

Agenda Item No. 3

Agenda Report

DATE: October 19, 2023
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consent Calendar

1. Consideration of a resolution confirming variable rate or a drawn down structure for Petros PACE Finance related to commercial PACE transactions.

Pursuant to CSCDA's Open PACE Handbook, variable rate financings are authorized for commercial PACE projects. Petros PACE Finance, a CSCDA Open PACE administrator, is requesting that its documents are updated to include the variable rate mode and draw down structure. Jones Hall as PACE counsel has reviewed and drafted the requested changes. Recommend approval.

Documents:

<https://www.dropbox.com/scl/fo/w80azs60jeaxdge9tonro/h?rlkey=7sdlq7w1b56w3ao06fz0yfxp3&dl=0>



Agenda Item No. 5a

Agenda Report

DATE: October 19, 2023

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Tres Lagos Apartments Phase 2

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Wildomar, County of Riverside

AMOUNT: Not to Exceed \$35,000,000

EXECUTIVE SUMMARY:

Tres Lagos Apartments Phase 2 (the “Project”) is the new construction of an 88-unit rental housing project located in the City of Wildomar. 100% of the units will be rent restricted for extremely-low and low-income tenants. On July 27, 2023, CSCDA issued \$29,010,552 in multifamily revenue bonds for the sister project, Tres Lagos Phase 1, comprised of 89 affordable housing units.

PROJECT DESCRIPTION:

- Construction of an 88-unit affordable rental housing facility located at 23345 & 23365 Catt Road in the City of Wildomar.
- One four-story residential building located on a four-acre site.
- Consists of 40 one-bedroom, 25 two-bedroom, and 22 three-bedroom units, plus a manager’s unit.
- Common amenities include on-site management, a community center, laundry room, play areas, and picnic areas.

PROJECT ANALYSIS:

Background on Applicant:

Palm Communities is an integrated real estate development company that specializes in producing only the highest quality, service enriched affordable housing for families, seniors and those with special needs. With a portfolio consisting of more than 2,000 affordable multi-family units located in a variety of communities throughout Southern California, Palm Communities has earned a strong reputation for innovative design, commitment to lasting quality and the delivery of projects on time and on budget. For over 30 years, Palm Communities has been committed to developing physically and economically sustainable residential developments that exceed the expectations of all of its

stakeholders: its public agency partners, business partners, lenders, investors and, most of all, its residents. Palm Communities understands that high quality affordable housing is only the first step toward creating communities that are sustainable and that provide residents with the best opportunity to improve their outcomes in life. On-site social services support residents' goals of upward mobility and help to provide the peace of mind necessary for them to have the highest quality of life possible, regardless of economic circumstances. Services provided at Palm Communities' properties include after school programs, supplemental education programs, health, wellness and skill building classes, on-site case management, crisis management, mediation services and social activities. Palm Communities has constructed or rehabilitated more than 30 multi-family affordable housing projects and this is its fifth financing with CSCDA.

Public Agency Approvals:

TEFRA Hearing: Scheduled for October 17, 2023 at the County of Riverside. CSCDA Commission approval shall be subject to TEFRA approval by the County.

CDLAC Approval: May 10, 2023

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 52% (45 units) restricted to 30% or less of area median income households.
 - 2% (2 units) restricted to 50% or less of area median income households.
 - 46% (40 units) restricted to 60% or less of area median income households.
 - One Manager's Unit

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 25,351,486
Taxable Loan:	\$ 14,410,375
County Loan:	\$ 1,581,256
Tax Credit Equity:	\$ 6,605,618
Deferred Costs:	<u>\$ 3,456,844</u>
Total Sources:	\$ 51,405,579

Uses of Funds:

Land:	\$ 4,081,702
Construction Costs:	\$ 34,827,013
Architecture & Engineering:	\$ 770,980
Capitalized Interest:	\$ 3,829,300
Reserves:	\$ 514,350
Developer Fee:	\$ 3,258,648
Legal Fees:	\$ 130,000
Soft Costs:	<u>\$ 3,993,586</u>
Total Uses:	\$ 51,405,579

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Bond Purchaser: Citibank, N.A.

Finance Terms:

Rating: Unrated
Term: 35 years
Method of Sale: Private Placement
Estimated Closing: October 31, 2023

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, subject to TEFRA approval by the County of Riverside;
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. 23H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS TRES LAGOS APARTMENTS PHASE II; 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, Wildomar Tres Lagos Partners II LP, a California limited partnership, and entities related thereto (collectively, the "Borrower"), has requested that the Authority execute and deliver its Multifamily Housing Revenue Note (Tres Lagos Apartments Phase II) 2023 Series L (the "Note") to assist in financing the acquisition and construction of a 88-unit (including one manager's unit) multifamily housing rental development located in the City of Wildomar, California (the "City"), and known or to be known as Tres Lagos Apartments Phase II (the "Project");

WHEREAS, on May 10, 2023, the Authority received a private activity bond volume cap allocation in the amount of \$25,351,486 (the "Allocation Amount") from the California Debt Limit Allocation Committee ("CDLAC") in connection with the Project;

WHEREAS, the City is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance, execution and delivery of tax-exempt obligations for the purpose of financing the Project;

WHEREAS, the Authority is willing to execute and deliver the Note in an aggregate principal amount not to exceed \$35,000,000, 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 and moderate income persons;

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 attached hereto;

WHEREAS, the Note is expected to be executed and delivered to Citibank, N.A. (the "Funding Lender"), as the initial holder of the Note in accordance with the Authority's private placement policies; and

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

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

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

(4) Contingency Draw-Down Agreement (the "Contingency-Draw-Down Agreement") to be entered into between the Funding Lender 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 (Tres Lagos Apartments Phase II) 2023 Series L" 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 \$35,000,000; provided that the aggregate principal amount of any federally tax-exempt obligations 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 shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair

of the Authority or the manual signature of any Authorized Signatory (as defined below), and, if appropriate, 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. The Note shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment or redemption premium, if any, and interest on, the Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, respectively, 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. 23R-1 of the Authority, adopted on January 5, 2023) (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 Borrower Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Borrower Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

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

Section 6. The Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

Section 7. 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 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, contingency draw-down agreement, loan related documents, an assignment of deed of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, and any documents or amendments which may be necessary to terminate any prior documents or instruments, 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 the other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this October 19, 2023.

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 October 19, 2023.

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: Wildomar Tres Lagos Partners II LP
2. Authority Meeting Date: 10/19/23
3. Name of Obligations: Tres Lagos Apartments Phase 2
4. 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): 6.85%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$1,129,185.54.
 - (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: \$37,290,814.46.
 - (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): \$48,730,358.34.]
5. The good faith estimates [provided above / attached as Schedule A] 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: 10/19/23



Agenda Item No. 6

Agenda Report

DATE: October 19, 2023

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Dantoni Ranch (County of Yuba) and Verano (City of Cathedral City) – Community Facilities Districts

PURPOSE: Conduct proceedings with respect to California Statewide Communities Development Authority Statewide Community Infrastructure Program Community Facilities District No. 2023-09 (Dantoni Ranch), County of Yuba, State of California and California Statewide Communities Development Authority Community Facilities District No. 2023-07 (Verano), City of Cathedral City, County of Riverside, State of California (collectively, the “Community Facilities Districts”)

EXECUTIVE SUMMARY:

On September 7, 2023 the Commission initiated proceedings for the Dantoni Ranch CFD and the Verano CFD (the “CFDs”) and set the public hearing for today. The actions requested today are the second steps in the formation of the CFDs located in the County of Yuba and City of Cathedral City, California. The CFDs are being formed to finance public facilities, services and fees.

BACKGROUND:

Dantoni Ranch

The project will be for the construction of 201 single-family homes. Approximately \$6.2 million will be used to finance capital facilities fees, traffic impact fees, water and sewer fees.

Verano CFD

The Verano CFD will finance the construction of a water reservoir and related water improvements for the Project. The water reservoir will be owned and managed by the Coachella Valley Water District (CVWD). CVWD approved CSCDA’s formation and issuance of bonds for the Project on January 10, 2023. The Project includes 892 partially platted lots entitled for a variety of detached single family residential and multifamily units.

Each financing will be brought back to the Commission for completion of the formation of the CFDs, and for final approval of the bond issuance.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends the Commission conduct the proceedings and approve the related resolutions:

1. Open consolidated Community Facilities District public hearing.
2. Close consolidated Community Facilities District public hearing.

Conduct following actions with respect to the Community Facilities Districts:

1. Consideration of resolutions of formation, among other things, establishing the Community Facilities Districts and providing for the levy of a special tax therein to finance certain public improvements and development impact fees, as applicable.
2. Consideration of resolutions deeming it necessary to incur bonded indebtedness to finance certain public improvements either directly or to be constructed from certain development impact fees to mitigate the impacts of development within the Community Facilities Districts.
3. Consideration of resolutions calling special mailed-ballot elections within the Community Facilities Districts.
4. Conduct special mailed ballot elections for the Community Facilities Districts.
5. Consideration of resolutions declaring results of special mailed-ballot elections within the Community Facilities Districts.
6. Conduct first readings of Ordinances Levying a Special Tax in the Community Facilities Districts.

Documents:

Dantoni Ranch

<https://www.dropbox.com/scl/fo/coct32kk4tflq15ym79cn/h?rlkey=owt08jnlj0mvwwiwc0prmbafk&dl=0>

Verano CFD

<https://www.dropbox.com/scl/fo/tmbweuc0861f90waytvrh/h?rlkey=adaohcab0xpgcokhatv9xwakq&dl=0>



Agenda Item No. 7

Agenda Report

DATE: October 19, 2023

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: San Juan Oaks (County of San Benito) – Community Facilities District

PURPOSE: Conduct second reading and adoption of the ordinance levying a special tax for fiscal year 2023-2024 and following fiscal years within the above-referenced Community Facilities District.

EXECUTIVE SUMMARY:

- On August 17, 2023 the CSCDA Commission adopted a resolution approving a joint community facilities agreement and declaring the intention to established CSCDA CFD No. 2023-08 (San Juan Oaks) located in the County of San Benito.
- On October 5, 2023 the public hearing was held and the first reading of the ordinance levy a special tax was read.

The action requested today is to conduct the second reading, and adopt the ordinance levying a special tax for fiscal year 2023-24.

BACKGROUND:

The Project will include the development of 1,084 single family detached residential units, 1,017 of which will form an active adult community and 67 of which will be conventional single-family residential units; an amenity center; a 200-room resort hotel; a neighborhood commercial center; and an assisted living/skilled nursing/memory care facility with up to 100 beds. The Project would include the creation of an on-site agricultural preserve and an off-site agricultural preserve.

The CFD will finance the following improvements: transportation, park and public facilities.

In addition, the following impact fees will be financed: traffic, drainage and roadway fees.

The financing will not exceed \$35 million, and will be completed in multiple phases. The approval of the financing will be brought back to the Commission.

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDA's Executive Director recommends conducting the second reading and adoption of the ordinance levying a special tax for fiscal year 2023-2024 and following fiscal years within the above-referenced Community Facilities District.

Documents:

<https://www.dropbox.com/scl/fo/86e6f5heuiv5sk7xbk9wd/h?rlkey=8edbu465h1hpk0u0xr4nh2103&dl=0>



Agenda Item No. 8

Agenda Report

DATE: October 19, 2023

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Home 2 Suites & Tru by Hilton – San Diego

PURPOSE: Authorize the issuance of commercial PACE bonds to finance and refinance energy efficiency improvements, water efficiency improvements, and seismic strengthening improvements.

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

PROJECT ANALYSIS:

About the Project:

CSCDA will finance energy efficiency improvements, water efficiency improvements, seismic strengthening improvements, including related soft costs, for Home 2 Suites & Tru by Hilton located at 1351-1371 5th Avenue, City of San Diego, County of San Diego. The project involves the construction of a 16-story dual-branded lodging facility that will be operated by the Hilton brands. The Project is expected to open on January 1, 2026, with 263 rooms; the Home2 Suites by Hilton will offer 130 rooms, and the Tru by Hilton will feature 133 rooms.

The financing will be federally taxable and be funded through the PACE assessment.

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 San Diego approved CSCDA levying assessments under PACE on September 19, 2012 (Resolution No. 307693).

Pursuant to Resolution No. 307693 Renew Financial and CSCDA are authorized as program administrators. Renew Financial is no longer providing commercial PACE services, therefore CSCDA will serve in the capacity of program administrator, and assign the bonds to Stonehill PACE. The City of San Diego requires an indemnification by CSCDA and the PACE administrator which is incorporated into the documents for approval.

Estimated Sources and Uses:

Sources of Funds:	
Par Amount of Bonds:	\$22,585,000.00
Total Sources:	<u>\$22,585,000.00</u>

Use of Funds:	
Improvement Funds:	\$18,327,719.00
Capitalized Interest Fund:	\$3,647,478.00
Costs of Issuance and Admin Fees:	<u>\$609,803.00</u>
Total Uses:	\$22,585,000.00

Finance Partners:

PACE Counsel:	Jones Hall, San Francisco, California
PACE Assessment Administrator:	DTA Finance, Newport Beach, California
PACE Bond Purchaser:	Stonehill PACE, Atlanta, Georgia
PACE Trustee:	Axos Bank, San Diego

Finance Terms:

Term:	30 years; Fixed rate.
Structure:	Private Placement
Estimated Closing:	November 2, 2023

CSCDA Policy Compliance:

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

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

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

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing or refinancing; and

3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

Documents:

<https://www.dropbox.com/scl/fo/b4bm005ksfhdjzr69dakx/h?rlkey=kdn8wui5ks3i4twsb386f7mhp&dl=0>



CSCDC
 CALIFORNIA STATEWIDE COMMUNITIES
 DEVELOPMENT CORPORATION



California State Association of Counties



LEAGUE OF
 CALIFORNIA
 CITIES

MEETING AGENDA

October 19, 2023

2:00 PM or upon adjournment of the CSCDA Meeting

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

Telephonic Locations:

3252 Southern Hills Drive
 Fairfield, CA 94534

12715 Lookout Circle
 Nevada City, CA 95959

County of Kern
 Treasurer-Tax Collectors Office
 1115 Truxtun Avenue, 2nd Floor
 Bakersfield, CA 93301

709 Portwalk Place
 Redwood City, CA 94065

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

Members of the public may also observe and offer comment at this meeting telephonically by dialing 669-900-9128, Meeting ID 259-798-2423, Passcode 129070.

1. Roll Call.

- | | |
|--------------------------------------|-------------------------------------|
| _____ Brian Moura, President | _____ Brian Stiger, Member |
| _____ Jordan Kaufman, Vice President | _____ Niroop Srivatsa, Member |
| _____ Kevin O'Rourke, Secretary | _____ Jim Erb, Alt. Member |
| _____ Dan Mierzwa, Treasurer | _____ Norman Coppinger, Alt. Member |
| _____ Tim Snellings, Member | |

2. Consideration of the Minutes of the August 17, 2023 Meeting.

3. 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 \$10,500,000 in qualified low-income community investments by CSCDC 23 LLC to Farmworkers Institute of Education and Leadership Development, Inc., City of Bakersfield, County of Kern, California.
4. Consideration of (i) Resolution authorizing execution of an Allocation Agreement with the CDFI Fund to receive \$60,000,000 in New Markets Tax Credits; and (ii) Certificate in Support of Opinion of Allocatee and Subsidiary Allocatees.
5. Public Comment.
6. Executive Director Update.
7. Staff Updates.
8. Adjourn.



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION

August 17, 2023

2:00 PM or upon adjournment of the CSCDA Meeting

Board President Brian Moura called the meeting to order at 2:19 p.m.

1. Roll Call.

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

Others participating via teleconference: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Hamill, Bridge Strategic Partners; Irene de Jong, Cal Cities; Rob Pierce, CSAC Finance Corporation; Sedy Young, CSAC Finance Corporation; and Tricia Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the March 16, 2023 Meeting.

The Commission approved the minutes of the March 16, 2023 Meeting.

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

3. 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 \$9,500,000 in qualified low-income community investments by CSCDC 22 LLC to Pit River Health Service, Burney, unincorporated County of Shasta, California.

The Board approved the financing for Pit River Health Service.

Motion to approve by N. Srivatsa. Second by D. Mierzwa. Unanimously approved by roll-call vote.

4. Public Comment.

There was no public comment.

5. Executive Director Update.

Executive Director Barna had no updates.

6. Staff Update.

Staff had no updates.

7. Adjourn.

The meeting was adjourned at 2:23 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation



Agenda Report

DATE: October 19, 2023

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Barna, Executive Director

PURPOSE: Approve the making of up to \$10,500,000 in qualified low-income community investments by CSCDC 23 LLC to Farmworkers Institute of Education and Leadership Development, Inc., City of Bakersfield, County of Kern, California.

SPONSOR BACKGROUND:

Farmworkers Institute of Education and Leadership Development, Inc. (FIELD) is a nonprofit organization founded in 1978 by Cesar Chavez to create economic opportunities and self-sufficiency for farmworkers and the rural workforce in California's Central Valley. To meet its mission, FIELD provides educational and workforce development programs that include:

- EPIC de Cesar Chavez Charter High School (EPIC) – EPIC is an accredited and State-funded charter school that provides adults across the state (18+ years old) with access to high school education and career technical education. EPIC has 20 campuses across California. To date, EPIC has served over 130,000 adults, the majority of whom are English learners and/or underserved individuals. In a typical year, there are 400-650 students enrolled in EPIC.
- Career Technical Pathways – for EPIC students that receive or are working on their high school diploma, FIELD offers eight career technical education (CTE) pathways that provide participants with employable skills in growing industries. EPIC's CTE training programs include: recycling, construction, firefighting, agriculture, early childhood education, natural resources, business, and solar installation. CTE programs typically last two years and graduates receive certificates upon completion.
- Cesar Chavez Environmental Corps (CCEC) – CCEC is FIELD's State-certified local conservation corps, providing young adults (ages 18-26) with paid work experience in recycling and natural resource careers. Natural resource jobs include trail blazing, wood chipping, firefighting and prevention, and landscaping. Corpsmembers are employed by FIELD directly and perform environment-related work intended to address climate conditions and hazards across California. Participating youth are often from troubled backgrounds, with many aging out of the foster system.
- English as a Second Language (ESL) – FIELD has provided free ESL classes to adult English learners since 2000, serving 1,000-6,000 adults annually.

PROJECT OVERVIEW:

FIELD has requested that CSCDC provide up to \$10,500,000 in New Markets Tax Credit (NMTC) to support FIELD's acquisition and renovation of existing buildings on an 11.2-acre parcel in Bakersfield, California, to serve as FIELD's new headquarters, and a comprehensive Career Technical Education (CTE) campus for adults participating in FIELD's programs. Today, FIELD's CTE programs are spread across multiple sites. The project site will become FIELD's central CTE campus, allowing the organization to grow the number of programs offered, and the number of people served. The project will contain the following:

- Four Buildings (40,844 SF).
 - Main Building with FIELD Headquarters, EPIC District Office, ESL Classrooms, an Industrial Kitchen, and 16 dormitory-style rooms. The dorm rooms will be used for Conservation Corpsmembers who need temporary housing (up to two occupants per room for up to 32 total occupants at one time).
 - Early Childhood Education Center/Lab.
 - Agriculture Training Building – includes classrooms.
 - Solar & Early Childhood Education Training Building – includes classrooms.
- Two Warehouses & Multiple Portable Buildings (22,940 SF).
 - EPIC Solar Lab for career training.
 - EPIC Recycling Center/Lab for career training (also a social enterprise)
 - Portables for additional FIELD and CTE programming.
- Property for additional programs and future expansion (~7 acres of unbuilt land).
 - Storage Space for FIELD Vehicles.
 - Anticipated Future Use by EPIC's Agriculture Program – likely to include greenhouses, a plant nursery, and a community garden.

COMMUNITY OUTCOMES:

Construction Jobs

- The project is expected to result in 35 FTE construction jobs.

Permanent Jobs

- The project is expected to result in result in 241 permanent FTE jobs (93 retained jobs and 148 new jobs).

Quality Jobs

- Of the 241 permanent jobs, 90% are expected to be quality jobs providing a living wage and/or benefits for employees. FIELD expects that 90% of employees will receive benefits. Employee benefits include health/dental/vision insurance, retirement, and paid leave. All FIELD employees receive on-the-job training.
- Of the 241 permanent jobs, 82% are expected to be accessible jobs to people with lower levels of education and targeted to people with barriers to employment. FIELD regularly hires graduates of its EPIC, CTE and ESL programs. FIELD also has a strong track record of promoting individuals from within.

Supporting Minority Businesses

- FIELD is a minority-led and minority-controlled nonprofit organization. Additionally, approximately 85% of FIELD's employees are people of color, and approximately 90% of those served by FIELD's programs are people of color.

ADVISORY BOARD APPROVAL:

On February 8, 2023, CSCDC’s Advisory Board unanimously recommended approval of the Project.

FINANCE TEAM:

- Tax Credit Investor: Wells Fargo Bank
- Investor Counsel: Kutak Rock
- CSCDC Counsel: Applegate & Thorne-Thomsen

ESTIMATED SOURCES AND USES:

FIELD Enterprises			
Sources		Uses	
State of CA Grant	\$ 7,765,737	Leverage Loan	\$ 7,626,150
		Cash Contribution to QALICB	\$ 139,587
Total	\$ 7,765,737	Total	\$ 7,765,737
Investment Fund			
Sources		Uses	
Leverage Loan	\$ 7,626,150	CSCDC QEI	\$ 10,500,000
NMTC Equity	\$ 3,398,850	CSCDC Upfront Fee	\$ 525,000
Total	\$ 11,025,000	Total	\$ 11,025,000
CSCDC Sub CDE			
Sources		Uses	
QEI	\$ 10,500,000	QLICI A	\$ 7,626,150
		QLICI B	\$ 2,873,850
Total	\$ 10,500,000	Total	\$ 10,500,000
QALICB			
Sources		Uses	
CSCDC QLICI A	\$ 7,626,150	Acquisition	\$ 4,493,687
CSCDC QLICI B	\$ 2,873,850	Hard Costs	\$ 3,532,495
Sponsor Contribution	\$ 139,587	Soft Costs	\$ 348,005
		Working Capital	\$ 1,360,000
		NMTC Costs	\$ 905,400
Total	\$ 10,639,587	Total	\$ 10,639,587

DOCUMENTS:

1. Resolutions (Attachment A)

ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:

CSCDC's Executive Director recommends that the Board of Directors adopt the resolution, which:

1. Approves the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes 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**

At a meeting duly called on October 19, 2023, the Board of Directors (the “Board”) of California Statewide Communities Development Corporation, a California nonprofit public benefit corporation (the “Allocatee”), for itself and in its capacity as managing member of the Sub-CDE (defined below), does hereby adopt the following resolutions:

WHEREAS, the Allocatee and CSCDC 23 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, Allocatee was certified by the Community Development Financial Institutions Fund (the “CDFI Fund”) as a CDE, and Allocatee submitted an Eighteenth Round (2021) New Markets Tax Credit Allocation Application (the “Application”); and

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

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

WHEREAS, Allocatee, as managing member, and CSCDC Manager, LLC, a Delaware limited liability company, as the non-managing member (the “Withdrawing Member”), entered into that certain operating agreement of Sub-CDE with an effective date of November 1, 2022 (the “Initial Sub-CDE Operating Agreement”) to govern Sub-CDE; and

WHEREAS, pursuant to that certain Sub-Allocation Agreement to be dated on or about the funding date of the Initial CDE Investment (defined below), Allocatee will sub-allocate a portion of the Allocation in an amount equal to \$10,500,000 to Sub-CDE; and

WHEREAS, it is anticipated that on the funding date of the Initial CDE Investment, Withdrawing Member will withdraw as a member of Sub-CDE, Allocatee will admit [Field NMTC] Investment Fund, LLC, a Delaware limited liability company (the “Investor Member”), as the 99.99% member of Sub-CDE, and the Investor Member and Allocatee will amend and restate the Initial Sub-CDE Operating Agreement in its entirety (as amended and restated, the “A&R Sub-CDE Operating Agreement”) pursuant to which

Investor Member will make an equity investment in the Sub-CDE in the amount of \$10,500,000 (the “Initial CDE Investment”); and

WHEREAS, it is anticipated that on the funding date of the Initial CDE Investment, the Initial CDE Investment will be designated as a “qualified equity investment” as such term is defined in Section 45D of the Code (“QEI”); and

WHEREAS, in accordance with the A&R Sub-CDE Operating Agreement, Sub-CDE will use substantially all of the QEI proceeds to make one or more loans to Farmworkers Institute of Education and Leadership Development, Inc., a California nonprofit public benefit corporation (the “Borrower”), in the aggregate original principal amount of up to \$10,500,000 (collectively, the “CDE Loan”) to finance the acquisition, construction, operation and rehabilitation of real property located at 2240 S. Union Ave., Bakersfield, CA (the “Property”) on which Borrower operates programs furthering its’ non-profit purpose; and

WHEREAS, a portion of the Borrower consisting of the [acquisition, construction and rehabilitation and operation of the Property] is intended to constitute a “qualified active low-income community business” pursuant to the “portion of business” rule in Section 1.45D-1(d)(4)(iii)(A) of the Treasury Regulations and Guidance; 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 (as defined in the A&R Sub-CDE Operating Agreement) for purposes of the NMTC program which has flexible, non-conventional, or non-conforming terms and conditions; and

WHEREAS, it is the intention of the Board that Allocatee enter into certain transaction documents, for itself and in its capacity as the managing member of Sub-CDE, in connection with the above described transactions and QEI 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 each of the following individuals (each an “Authorized Signatory”) be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of Allocatee and on behalf of Allocatee as managing member of Sub-CDE, and with such changes, variations, omissions and insertions as they shall approve, the execution and delivery thereof by them to constitute conclusive evidence of such approval: Norman Coppinger, Catherine Barna, Jon Penkower and James Hamill; and be it further

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other affidavits, certificates, agreements, instruments and documents, to pay all fees, charges and expenses, and to do or cause to be done all other acts and things which are required or provided for under the terms of the

Transaction Documents or which may be necessary or, in his or her or their opinion, desirable and proper in order to effect the purposes of the foregoing resolution and to cause compliance by 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 Allocatee or Sub-CDE, as the case may be, to be performed or observed; and be it further

RESOLVED, that any and all documents, instruments and other writings previously executed and delivered or acts performed by the Authorized Signatories, in the name and on behalf of Allocatee or 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; and be it further

RESOLVED, that the Authorized Signatories, acting singly or jointly be, and hereby are, authorized and directed to execute and deliver all other 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 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 Allocatee have executed and adopted these Resolutions at its meeting duly called and held on October 19, at which a quorum of the Board of Directors was present or represented.

Brian Moura, Board President

EXHIBIT A

Transaction Documents

1. [CDE Indemnification Agreement (CSCDC CDE), by Allocatee for the benefit of Wells Fargo Community Investment Holdings, LLC, a Delaware limited liability company (“WFCIH”)]
2. A&R Sub-CDE Operating Agreement
3. New Markets Fee and Expense Agreement, by and among Borrower, the Allocatee, Sub-CDE, and FIELD Enterprises, a California nonprofit public benefit corporation (“Leverage Lender”)
4. Fund Sponsor Fee Agreement made by and among Investor Member, Allocatee, and Sub-CDE
5. Sub-Allocation Agreement by and between Allocatee and Sub-CDE
6. [Loan Agreement, by and between Sub-CDE and Borrower]
7. Community Benefits Agreement, by and among Investor Member, Leverage Lender, Borrower, and Sub-CDE
8. [Account Pledge and Control Agreement (Construction Disbursement Account) by and among Sub-CDE, Borrower, and Wells Fargo Bank, N.A. (“Wells Fargo”)]
9. [Account Pledge and Control Agreement (Fee Reserve Account) by and among Sub-CDE, Borrower, and Wells Fargo]
10. [Construction Monitoring and Disbursement Agreement by and among Borrower, Sub-CDE, and Wells Fargo]
11. [NMTC Compliance Agreement by and among Borrower, Leverage Lender, Sub-CDE, and Investor Member]
12. [Fund Transfers and Authorizations Agreement by and among Allocatee, Sub-CDE, and certain other parties thereto]
13. Other related documents.



Agenda Report

DATE: October 19, 2023

TO: CSCDC BOARD OF DIRECTORS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of Resolution authorizing execution of an Allocation Agreement with the CDFI Fund to receive \$60,000,000 in New Markets Tax Credits.

BACKGROUND AND SUMMARY:

On January 24, 2023, 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 22, 2023, CSCDC was awarded \$60 million in New Markets Tax Credit investment authority by the CDFI Fund. CSCDCs 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 Applegate & Thorne-Thomsen 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.

The following is 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.

RECOMMENDED ACTION:

CSCDC's Executive Director recommends that the directors of CSCDC approve the Resolution Authorizing Execution of an Allocation Agreement with the CDFI Fund to Receive \$60,000,000 in New Markets Tax Credits (in the form of Attachment 1).

Attachment 1

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

As of October 19, 2023, 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 22 LLC, CSCDC 23 LLC, CSCDC 24 LLC and CSCDC 25 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 2022 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 \$60,000,000 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 October 19, 2023.

Brian Moura
President

ATTEST:

Jordan Kaufman
Vice-President