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July 11, 2024

CSCDA

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REGULAR MEETING AGENDA

July 11, 2024 at 2:00 PM

**League of California Cities
1400 K Street, 4th Floor
Sacramento, CA 95814**

Telephonic Locations:

709 Portwalk Place
Redwood City, CA 94065

City of Lafayette
3675 Mt. Diablo Blvd., Suite 210
Lafayette, CA 94549

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

3252 Southern Hills Drive
Fairfield, CA 94534

32920 Road 140
Visalia, CA 93292

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.

____ Brian Moura, Chair
____ Jordan Kaufman, Vice Chair
____ Kevin O'Rourke, Secretary
____ Dan Mierzwa, Treasurer
____ Tim Snellings, Member

____ Brian Stiger, Member
____ Niroop Srivatsa, Member
____ Jim Erb, Alt. Member
____ Norman Coppinger, Alt. Member

2. Consideration of the Minutes of the June 20, 2024 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. John Muir Health, Cities of Concord and Walnut Creek, County of Contra Costa; issue up to \$550 million in nonprofit health facility revenue bonds.
 - b. Second St. Andrews Preservation Limited Partnership (Second St. Andrews Apartments), City of Los Angeles, County of Los Angeles; issue up to \$23,000,000 in multifamily housing revenue bonds.
 - c. Panorama II Preservation Limited Partnership (Panorama View Apartments), City of Los Angeles, County of Los Angeles; issue up to \$30,000,000 in multifamily housing revenue bonds.
 - d. Two Worlds II Preservation Limited Partnership (Two Worlds Apartments), City of Los Angeles, County of Los Angeles; issue up to \$28,000,000 in multifamily housing revenue bonds.

6. CFD No. 2024-09 (Rio del Oro) – Formation:
 1. Conduct proceedings with respect to California Statewide Communities Development Authority Community Facilities District No. 2024-09 (Rio del Oro), County of Yuba, State of California (Rio del Oro CFD):
 - a. Open Rio del Oro CFD public hearing.
 - b. Close Rio del Oro CFD public hearing.
 2. Conduct following actions with respect to the Rio del Oro CFD:
 - a. Consideration of a resolution of formation, among other things, establishing the Rio del Oro CFD and providing for the levy of a special tax therein to finance certain public improvements.
 - b. Consideration of a resolution deeming it necessary to incur bonded indebtedness to finance certain public improvements to mitigate the impacts of development within the Rio del Oro CFD.
 - c. Consideration of a resolution calling special mailed-ballot election within the Rio del Oro CFD.
 - d. Conduct special mailed ballot election for the Rio del Oro CFD.
 - e. Consideration of a resolution declaring results of special mailed-ballot election within the Rio del Oro CFD.

- f. Conduct first a reading of Ordinance Levying a Special Tax in the Rio del Oro CFD.
7. Statewide Community Infrastructure Program (SCIP)
 1. Consideration of a resolution abandoning proceedings in the Statewide Community Infrastructure Program Assessment District No. 24-01 (Belcourt Place) City of El Monte, County of Los Angeles.
 2. Consider the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) community facilities districts (CFDs) for Series 2024B or a future bond issuance:
 - a. Resolutions approving joint community facilities agreements and declaring intention to establish CFDs, to designate improvement areas therein, and to levy special taxes therein to finance certain public improvements and fees and to levy special taxes therein;
 - b. Resolutions declaring intention to annex territory to an existing CFD, to designate improvement areas therein and to levy a special tax therein to finance certain public improvements and certain development impact fees; and
 3. Resolutions to incur bonded indebtedness to finance certain public improvements and fees within the CFDs and calling for a public hearing.
8. Consideration of agreement with the BLX Group relating to the Statewide Community Infrastructure Program (SCIP).

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, July 25, 2024 at 2:00 PM

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

CONSENT CALENDAR

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

July 11, 2024



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

June 20, 2024 at 2:00 pm

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

1. Roll Call.

Commission members participating via teleconference: Brian Moura, Jordan Kaufman, Kevin O'Rourke, Niroop Srivatsa, and Norman Coppinger (non-voting).

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

2. Consideration of the Minutes of the June 6, 2024 Regular Meeting.

The Commission approved the June 6, 2024 Regular Meeting minutes.

Motion to approve by K. O'Rourke. Second by N. Srivatsa. Unanimously approved by roll-call vote.

3. Public Comment.

No public comment.

4. Statewide Community Infrastructure Program (SCIP) 2024B (Summer Series):

Consider the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) assessment districts (ADs) for Series 2024B or a future bond issuance:

- a. Resolutions of intention in respect of the ADs to finance capital improvements and/or the payment of development impact fees for public capital improvements, including approval of proposed boundary maps;

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

- b. Resolutions preliminarily approving the engineer's reports in respect of the ADs, setting date for the public hearing of protests and providing for property owner ballots.

Motion to approve by N. Srivatsa. Second by K. O'Rourke. Unanimously approved by roll-call vote.

5. Consideration of 2024-25 CSCDA Budget.

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

6. Executive Director Update.

Executive Director Barna had no update.

7. Staff Update.

Staff informed the Commission that the next Regular CSCDA Meeting is scheduled for July 11th.

8. Adjourn.

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

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, July 11, 2024 at 2:00 PM



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

Agenda Item No. 3

Agenda Report

DATE: July 11, 2024
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consent Calendar

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

The County of Ventura requires that the CSCDA Commission adopt a resolution that provides a list of unpaid PACE assessments in order to complete the annual PACE enrollment. The resolution was drafted by Jones Hall as PACE Counsel and DTA Finance provided the list of unpaid assessments. Recommend approval.

Documents: <https://www.dropbox.com/scl/fi/12h8byy2dy0xbcubnknvd/CSCDA-Ventura-County-24-25-Levy-Reso.pdf?rlkey=0c336olfb8t86615i831n2g4c&dl=0>



Agenda Item No. 5a

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: John Muir Health

PURPOSE: Authorize the Issuance of Bonds to Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Healthcare Facilities located in the Cities of Walnut Creek and Concord, County of Contra Costa

AMOUNT: Not to Exceed \$550,000,000

EXECUTIVE SUMMARY:

John Muir Health, a 501c3 nonprofit organization (“John Muir”), has requested that CSCDA issue nonprofit revenue bonds in an amount not to exceed \$550,000,000 (the “2024 Bonds”) to refinance the acquisition, construction, improvement, renovation and equipping of healthcare facilities located in the Cities of Walnut Creek and Concord (the “Project”). The Bonds will be a refunding of \$45.5 million of the CSCDA Series 2019A bonds, \$44.8 million of its taxable commercial paper it issued in 2021, and new money in the amount of \$196 million to fund the Cancer Center in Walnut Creek. The not-to-exceed amount is higher due to potential projects that may be allocated by the time the Bonds are issued. This will be the eleventh CSCDA financing for John Muir.

PROJECT ANALYSIS:

About John Muir:

John Muir includes two of the largest medical centers in Contra Costa County: John Muir Medical Center, Walnut Creek, a 572-licensed bed medical center that serves as Contra Costa County's only designated trauma center; and John Muir Medical Center, Concord, a 245-licensed bed medical center in Concord. Together, they are recognized as preeminent centers for neurosciences, orthopedics, cancer care, cardiovascular care and high-risk obstetrics. John Muir Health also offers complete inpatient and outpatient behavioral health programs and services at its Behavioral Health Center, a fully accredited, 73-bed psychiatric hospital located in Concord. Other areas of specialty include general surgery, robotic surgery, weight-loss surgery, rehabilitation and critical care. All hospitals are accredited by The Joint Commission, a national surveyor of quality patient care. In

addition, John Muir provides a number of primary care and outpatient services throughout the community and urgent care centers in Brentwood, Concord, San Ramon and Walnut Creek.

Public Agency Approvals:

TEFRA Hearing: The City of Walnut Creek conducted and approved a TEFRA hearing on June 18, 2024, and the City of Concord conducted and approved a TEFRA hearing on June 25, 2024.

Public Benefit:

Economic Development:

- John Muir employs more than 6,000 physicians, nurses and other staff throughout its facilities.
- John Muir's role in the community has generated the establishment of medical clinics, pharmacies, rehabilitation centers and other medical related businesses to assist those in need of continued medical care. In addition, many John Muir employees live, eat and shop within the community and support the local economy.

Public Benefit:

- In 2023, John Muir contributed \$194,904,572 in total community benefits, including quantifiable benefits for the poor and broader community.
- Medi-Cal, Medicaid and Medicare acceptance – John Muir provides healthcare and helps to subsidize the cost of service for patients that participate in government sponsored programs such as Medi-Cal, Medicaid and Medicare. In 2023, John Muir subsidized more than \$164 million for the unpaid cost of federal, state, and local programs.
- Non-reimbursed community benefit costs – In 2023, John Muir provided more than \$9 million in traditional charity care charges.
- John Muir is the County's only Trauma Center.
- John Muir provides a wide array of community program for adults, youth and seniors.
- John Muir has invested in 33 partnerships addressing Healthcare Access and Delivery, Behavioral Health, Housing and Homelessness Prevention in communities with the highest needs and the least resources.

Sources and Uses:

Sources of Funds:	
Series 2024 Par Amount:	\$268,340,000.00
Premium:	<u>\$ 20,694,429.65</u>
Total Sources:	\$284,034,429.65

Uses of Funds:	
Walnut Creek Cancer Center:	\$196,000,000.00
Refunding Taxable Commercial Paper:	\$ 44,800,000.00
Refunding 2019A Bonds:	\$ 45,550,000.00
Cost of Issuance:	\$ 2,683,400.00
Additional Proceeds:	<u>\$ 1,029.65</u>
Total Uses:	\$284,034,429.65

Finance Partners:

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

Finance Terms:

Rating:	A+ (S&P)
Term:	20 Years
Structure:	Public Offering
Estimated Closing:	August 13, 2024

CSCDA Policy Compliance:

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

DOCUMENTS:

<https://www.dropbox.com/scl/fo/qtx3vwexpqoz0yww7ockm/AFhfPTitXBofAq86-TTXN4s?rlkey=78vjxo2x5ur2uu7ye8i24htg&dl=0>

COMMISSION ACTION RECOMMENDED BY THE EXECUTIVE DIRECTOR:

1. Approves the issuance of the 2024 Bonds and the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing;
and

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



Agenda Item No. 5b

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Second St. Andrews Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$23,000,000

EXECUTIVE SUMMARY:

Second St. Andrews Apartments (the “Project”) is the acquisition and rehabilitation of 65 units of rental housing located in the City of Los Angeles. 100% of the units will remain rent restricted for extremely low-income and low-income residents.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 65-unit affordable rental housing facility located at 1511 S. St. Andrews Place and 1309 2nd Avenue in the City of Los Angeles.
- Consists of 21 studios, eight one-bedroom units, 35 two-bedroom units, and one manager’s unit.

PROJECT ANALYSIS:

Background on Applicant:

Preservation Partners Development (PPD) acquires, rehabilitates and permanently preserves “at-risk” affordable housing resources which were originally developed under U.S. Department of Housing and Urban Development (HUD) financing and direct rental subsidy programs. PPD’s objective is to provide long term, secure housing communities, and in partnership with affiliated nonprofit corporations, provide supportive social services focused on the most basic needs of very low-income families and seniors. PPD has previously constructed or rehabilitated more than 30 multifamily properties and has financed more than 10 projects with CSCDA.

Public Agency Approvals:

TEFRA Hearing and Approval: Final approval anticipated by the City of Los Angeles by July 31, 2024. CSCDA Commission approval shall be subject to final TEFRA approval by the City.

CDLAC Approval: December 6, 2023

Public Benefits:

- 100% of the total units will be rent restricted for 55 years.
 - 39% (25 units) of the affordable units restricted to 30% or less of area median income households.
 - 8% (5 units) of the affordable units restricted to 35% or less of area median income households.
 - 8% (5 units) of the affordable units restricted to 40% or less of area median income households.
 - 8% (5 units) of the affordable units restricted to 45% or less of area median income households.
 - 6% (4 units) of the affordable units restricted to 50% or less of area median income households.
 - 31% (20 units) of the affordable units restricted to 60% or less of area median income households.
 - One manager unit.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 12,900,000
Net Operating Income:	\$ 700,370
GP Equity:	\$ 65,800
Tax Credit Equity:	\$ 8,779,300
Taxable Seller Note:	\$ 3,681,024
Deferred Developer Fee:	\$ 600,000
Total Sources:	\$ 26,726,494

Uses of Funds:

Acquisition:	\$ 17,900,000
Rehabilitation Costs:	\$ 3,791,973
Architecture & Engineering:	\$ 345,000
Relocation:	\$ 225,400
Capitalized Interest/Fees:	\$ 1,248,433
Reserves:	\$ 320,000
Developer Fee:	\$ 1,686,971
Costs of Issuance:	\$ 525,000
Soft Costs:	\$ 683,717
Total Uses:	\$ 26,726,494

Finance Partners:

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

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

Underwriter: Lument Capital

Finance Terms:

Anticipated Rating: Aaa (Moody's) – Fannie Mae Secured)
Term: 35 years
Method of Sale: Public Offering
Estimated Closing: August 31, 2024

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 final TEFRA approval by the City of Los Angeles;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION NO. 24H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$23,000,000 TO FINANCE THE ACQUISITION AND REHABILITATION OF SECOND ST ANDREWS APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

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 for the purpose of financing, among other things, the acquisition, construction or 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, Second St Andrews Preservation Limited Partnership, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds (the “Bonds”) to assist in the financing of the acquisition, rehabilitation and development of a 65-unit (including one manager’s unit) scattered-site multifamily rental housing development located in the City of Los Angeles (the “City”), County of Los Angeles, California, to be known as Second St Andrews Apartments (the “Project”);

WHEREAS, on December 6, 2023, the Authority received an allocation in the amount of \$12,900,000 (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 the Authority has requested that the City conduct a public hearing and provide approval for purposes of Section 9 of the Agreement and of Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) with respect to the financing for the Project (the “City Approval”);

WHEREAS, the Authority is willing to issue the Bonds for the purpose of making one or more loans to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of acquiring and rehabilitating the Project and to assist in providing housing for low income persons;

WHEREAS, a portion of the Bonds (the “Senior Bonds”) are expected to be sold pursuant to a Bond Purchase Agreement, to be dated the date of sale of such Senior Bonds (the

“Bond Purchase Agreement”), by and among the Authority, the Borrower and Lument Securities, LLC, or a related entity, as underwriter (the “Underwriter”), and a portion of the Bonds (the “Subordinate Bonds”) are expected to be privately placed with Second Avenue Preservation, LP, a California limited partnership, and St. Andrews Preservation, Limited Partnership, a California limited partnership, as purchasers (each, a “Purchaser” and together the “Purchasers”), in accordance with the Authority’s private placement policy; and

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

(1) Indenture of Trust (the “Indenture”) for the Senior Bonds, to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);

(2) Financing Agreement (the “Financing Agreement”) for the Senior Bonds, to be entered into among the Authority, the Trustee and the Borrower;

(3) Bond Purchase Agreement for the Senior Bonds;

(4) A proposed form of official statement (the “Official Statement”), to be used in connection with the offer and sale of the Senior Bonds;

(5) A proposed form of Subordinate Master Pledge and Assignment (the “Subordinate Pledge and Assignment”) to be entered into among the Authority, each Purchaser, as agent (the “Subordinate Bonds Agent”), and such Purchaser, as holder, relating to the related series of the Subordinate Bonds;

(6) A proposed form of Subordinate Master Agency Agreement (the “Subordinate Agency Agreement”) to be entered into between the Authority and the applicable Subordinate Bonds Agent, relating to the related series of the Subordinate Bonds; and

(5) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee.

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

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

Pursuant to the JPA Law and the Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Senior Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series G (Second St Andrews Apartments)” and the Subordinate Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Second St Andrews Apartments) 2024 Subordinate Series G” with appropriate modifications and series and sub-series designations as necessary, which may be taxable or tax-exempt, in an aggregate principal amount not to exceed \$23,000,000, provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount plus any additional amount made available to the Project in connection with any supplemental allocation from CDLAC or as recycled volume cap under Section 146(i)(6) of the Code, and provided further that no Bonds may be issued and delivered prior to City Approval. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture and the related Subordinate Pledge and Assignment 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 shall be attested to by the manual or facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture and the applicable Subordinate Pledge and Assignment, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture and such Subordinate Pledge and Assignment, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

The Indenture 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-12 of the Authority, adopted on August 17, 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 Indenture, 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 be more than 45 years from the date of the issuance 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 redemption and other terms of the Senior Bonds shall be as provided in the Indenture as finally executed.

The Financing 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 Financing 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 Authority is hereby authorized to sell the Senior Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form, terms and provisions of the

Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

The form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Board hereby approves the distribution of the Official Statement in preliminary form to prospective purchasers of the Senior Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Senior Bonds, said Official Statement in final form, 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

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.

The Subordinate Pledge and Assignment 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 Subordinate Pledge and Assignment, 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 issuance 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 redemption and other terms of the Subordinate Bonds shall be as provided in the Subordinate Pledge and Assignment as finally executed.

The Subordinate Agency 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 Subordinate Agency 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 Senior Bonds, when executed by the Authority, shall be delivered to the Trustee for authentication, and the Subordinate Bonds, when executed by the Authority, shall be delivered to Wilmington Trust, National Association, as paying agent and registrar (the "Paying Agent"). The Trustee and Paying Agent are hereby requested and directed to authenticate the Bonds by executing the applicable certificate of authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the Underwriter or the Purchasers, as applicable, in accordance with written instructions executed and delivered on behalf of the

Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee and Paying Agent. Such instructions shall provide for the delivery of the Senior Bonds to or at the direction of the Underwriter in accordance with the Indenture upon payment of the purchase price thereof, and with respect to the Subordinate Bonds, to the Purchasers thereof in accordance with the Subordinate Pledge and Assignment.

All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, a termination of regulatory agreement, a subordination or intercreditor agreement, a deed of trust, any endorsement, allonge and/or assignment of any note, deed of trust, document or agreement associated with any related mortgage or deed of trust and such other documents as described in the Indenture, the Financing Agreement, the Bond Purchase Agreement, the Subordinate Pledge and Assignment, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds 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.

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 issuance of the Bonds, 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 Bonds or any redemption of the Bonds, 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 Indenture and other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this July 11, 2024.

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 July 11, 2024.

By _____

Authorized Signatory

[Second St Andrews Apartments]

EXHIBIT A

(Second St Andrews Apartments)

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: Second St Andrews Preservation Limited Partnership
2. Authority Meeting Date: July 11, 2024
3. Name of Obligations: California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series G (Second St Andrews Apartments)
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:
 - (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): 4.500%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$317,214.00.
 - (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: \$11,838,786.00.
 - (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): \$8,563,600.50.

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: 7/11/24



Agenda Item No. 5c

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Panorama View Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$30,000,000

EXECUTIVE SUMMARY:

Panorama View Apartments (the “Project”) is the acquisition and rehabilitation of 89 units of rental housing located in the City of Los Angeles. 100% of the units will remain rent restricted for extremely low-income and low-income residents.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of an 89-unit affordable rental housing facility located at 9222 Van Nuys Blvd. in the City of Los Angeles.
- Consists of 20 studios, 67 one-bedroom units, and two two-bedroom restricted manager units.

PROJECT ANALYSIS:

Background on Applicant:

Preservation Partners Development (PPD) acquires, rehabilitates and permanently preserves “at-risk” affordable housing resources which were originally developed under U.S. Department of Housing and Urban Development (HUD) financing and direct rental subsidy programs. PPD’s objective is to provide long term, secure housing communities, and in partnership with affiliated nonprofit corporations, provide supportive social services focused on the most basic needs of very low-income families and seniors. PPD has previously constructed or rehabilitated more than 30 multifamily properties and has financed more than 10 projects with CSCDA.

Public Agency Approvals:

TEFRA Hearing and Approval: Final approval anticipated by the City of Los Angeles by July 31, 2024. CSCDA Commission approval shall be subject to final TEFRA approval by the City.

CDLAC Approval: December 6, 2023

Public Benefits:

- 100% of the total units will be rent restricted for 55 years.
 - 10% (9 units) of the affordable units restricted to 30% or less of area median income households.
 - 10% (9 units) of the affordable units restricted to 35% or less of area median income households.
 - 10% (9 units) of the affordable units restricted to 40% or less of area median income households.
 - 10% (9 units) of the affordable units restricted to 45% or less of area median income households.
 - 10% (9 units) of the affordable units restricted to 50% or less of area median income households.
 - 50% (42 units) of the affordable units restricted to 60% or less of area median income households.
 - Two manager units.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 26,278,232
Taxable Seller Note:	\$ 6,974,528
Deferred Developer Fee:	<u>\$ 4,220,000</u>
Total Sources:	\$ 37,472,760

Uses of Funds:

Acquisition:	\$ 23,100,000
Rehabilitation Costs:	\$ 5,721,708
Architecture & Engineering:	\$ 325,000
Relocation:	\$ 348,000
Capitalized Interest/Fees:	\$ 2,093,493
Reserves:	\$ 420,000
Developer Fee:	\$ 4,385,143
Costs of Issuance:	\$ 355,000
Soft Costs:	<u>\$ 724,416</u>
Total Uses:	\$ 37,472,760

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Underwriter: Lument Capital

Finance Terms:

Anticipated Rating: Aaa (Moody's) – Fannie Mae Secured)
Term: 35 years
Method of Sale: Public Offering
Estimated Closing: August 31, 2024

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 final TEFRA approval by the City of Los Angeles;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION NO. 24H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$30,000,000 TO FINANCE THE ACQUISITION AND REHABILITATION OF PANORAMA VIEW APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

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 for the purpose of financing, among other things, the acquisition, construction or 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, Panorama II Preservation Limited Partnership, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds (the “Bonds”) to assist in the financing of the acquisition, rehabilitation and development of an 89-unit (including two manager’s units) multifamily rental housing development located in the City of Los Angeles (the “City”), County of Los Angeles, California, to be known as Panorama View Apartments (the “Project”);

WHEREAS, on December 6, 2023, the Authority received an allocation in the amount of \$20,000,000 (together, 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 the Authority has requested that the City conduct a public hearing and provide approval for purposes of Section 9 of the Agreement and of Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) with respect to the financing for the Project (the “City Approval”);

WHEREAS, the Authority is willing to issue the Bonds for the purpose of making one or more loans to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of acquiring and rehabilitating the Project and to assist in providing housing for low income persons;

WHEREAS, a portion of the Bonds (the “Senior Bonds”) are expected to be sold pursuant to a Bond Purchase Agreement, to be dated the date of sale of such Senior Bonds (the

“Bond Purchase Agreement”), by and among the Authority, the Borrower and Lument Securities, LLC, or a related entity, as underwriter (the “Underwriter”), and a portion of the Bonds (the “Subordinate Bonds”) are expected to be privately placed with Panorama Limited Partnership, a California limited partnership, as purchaser (the “Purchaser”), in accordance with the Authority’s private placement policy; and

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

(1) Indenture of Trust (the “Indenture”) for the Senior Bonds, to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);

(2) Financing Agreement (the “Financing Agreement”) for the Senior Bonds, to be entered into among the Authority, the Trustee and the Borrower;

(3) Bond Purchase Agreement for the Senior Bonds;

(4) A proposed form of official statement (the “Official Statement”), to be used in connection with the offer and sale of the Senior Bonds;

(5) Subordinate Master Pledge and Assignment (the “Subordinate Pledge and Assignment”) to be entered into among the Authority, the Purchaser, as agent (the “Subordinate Bonds Agent”), and the Purchaser, as holder, relating to the Subordinate Bonds;

(6) Subordinate Master Agency Agreement (the “Subordinate Agency Agreement”) to be entered into between the Authority and the Subordinate Bonds Agent, relating to the Subordinate Bonds; and

(5) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee.

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 Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Senior Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series F (Panorama View Apartments)” and the Subordinate Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Panorama View Apartments) 2024 Subordinate Series F” with appropriate modifications and series and sub-series designations as necessary, which may be taxable or tax-exempt, in an aggregate principal amount not to exceed \$30,000,000, provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount plus any additional amount made available to the Project in connection with any supplemental allocation from CDLAC or as recycled volume cap under Section 146(i)(6) of the Code, and provided further that no Bonds may be issued and delivered prior to City Approval. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture and the related Subordinate Pledge and Assignment 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 shall be attested to by the manual or facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture and the applicable Subordinate Pledge and Assignment, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture and such Subordinate Pledge and Assignment, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).

Section 3. The Indenture 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-12 of the Authority, adopted on August 17, 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 Indenture, 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 be more than 45 years from the date of the issuance 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 redemption and other terms of the Senior Bonds shall be as provided in the Indenture as finally executed.

Section 4. The Financing 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 Financing 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 Authority is hereby authorized to sell the Senior Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form,

terms and provisions of the Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Board hereby approves the distribution of the Official Statement in preliminary form to prospective purchasers of the Senior Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Senior Bonds, said Official Statement in final form, 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. 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 8. The Subordinate Pledge and Assignment 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 Subordinate Pledge and Assignment, 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 issuance 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 redemption and other terms of the Subordinate Bonds shall be as provided in the Subordinate Pledge and Assignment as finally executed.

Section 9. The Subordinate Agency 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 Subordinate Agency 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 10. The Senior Bonds, when executed by the Authority, shall be delivered to the Trustee for authentication, and the Subordinate Bonds, when executed by the Authority, shall be delivered to Wilmington Trust, National Association, as paying agent and registrar (the "Paying Agent"). The Trustee and Paying Agent are hereby requested and directed to authenticate the Bonds by executing the applicable certificate of authentication appearing thereon, and to deliver

the Bonds, when duly executed and authenticated, to or at the direction of the Underwriter or the Purchaser, as applicable, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee and Paying Agent. Such instructions shall provide for the delivery of the Senior Bonds to or at the direction of the Underwriter in accordance with the Indenture upon payment of the purchase price thereof, and with respect to the Subordinate Bonds, to the Purchaser thereof in accordance with the Subordinate Pledge and Assignment.

Section 11. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, a termination of regulatory agreement, a subordination or intercreditor agreement, a deed of trust, any endorsement, allonge and/or assignment of any note, deed of trust, document or agreement associated with any related mortgage or deed of trust and such other documents as described in the Indenture, the Financing Agreement, the Bond Purchase Agreement, the Subordinate Pledge and Assignment, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds 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 12. 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 issuance of the Bonds, 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 Bonds or any redemption of the Bonds, 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 Indenture and other documents approved herein.

Section 13. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this July 11, 2024.

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 July 11, 2024.

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: Panorama II Preservation Limited Partnership
2. Authority Meeting Date: July 11, 2024
3. Name of Obligations: California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series F (Panorama View Apartments)
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:
 - (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): 4.500%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$396,952.20.
 - (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: \$17,260,047.80.
 - (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): \$12,374,814.58.

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: 7/11/24



Agenda Item No. 5d

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Two Worlds Apartments

PURPOSE: Approve the Financing of Rental Affordable Housing Project Located in the City of Los Angeles, County of Los Angeles

AMOUNT: Not to Exceed \$28,000,000

EXECUTIVE SUMMARY:

Two Worlds Apartments (the “Project”) is the acquisition and rehabilitation of 96 units of rental housing located in the City of Los Angeles. 100% of the units will remain rent restricted for extremely low-income and low-income residents.

PROJECT DESCRIPTION:

- Acquisition and rehabilitation of a 96-unit affordable rental housing facility located at 4807 S. Gramercy Place in the City of Los Angeles.
- Consists of 65 studios, 19 one-bedroom units, 9 two-bedroom units, and three restricted manager units.

PROJECT ANALYSIS:

Background on Applicant:

Preservation Partners Development (PPD) acquires, rehabilitates and permanently preserves “at-risk” affordable housing resources which were originally developed under U.S. Department of Housing and Urban Development (HUD) financing and direct rental subsidy programs. PPD’s objective is to provide long term, secure housing communities, and in partnership with affiliated nonprofit corporations, provide supportive social services focused on the most basic needs of very low-income families and seniors. PPD has previously constructed or rehabilitated more than 30 multifamily properties and has financed more than 10 projects with CSCDA.

Public Agency Approvals:

TEFRA Hearing and Approval: Final approval anticipated by the City of Los Angeles by July 31, 2024. CSCDA Commission approval shall be subject to final TEFRA approval by the City.

CDLAC Approval: December 6, 2023

Public Benefits:

- 100% of the total units will be rent restricted for 55 years.
 - 15% (14 units) of the affordable units restricted to 30% or less of area median income households.
 - 20% (19 units) of the affordable units restricted to 40% or less of area median income households.
 - 14% (13 units) of the affordable units restricted to 45% or less of area median income households.
 - 51% (47 units) of the affordable units restricted to 50% or less of area median income households.
 - Three manager units.

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 13,660,000
Tax-Exempt Seller Note:	\$ 2,140,000
Net Operating Income:	\$ 742,599
GP Equity:	\$ 613,037
Tax Credit Equity:	\$ 9,133,216
Taxable Seller Note:	\$ 2,821,289
Deferred Developer Fee:	<u>\$ 2,172,249</u>
Total Sources:	\$ 31,282,390

Uses of Funds:

Acquisition:	\$ 17,700,000
Rehabilitation Costs:	\$ 6,218,692
Architecture & Engineering:	\$ 400,000
Relocation:	\$ 380,800
Capitalized Interest/Fees:	\$ 1,545,430
Reserves:	\$ 435,314
Developer Fee:	\$ 3,672,249
Costs of Issuance:	\$ 617,500
Soft Costs:	<u>\$ 312,405</u>
Total Uses:	\$ 31,282,390

Finance Partners:

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

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

Underwriter: Lument Capital

Finance Terms:

Anticipated Rating: Aaa (Moody's) – Fannie Mae Secured)

Term: 35 years

Method of Sale: Public Offering

Estimated Closing: August 31, 2024

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 final TEFRA approval by the City of Los Angeles;
2. Approves all necessary actions and documents in connection with the financing;
and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

ATTACHMENT A

RESOLUTION NO. 24H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$28,000,000 TO FINANCE THE ACQUISITION AND REHABILITATION OF TWO WORLDS APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

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 for the purpose of financing, among other things, the acquisition, construction or 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, Two Worlds II Preservation Limited Partnership, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds (the “Bonds”) to assist in the financing of the acquisition, rehabilitation and development of a 96-unit (including three manager’s units) scattered-site multifamily rental housing development located in the City of Los Angeles (the “City”), County of Los Angeles, California, to be known as Two Worlds Apartments (the “Project”);

WHEREAS, on December 6, 2023, the Authority received an allocation in the amount of \$13,660,000, and on January 17, 2024 the Authority received a supplemental allocation in the amount of \$2,140,000 (together, 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 the Authority has requested that the City conduct a public hearing and provide approval for purposes of Section 9 of the Agreement and of Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) with respect to the financing for the Project (the “City Approval”);

WHEREAS, the Authority is willing to issue the Bonds for the purpose of making one or more loans to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of acquiring and rehabilitating the Project and to assist in providing housing for low income persons;

WHEREAS, a portion of the Bonds (the “Senior Bonds”) are expected to be sold pursuant to a Bond Purchase Agreement, to be dated the date of sale of such Senior Bonds (the “Bond Purchase Agreement”), by and among the Authority, the Borrower and Lument Securities, LLC, or a related entity, as underwriter (the “Underwriter”), and a portion of the Bonds (the “Subordinate Bonds”) are expected to be privately placed with Two Worlds Limited Partnership, a California limited partnership, as purchaser (the “Purchaser”), in accordance with the Authority’s private placement policy; and

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

- (1) Indenture of Trust (the “Indenture”) for the Senior Bonds, to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);
- (2) Financing Agreement (the “Financing Agreement”) for the Senior Bonds, to be entered into among the Authority, the Trustee and the Borrower;
- (3) Bond Purchase Agreement for the Senior Bonds;
- (4) A proposed form of official statement (the “Official Statement”), to be used in connection with the offer and sale of the Senior Bonds;
- (5) Subordinate Master Pledge and Assignment (the “Subordinate Pledge and Assignment”) to be entered into among the Authority, the Purchaser, as agent (the “Subordinate Bonds Agent”), and the Purchaser, as holder, relating to the Subordinate Bonds;
- (6) Subordinate Master Agency Agreement (the “Subordinate Agency Agreement”) to be entered into between the Authority and the Subordinate Bonds Agent, relating to the Subordinate Bonds; and
- (5) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee.

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

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

- Pursuant to the JPA Law and the Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Senior Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series H (Two Worlds Apartments)” and the Subordinate Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Two Worlds Apartments) 2024 Subordinate Series H” with appropriate modifications and series and sub-series designations as necessary, which may be taxable or tax-exempt, in an aggregate principal amount not to exceed \$28,000,000, provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount plus any additional amount made available to the Project in connection with any supplemental allocation from CDLAC or as recycled volume cap under Section 146(i)(6) of the Code, and provided further that no Bonds may be issued and delivered prior to City Approval. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture and the related Subordinate Pledge and Assignment 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 shall be attested to by the manual or facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture and the applicable Subordinate Pledge and Assignment, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture and such Subordinate Pledge and Assignment, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or any Member of the Commission of the Authority (each, a “Member”).
- The Indenture 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-12 of the Authority, adopted on August 17, 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 Indenture, 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 be more than 45 years from the date of the issuance 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 redemption and other terms of the Senior Bonds shall be as provided in the Indenture as finally executed.
- The Financing 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 Financing 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 Authority is hereby authorized to sell the Senior Bonds to the Underwriter pursuant to the terms and conditions of the Bond Purchase Agreement. The form, terms and provisions of the

Bond Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Bond Purchase 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

- The form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Board hereby approves the distribution of the Official Statement in preliminary form to prospective purchasers of the Senior Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of the sale of the Senior Bonds, said Official Statement in final form, 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.
- 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.
- The Subordinate Pledge and Assignment 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 Subordinate Pledge and Assignment, 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 issuance 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 redemption and other terms of the Subordinate Bonds shall be as provided in the Subordinate Pledge and Assignment as finally executed.
- The Subordinate Agency 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 Subordinate Agency 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 Senior Bonds, when executed by the Authority, shall be delivered to the Trustee for authentication, and the Subordinate Bonds, when executed by the Authority, shall be delivered to Wilmington Trust, National Association, as paying agent and registrar (the "Paying Agent"). The Trustee and Paying Agent are hereby requested and directed to authenticate the Bonds by executing the applicable certificate of authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the Underwriter or the Purchaser, as applicable, in accordance with written instructions executed and delivered on behalf of the

Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Trustee and Paying Agent. Such instructions shall provide for the delivery of the Senior Bonds to or at the direction of the Underwriter in accordance with the Indenture upon payment of the purchase price thereof, and with respect to the Subordinate Bonds, to the Purchaser thereof in accordance with the Subordinate Pledge and Assignment.

- All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, a termination of regulatory agreement, a subordination or intercreditor agreement, a deed of trust, any endorsement, allonge and/or assignment of any note, deed of trust, document or agreement associated with any related mortgage or deed of trust and such other documents as described in the Indenture, the Financing Agreement, the Bond Purchase Agreement, the Subordinate Pledge and Assignment, and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds 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.
- 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 issuance of the Bonds, 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 Bonds or any redemption of the Bonds, 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 Indenture and other documents approved herein.
- This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this July 11, 2024.

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 July 11, 2024.

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: Two Worlds II Preservation Limited Partnership
2. Authority Meeting Date: July 11, 2024
3. Name of Obligations: California Statewide Communities Development Authority Multifamily Tax-Exempt Bonds (Fannie Mae MBS-Secured) 2024 Series H (Two Worlds Apartments)
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:
 - (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): 4.500%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$360,856.00.
 - (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: \$13,129,144.00.
 - (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): \$9,511,434.75.
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: 7/11/24



Agenda Item No. 6

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PROJECT: Rio del Oro (County of Yuba) – Community Facilities District

PURPOSE: Conduct proceedings with respect to California Statewide Communities Development Authority Community Facilities District No. 2024-09 (Rio del Oro), County of Yuba, State of California (Rio del Oro CFD):

EXECUTIVE SUMMARY:

The action requested today is the second step in the formation of a community facilities district for Rio del Oro (the “Project”) located in the County of Yuba (the “County”). The CFD will finance public improvements and impact fees for the County of Yuba and the Olivehurst Public Utility District (the “District”). The County and District have approved CSCDA’s formation and issuance of bonds for the Project.

BACKGROUND:

Rio del Oro is a new residential development located in the County of Yuba. The developer of Rio Del Oro is Lennar. Rio Del Oro is planned for over 300 single-family homes and is currently under development.

The financing will not exceed \$12 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 public hearing and approving the following resolutions:

1. Conduct proceedings with respect to California Statewide Communities Development Authority Community Facilities District No. 2024-09 (Rio del Oro), County of Yuba, State of California (Rio del Oro CFD):
 - a. Open Rio del Oro CFD public hearing.
 - b. Close Rio del Oro CFD public hearing.

2. Conduct following actions with respect to the Rio del Oro CFD:
 - a. Consideration of a resolution of formation, among other things, establishing the Rio del Oro CFD and providing for the levy of a special tax therein to finance certain public improvements.
 - b. Consideration of a resolution deeming it necessary to incur bonded indebtedness to finance certain public improvements to mitigate the impacts of development within the Rio del Oro CFD.
 - c. Consideration of a resolution calling special mailed-ballot election within the Rio del Oro CFD.
 - d. Conduct special mailed ballot election for the Rio del Oro CFD.
 - e. Consideration of a resolution declaring results of special mailed-ballot election within the Rio del Oro CFD.
 - f. Conduct first a reading of an Ordinance Levying a Special Tax in the Rio del Oro CFD.

Documents:

<https://www.dropbox.com/scl/fo/9dku2ths9ts7ntaa246zz/AD1RH4XwounPntZ6FsnDXCE?rlkey=a92sc712ankqiyxfwveyio0mf&dl=0>



Agenda Item No. 7

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE:

1. Consideration of a resolution abandoning proceedings in the Statewide Community Infrastructure Program Assessment District No. 24-01 (Belcourt Place) City of El Monte, County of Los Angeles.
2. Consider the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) community facilities districts (CFDs) for Series 2024B or a future bond issuance; and
3. Resolutions to incur bonded indebtedness to finance certain public improvements and fees within the CFDs and calling for a public hearing.

BACKGROUND AND SUMMARY:

The actions requested today by the Commission are the first steps in connection with the 8 community facility district projects. Four projects will be part of the 2024B SCIP pool, and the other four projects will be formation only and issue bonds in a later SCIP pool. Attachment A includes a breakdown and location of the projects. The estimated total amount of the SCIP 2024B financing is \$45 million.

In addition, an action is requested to abandon proceedings for the Belcourt Place project in the City of El Monte. The resolution of intention was adopted at the June 20, 2024, meeting and it has been determined the project will not proceed until 2025, and revisions need to be made to the project scope.

The Commission is requested to consider the following actions:

1. Consideration of a resolution abandoning proceedings in the Statewide Community Infrastructure Program Assessment District No. 24-01 (Belcourt Place) City of El Monte, County of Los Angeles.

2. Consider the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) community facilities districts (CFDs) for Series 2024B or a future bond issuance:
 - a. Resolutions approving joint community facilities agreements and declaring intention to establish CFDs, to designate improvement areas therein, and to levy special taxes therein to finance certain public improvements and fees and to levy special taxes therein;
 - b. Resolutions declaring intention to annex territory to an existing CFD, to designate improvement areas therein and to levy a special tax therein to finance certain public improvements and certain development impact fees; and
3. Resolutions to incur bonded indebtedness to finance certain public improvements and fees within the CFDs and calling for a public hearing on August 15, 2024.

Subsequent approvals of the financing will be brought back to the Commission at future meetings.

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the resolutions as presented to the Commission and setting the public hearing for August 15, 2024 at 2:00 pm.

Documents: <https://www.dropbox.com/scl/fo/vwan6xildpvthopi1a2lq/AKPzGk9-hj4m4bGvWT39i3U?rlkey=9a4qwfywgzyxsajxnbp8dw5y&dl=0>

ATTACHMENT A

SCIP 2024B Project Matrix

Series	District		Local Agency	Project	Developer	Land Use	Units	AD / CFD	Est. Par Amount
	No.	County							
2024B	✓	Contra Costa	Oakley, City of	Summer Lake North	Civic Summer Lake North, LLC (DeNc)	Single-Family	140	CFD	3,885,000
2024B	✓	Sacramento	Sacramento, City of	Terrace Park	Tri Pointe Homes Holdings Inc.	Single-Family (Detached)	79	CFD	3,390,000
2024B	✓	Sacramento	Saramento, County of	Arbor Ranch (Phase 1)	The New Home Company	Single-Family	262	CFD	7,085,000
2024B	✓	Sacramento	Saramento, County of	Tierra Del Sol	Antelope Residential Properties, LLC	Townhome	73	CFD	2,825,000

SCIP 2024B Project Matrix - FORMATION ONLY

Series	District No.	County	Local Agency	Project	Developer	Land Use	Units	AD / CFD	Est. Par Amount
2024B	✓	Sacramento	Saramento, County of	Lake Antelopes (Unit 3)	KB Home Sacramento Inc.	Single-Family	70	CFD	2,655,000
2024B	✓	Sacramento	Saramento, County of	Lake Antelopes (Unit 4)	KB Home Sacramento Inc.	Single-Family	96	CFD	3,970,000
2024B	✓	Yuba	Yuba, County of	Dantoni Ranch - Phase 2	LGI Homes - California LLC	Single-Family	99	CFD	3,505,000



Agenda Item No. 8

Agenda Report

DATE: July 11, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of agreement with the BLX Group relating to the Statewide Community Infrastructure Program (SCIP).

EXECUTIVE SUMMARY:

The Commission recently updated its agreement with Bridge Strategic Partners (BSP) to clarify that BSP does not currently provide municipal advisory services to CSCDA, including with respect to the pricing of bonds issued for the SCIP program. It is recommended that a pricing consultant be engaged to take on this role.

It is recommended that bond pricing services be added to the services the BLX Group provides to CSCDA. BLX is very familiar with the SCIP program and has acted as the program administrator of SCIP since its inception. BLX's current duties include the collection of deposits, the annual administration of assessments, advice relating to the investment of bond proceeds, and the coordination of information and communications with the participating public agencies.

DISCUSSION:

BLX is a registered municipal advisor and has the expertise and capacity to assist CSCDA as a bond pricing advisory agent for the SCIP program. The scope of services includes the following:

1. Represent and support the Authority on all pricing conference calls;
2. Evaluate the interest rate(s) proposed by the underwriter as to appropriateness in the current market prior to official pricing release to investors;
3. Study comparable issues recently issued in the market;
4. After the order period, review the buyers of bonds, priority of orders, and the composition by maturity;
5. Discuss with underwriter strategies to reduce yields for maturities that are oversubscribed;

6. Judge and advise the Authority as to the reasonableness of the underwriter's bid and offer any suggested changes or provide a verbal affirmation of the terms of the final pricing.

BLX's fee for the bond pricing advisory services will be \$15,000 per issue, will not be paid directly by CSCDA and will be paid out of each transaction's costs of issuance.

The proposed Agreement is an update to the original agreement from 2003 and has been expanded to include bond pricing services. The agreement has been reviewed and approved by CSCDA's General Counsel and can be accessed here:

https://www.dropbox.com/scl/fo/dao6byxnkk0kdd3j5cspi/AGBc_bEJ5MViD-U5DwSSsvw?rlkey=copcbjyte23osqwqjwthvhpsy&dl=0

RECOMMENDED ACTION:

CSCDA's Executive Director recommends approval of the updated program administration agreement with BLX Group.