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CSCDA
COMMUNITY IMPROVEMENT
AUTHORITY



California State Association of Counties



LEAGUE OF
CALIFORNIA
CITIES

REGULAR MEETING AGENDA
November 21, 2024 at 2:00 PM

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

Telephonic Locations:

3124 Chesapeake Bay Avenue
Davis, CA 95616

3252 Southern Hills Drive
Fairfield, CA 94534

709 Portwalk Place
Redwood City, CA 94065

15465 Vantage Point
Redding, CA 96001

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

County of Stanislaus
1010 10 Street, Suite 6500
Modesto, CA 95354

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.

1. Roll Call.

____ Brian Moura, Chair
____ Jordan Kaufman, Vice Chair
____ Kevin O'Rourke, Secretary
____ Brian Stiger, Member
____ Leonard Moty, Member

____ Vito Chiesa, 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. Election of Treasurer.

4. Public Comment.

5. Consideration of Audited Financial Statements for Fiscal Year Ending June 30, 2024.
6. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
(1 *case*)
7. Executive Director Update.
8. Staff Updates.
9. Adjourn



MINUTES

REGULAR MEETING OF THE CSCDA COMMUNITY IMPROVEMENT AUTHORITY

June 20, 2024

2:00 PM or upon adjournment of the CSCDA Meeting

Commission Chair Brian Moura called the meeting to order at 2:06 p.m.

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; Sedy Young, CSAC Finance Corporation; and Lolly Enriquez, Richards Watson & Gershon.

2. Consideration of the Minutes of the March 21, 2024 Meeting.

The Commission approved the minutes of the March 21, 2024 Meeting.

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

3. Public Comment.

There was no public comment.

4. Consideration of 2024-25 CSCDA CIA Budget.

Executive director Barna reviewed the 2024-25 CSCDA CIA Budget. No Issuance Fees are expected during 2024-25 due to the very high interest rates in the municipal bond market. Bond administrative fees are projected to be \$4.35 million based upon the existing portfolio of transactions.

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

5. Executive Director Update.

Executive Director Barna had no update.

6. Staff Update.

Staff had no update.

7. Adjourn.

The meeting was adjourned at 2:09p.m.

Submitted by: Sendy Young, CSAC Finance Corporation



Agenda Report

DATE: November 21, 2024
TO: CSCDA CIA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consideration of Audited Financial Statements for Fiscal Year Ending June 30, 2024.

BACKGROUND AND SUMMARY:

Attached for the consideration of the Commission are the CSCDA CIA audited financial statements for the Fiscal Year Ended June 30, 2024. Baker Tilly US, LLP prepared the reports working with the League of California Cities and CSCDA CIA staff. Highlights from the audited financial statements include the following:

1. **Bonds Issued** – CSCDA CIA did not issue any bonds during the fiscal year.
2. **Bond Issuance Fees** – CSCDA CIA collected \$0 in new bond issuance fees.
3. **Bond Administrative Fees** – CSCDA CIA collected \$5 million in bond administration fees.
4. **Cash and Investments** – CSCDA CIA’s cash and investments are held in money market funds and US Treasury Obligations.
5. **Net Position** – The negative net position was again expected as all properties are 100% financed along with extensive reserves and capitalized interest. Depreciation also contributes to the negative net position.

RECOMMENDED ACTION:

CSCDA CIA’s Executive Director recommends approval of the Audited Financial Statement for the Fiscal Year Ended June 30, 2024.

CSCDA Community Improvement Authority

Financial Statements and
Supplementary Information

June 30, 2024 and 2023

CSCDA Community Improvement Authority

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June 30, 2024 and 2023

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Independent Auditors' Report

To the Board of Commissioners of
CSCDA Community Improvement Authority

Opinion

We have audited the accompanying financial statements of the CSCDA Community Improvement Authority (Authority), as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of June 30, 2024 and 2023, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The divisional statements of net position as of June 30, 2024 and 2023 and the divisional statements of revenues, expenses, and changes in net position for the years ended June 30, 2024 and 2023 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Baker Tilly US, LLP

Milwaukee, Wisconsin
November 12, 2024

CSCDA Community Improvement Authority

Statements of Net Position

June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Assets		
Current Assets		
Cash	\$ 20,198,288	\$ 18,049,825
Restricted cash	392,810,211	425,145,351
Tenant receivables, net	1,414,229	1,750,113
Other receivables	174,726	234,147
Prepaid expenses and other assets	4,095,973	2,656,055
Total current assets	<u>418,693,427</u>	<u>447,835,491</u>
Noncurrent Assets		
Intangible assets, net	1,776,780	2,146,919
Operating right-of-use asset	65,931,339	66,827,620
Capital assets:		
Construction-in-progress	2,052,840	3,697,388
Land	743,369,908	743,369,908
Land improvements	208,903	-
Building and building improvements	3,293,185,439	3,283,034,910
Furniture, fixtures and equipment	29,565,830	26,407,666
Tenant improvements	1,622,810	1,446,185
Less accumulated depreciation	<u>(358,488,145)</u>	<u>(233,313,135)</u>
Total noncurrent assets	<u>3,779,225,704</u>	<u>3,893,617,461</u>
Total assets	<u>4,197,919,131</u>	<u>4,341,452,952</u>
Liabilities and Net Position (Deficit)		
Current Liabilities		
Accounts payable and accrued expenses	80,935,260	72,135,076
Prepaid rent	1,215,919	1,480,200
Security deposits	7,401,706	7,087,312
Total current liabilities	<u>89,552,885</u>	<u>80,702,588</u>
Noncurrent Liabilities		
Ground lease liability	69,189,576	68,468,782
Bonds payable, net	4,649,040,399	4,654,408,210
Total noncurrent liabilities	<u>4,718,229,975</u>	<u>4,722,876,992</u>
Total liabilities	<u>4,807,782,860</u>	<u>4,803,579,580</u>
Net Position (Deficit)		
Net investment in capital assets	(869,814,695)	(760,790,749)
Restricted for reserve fund	158,154	110,406
Restricted for debt service	318,397,424	357,308,323
Unrestricted	<u>(58,604,612)</u>	<u>(58,754,608)</u>
Total net position (deficit)	<u>\$ (609,863,729)</u>	<u>\$ (462,126,628)</u>

See notes to financial statements

CSCDA Community Improvement Authority

Statements of Revenues, Expenses and Change in Net Position
Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues		
Net rental revenues	\$ 227,075,817	\$ 221,320,235
Parking and other residential income	6,761,450	6,700,431
Total operating revenues	<u>233,837,267</u>	<u>228,020,666</u>
Operating Expenses		
Net operating expenses	<u>212,028,180</u>	<u>211,324,343</u>
Operating income	<u>21,809,087</u>	<u>16,696,323</u>
Nonoperating Revenues (Expenses)		
Interest income	9,802,151	8,745,477
Interest expense	<u>(179,348,339)</u>	<u>(179,384,862)</u>
Total nonoperating revenue (expense)	<u>(169,546,188)</u>	<u>(170,639,385)</u>
Change in net position	(147,737,101)	(153,943,062)
Net Position (Deficit), Beginning	<u>(462,126,628)</u>	<u>(308,183,566)</u>
Net Position (Deficit), Ending	<u>\$ (609,863,729)</u>	<u>\$ (462,126,628)</u>

See notes to financial statements

CSCDA Community Improvement Authority

Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows From Operating Activities		
Cash received from tenants	\$ 234,282,685	\$ 233,989,046
Cash paid to suppliers and service providers	<u>(78,983,851)</u>	<u>(79,444,130)</u>
Net cash flows from operating activities	<u>155,298,834</u>	<u>154,544,916</u>
Cash Flows From Investing Activities		
Interest income	<u>9,802,151</u>	<u>8,745,477</u>
Net cash flows from investing activities	<u>9,802,151</u>	<u>8,745,477</u>
Cash Flows From Capital and Related Financing Activities		
Purchases of capital assets	(11,941,532)	(8,228,130)
Purchase of intangible assets	(138,914)	(76,476)
Interest payments on long-term debt	(173,572,216)	(174,640,427)
Payments of debt principal	<u>(9,635,000)</u>	<u>(5,085,000)</u>
Net cash flows from capital and related financing activities	<u>(195,287,662)</u>	<u>(188,030,033)</u>
Net change in cash and cash equivalents	(30,186,677)	(24,739,640)
Cash and Cash Equivalents, Beginning	<u>443,195,176</u>	<u>467,934,816</u>
Cash and Cash Equivalents, Ending	<u>\$ 413,008,499</u>	<u>\$ 443,195,176</u>

See notes to financial statements

CSCDA Community Improvement Authority

Statements of Cash Flows

Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Schedule Reconciling Operating Income to Net Cash and Cash Equivalents Cash Received From Customers		
Operating income	\$ 21,809,087	\$ 16,696,323
Adjustments to reconcile net operating income to net cash, cash equivalents and restricted cash from operating activities:		
Depreciation and amortization expense	125,684,063	125,949,979
Changes in assets and liabilities:		
Tenant receivables, net	335,884	2,762,871
Accounts receivable	59,421	2,861,160
Prepaid expenses and other assets	(1,439,918)	258,670
Accounts payable and other accrued expenses	8,800,184	5,671,564
Prepaid rent	(264,281)	(117,952)
Tenant security deposits	314,394	462,301
	<u>7,805,684</u>	<u>11,898,614</u>
Net cash, cash equivalents and restricted cash from operating activities	<u>\$ 155,298,834</u>	<u>\$ 154,544,916</u>
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position		
Cash	\$ 20,198,288	\$ 18,049,825
Restricted cash	<u>392,810,211</u>	<u>425,145,351</u>
Cash and Cash Equivalents, Ending	<u>\$ 413,008,499</u>	<u>\$ 443,195,176</u>
Supplemental Cash Flow Information		
Accrued interest on bonds payable added to principal	\$ 66,852,927	\$ 60,639,310
Amortization of discounts/premiums	964,726	906,606
Accretion of capital appreciation bonds	3,302,463	3,163,599
Change in accounts payable and accrued expenses for building improvements, furniture, fixtures and equipment and related construction-in-progress	953,359	938,703
Ground Lease put into service	-	66,827,620

See notes to financial statements

CSCDA Community Improvement Authority

Notes to Financial Statements
June 30, 2024 and 2023

1. Summary of Significant Accounting Policies

Nature of Organization

CSCDA Community Improvement Authority (the Authority or CSCDA CIA) is a political subdivision of the State of California established by Yolo County and the City of Woodland, California under the Joint Exercise of Powers Act. The Authority was formed October 6, 2020. CSCDA CIA issues governmental purpose bonds for the purpose of financing projects that provide, preserve and support affordable local housing for low-income, moderate-income and middle-income families and individuals.

CSCDA CIA is governed by a seven-member commission. CSCDA CIA's Board of Commissioners (the Board or Commission) is appointed by the California State Association of Counties (CSAC) and the League of California Cities (Cal Cities) (see Note 7 - Related Parties), which together represent the interests of counties and cities throughout the State. This Commission is required by the joint powers agreement to establish public benefit finance criteria and to evaluate every submitted project on the basis of benefit provided, after receiving the requisite local approval. No project can proceed without the approval of the commissioners which ensures the preservation of both city and county interests. The administration of CSCDA CIA is managed by an Executive Director engaged under contract by the Commission. CSCDA CIA is comprised of the following divisions:

Core Bond Issuance Operations Division (CSCDA Core)

This division issues bonds for the various other divisions of the Authority. This division is charged with governance of the Authority and conducts various management-related activities. Additionally, this division collects bond issuance fees and bond administration fees from the various projects under the Affordable Housing Asset Ownership Division. These fees are eliminated upon consolidation of all divisions and projects.

Affordable Housing Asset Ownership Division (Asset Ownership Program)

This division is comprised of the various housing projects (the Projects) owned by the Authority. The Authority outsources operational management functions of these projects to private companies under long-term contracts for public benefit uses. The various projects operate independently of one another. Bonds issued for each project are specific to that project to which they are affixed and do not have interest in the other projects. All of the bonds issued are pursuant to Trust Indentures by and between CSCDA CIA and Wilmington Trust National Association (the Trustee of the projects). The projects owned by the Authority in this division are as follows:

Renaissance at City Center in Carson, CA (Renaissance) - On December 22, 2020, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2020. The bonds, with an aggregate principal amount of \$70,675,000, were issued to finance the acquisition of a mixed-use property, comprising of 150 apartments and commercial space in Carson, California.

Millennium South Bay Apartments in Hawthorne, CA (Millennium) - On December 1, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The bonds, with an aggregate principal amount of \$188,160,000, were issued to finance the acquisition of a 230-unit multi-family housing complex located in Hawthorne, California.

Monterey Station Apartments in Pomona, CA (Monterey) - On December 9, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The bonds, with an aggregate principal amount of \$175,260,000 were issued to finance the acquisition of a 349-unit multi-family housing complex located in Pomona, California.

CSCDA Community Improvement Authority

Notes to Financial Statements

June 30, 2024 and 2023

The Crescent in West Hollywood, CA (Crescent) - On January 31, 2022, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2022. The Bonds, with an aggregate principal amount of \$111,915,000, were issued to finance the acquisition of a 130-unit multi-family housing complex located in West Hollywood, California.

Union South Bay in Carson, CA (Union) - On June 9, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$215,685,000, were issued to finance the acquisition of a 357-unit multi-family housing complex located in Carson, California.

The Link in Glendale, CA (Link) - On June 16, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$95,545,000, were issued to finance the acquisition of a mixed-use property, comprising 143 apartments and commercial space, located in Glendale, California.

Parallel Apartments in Anaheim, CA (Parallel) - On February 9, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$181,010,000, were issued to finance the acquisition of a 386-unit multi-family housing complex located in Anaheim, California.

Jefferson Platinum Triangle in Anaheim, CA (Jefferson) - On February 26, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$195,965,000, were issued to finance the acquisition of a 400-unit multi-family housing complex located in Anaheim, California.

Oceanaire Apartments in Long Beach, CA (Oceanaire) - On March 25, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$135,730,000, were issued to finance the acquisition of a 216-unit multi-family housing complex located in Long Beach, California.

Altana Apartments in Glendale, CA (Altana) - On April 21, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$339,400,000, were issued to finance the acquisition of a 507-unit multi-family housing complex located in Glendale, California.

Residences at Westgate I & II and The Hudson in Pasadena, CA (Westgate I & II and Hudson) - On June 15, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$385,985,000, were issued to finance the acquisition of two properties: a mixed-use property comprising 340 residential units and nine commercial units and a mixed-use property comprising 173 residential units and five commercial units, located in Pasadena, California.

Cameo Apartments and Garrison Apartments in Orange, CA (Cameo and Garrison) - On September 21, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$240,010,000, were issued to finance the acquisition of two properties: a 262-unit multi-family housing complex and a 94-unit multi-family housing complex, located in Orange, California.

1818 Platinum Triangle Apartments in Anaheim, CA (Platinum) - On October 20, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$157,390,000, were issued to finance the acquisition of a 265-unit multi-family housing complex located in Anaheim, California.

THEO in Pasadena, CA (THEO) - On November 4, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$81,065,000, were issued to finance the acquisition of a 105-unit multi-family housing complex located in Pasadena, California.

CSCDA Community Improvement Authority

Notes to Financial Statements
June 30, 2024 and 2023

777 Place Apartments in Pomona, CA (Place) - On November 30, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$207,415,000, were issued to finance the acquisition of a 472-unit multi-family housing complex located in Pomona, California.

Westgate Apartments in Pasadena, CA (Westgate) - On December 8, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$356,730,000, were issued to finance the acquisition of a 480-unit multi-family housing community located in Pasadena, California.

Alcove Apartments, Haven76 Apartments and Rowan Apartments in Escondido, CA (Alcove, Haven76 and Rowan) - On December 28, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$202,120,000, were issued to finance the acquisition of three properties: (1) a 112-unit multi-family housing complex, (2) a 76-unit multi-family housing complex and (3) a 126-unit multi-family housing complex, all located in Escondido, California.

MODA at Monrovia Station in Monrovia, CA (MODA) - On April 13, 2021, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$117,955,000, were issued to finance the acquisition of a 261-unit apartment building located on leased land in Monrovia, California.

Waterscape Apartments in Fairfield, CA (Waterscape) - On September 14, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$84,275,000, were issued to finance the acquisition of a 180-unit multi-family housing complex located in Fairfield, California.

Acacia on Santa Rosa Creek in Santa Rosa, CA (Acacia) - On October 21, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$134,605,000, were issued to finance the acquisition of a 277-unit multi-family housing complex located in Santa Rosa, California.

Vineyard Gardens Apartments in Santa Rosa, CA (Vineyard) - On October 26, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$89,430,000, were issued to finance the acquisition of a 180-unit multi-family housing complex located in Santa Rosa, California.

Park Crossing Apartments in Fairfield, CA (Park Crossing) - On December 14, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$113,950,000, were issued to finance the acquisition of a 200-unit multi-family housing complex located in Fairfield, California.

Wood Creek Apartments in Pleasant Hill, CA (Wood Creek) - On December 28, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$395,150,000, were issued to finance the acquisition of a 484-unit multi-family housing complex located in Pleasant Hill, California.

CTR City Anaheim in Anaheim, CA (CTR) - On December 29, 2020, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2020. The Bonds, with an aggregate principal amount of \$116,825,000, were issued to finance the acquisition of a 231-unit multi-family housing complex located in Anaheim, California.

Waterford Place Apartments in Dublin, CA (Waterford) - On August 31, 2021, CSCDA CIA issued Senior Essential Housing Revenue Bonds, Series 2021. The Bonds, with an aggregate principal amount of \$235,000,000, were issued to finance the acquisition of a 390-unit multi-family housing complex located in Dublin, California.

CSCDA Community Improvement Authority

Notes to Financial Statements

June 30, 2024 and 2023

Towne at Glendale Apartments in Glendale, CA (Towne) - On March 14, 2022, CSCDA CIA issued Essential Housing Revenue Bonds, Series 2022. The Bonds, with an initial aggregate principal amount of \$95,641,006, were issued to finance the acquisition of a 126-unit multi-family housing complex located in Glendale, California.

Basis of Accounting and Measurement Focus

These basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting.

The financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Operating revenues from CSCDA CIA Core result from providing services in connection with the Authority's principal ongoing operations. Operating expenses include management fees, professional fees and other expenses. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Operating revenues from the Asset Ownership Program result from providing housing (rent) in connection with the Authority's principal mission. Operating expenses include maintenance fees, property expenses, management fees, professional fees and other expenses. Revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make certain estimates and assumptions that directly affect the results of reported assets, liabilities, revenue and expenses. Actual results may differ from these estimates and are subject to change in the near term.

Cash and Cash Equivalents, Restricted Cash and Cash Equivalents, Restricted Investments and Investment Income

Cash equivalents are defined as short-term, highly liquid investments, which are readily convertible to cash and have remaining maturities of three months or less at the date of acquisition. Restricted cash and cash equivalents for CSCDA CIA Core are funds held in an account exclusively for use in the Reserve Fund (see Restricted Cash and Net Position policy). Restricted cash, cash equivalents and investments held at the projects represent the unspent proceeds of the Bonds that are held by the Trustee. These investments are made up of various funds that were required to be funded by the Trust Indentures. Restricted investments are made up of money market funds. All investment income is reported as nonoperating revenues (expenses) in the accompanying statements of revenues, expenses and changes in net position. Realized gains or losses are determined by specific identification.

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore, requiring an entity to develop its own assumptions. The asset's fair value measurement within the hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

CSCDA Community Improvement Authority

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Tenant Accounts Receivable

Tenant receivables are uncollateralized rents which are due the beginning of each month. Payments of tenant receivables are allocated to the specific charges identified on the tenant's remittance or, if unspecified, are applied to past due balances first, then the current unpaid charges. Management individually reviews all tenant receivables and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Actual losses, when realized, have been within the range of management's expectations. Management has recorded an allowance for doubtful accounts of \$1,363,655 and \$5,487,575 as of June 30, 2024 and 2023, respectively.

Prepaid and Other Assets

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Leasing commissions are made to real estate broker or agent for successfully closing a lease for the property owner which are amortized over the term of the lease and are included as other assets.

Tenant Security Deposits

Tenant security deposits represent tenant deposits held in accordance with the respective tenant's lease agreement and are held for the tenants until they vacate the property. Any amounts not returned to the tenant due to lease violations are transferred to the applicable project's general operating account.

Intangible Assets

Lease intangible assets included in-place leases, above-market lease assets and deferred leasing costs, and are amortized over the remaining noncancelable terms of the respective leases. In the Project's accompanying statement of operations, amortization of intangible assets is included in depreciation and amortization.

The value of intangible assets is amortized to amortization expense over the remaining terms of the respective leases. During the years ended June 30, 2024 and 2023, the Projects recognized \$509,053 and \$1,327,393 of amortization for intangible assets.

Capital Assets

Capital assets are recorded at acquisition cost and, when placed in service, depreciated on a straight-line basis over the useful life of the assets (5 to 27.5 years). Maintenance and repair costs are charged to expense as incurred. Interest costs incurred during the period of construction are expensed as incurred.

The Projects review their long-lived assets periodically to determine potential impairment by comparing the carrying value of those assets with the estimated future undiscounted cash flows expected to result from the use of the assets, including cash flows from disposition. Should the sum of the expected future undiscounted cash flows be less than the carrying value, the Projects would recognize an impairment loss at that time. No impairment loss was recognized in 2024 or 2023.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. At this time, the projects have no items reported in this category.

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In addition to liabilities, the statements of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents the acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. At this time, the projects have no items reported in this category.

Leases

The Project recognizes leases on its balance sheet as right-of-use (ROU) assets representing the right to use an underlying asset and lease liabilities representing the obligation to make lease payments over the lease term, measured on a discounted basis.

The Project determines if an arrangement is or contains a lease at inception, which is the date on which the terms of the contract are agreed to, and the agreement creates enforceable rights and obligations. A contract is or contains a lease when (i) explicitly or implicitly identified assets have been deployed in the contract and (ii) the Project obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract. The Project also considers whether its service arrangements include the right to control the use of an asset.

Future lease payments may include fixed rent escalation clauses or payments that depend on an index (such as the consumer price index), which is initially measured using the index or rate at lease commencement. Subsequent changes of an index and other periodic market-rate adjustments to base rent are recorded in variable lease expense in the period incurred. Residual value guarantees or payments for terminating the lease are included in the lease payments only when it is probable they will be incurred.

Long-Term Obligations, Debt Issuance Costs and Original Issue Premiums

All long-term obligations to be repaid from governmental resources are reported as liabilities in the statements. The long-term obligations consist primarily of bond obligations and unamortized premiums/discounts.

Original issue premiums represent the difference between the face value of the bonds and the consideration received. Original issue premiums are deferred and amortized over the life of the bonds using the effective interest method. Amortization of the premium is reflected as a decrease to interest expense in the statements of revenues, expenses and change in net position.

Restricted Cash and Net Position

Net position of CSCDA CIA is classified in three components:

- Net investment in capital assets consists of capital assets, including bond proceeds held for capital assets, net of accumulated depreciation and reduced by any outstanding borrowings used to finance the purchase or construction of those assets.
- Restricted for Reserve Fund, in accordance with the board motion passed on March 18, 2020, the Authority established a Reserve Fund for the purpose of making payments to service providers. The Reserve Fund is utilized for legal, legislative representation, accounting, consulting, professional and other service fees incurred in connection with the Authority or the Asset Ownership Program. The Reserve Fund is initially funded with \$100,000 of new gross issuance fees and annual administrative fees collected from borrowers until it reaches a total of two hundred thousand dollars (\$200,000).
- Restricted for debt service is net position that is restricted for the future payment of debt and is required to be held under an agreement with the Trustee.

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Notes to Financial Statements
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- Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Income Taxes

The Authority is a public entity that is exempt from federal and state taxation under Section 115 of the Internal Revenue Code and a similar provision of state law. However, the projects under the Asset Ownership Program are subject to federal income tax on any unrelated business taxable income.

Revenue Recognition

CSCDA CIA Core

The Authority receives revenue from various fees. Bond issuance fees are received from bond proceeds and are recognized as revenue upon issuance of the bonds. Administrative fees are invoiced to bond trustees in arrears, and recognized as revenue and receivables as earned. Rates for these fees are predetermined according to a fee schedule and may be adjusted for with approval of the Board.

Unearned revenue is recorded when issuance fees or administrative fees are received prior to their service period. Because all fees are earned from the Asset Ownership Program, all fee income and related unearned revenues are eliminated upon consolidation.

Asset Ownership Program Revenues

Rental revenue is recognized in accordance with the contractual terms of the related lease agreements. Tenant lease agreements are generally for a term of one year. Tenant receivables are periodically evaluated for collectability. Tenant reimbursements are recognized in the period the related costs are incurred.

2. Deposits and Investments

California Government Code Section 53601 (the Code) permits the Authority to invest available cash balances in various investments, as outlined by the Code. The Authority maintains its cash and equivalents in a money market account with a financial institution.

Restricted cash and investments are subject to several types of risk:

Interest Rate Risk - Interest rate risk is the risk that the changes in interest rates will adversely affect the fair value of an investment. The Authority does not have a formal investment policy for interest rate risk.

Credit Risk - Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. At June 30, 2024 and 2023, the Authority's investments were not rated.

Custodial Credit Risk - Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk. The Authority's deposits are fully insured.

Pursuant to the Asset Ownership Program's Indentures, the projects were required to establish certain restricted reserves with bond proceeds that were funded at closing for the bond issuance. All reserve accounts are restricted for specific uses (such as debt service, interest payment, operating expenses, capital expenses, liens, etc.) and withdrawals from the restricted accounts are subject to approval by the Trustee.

CSCDA Community Improvement Authority

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The following table provides a summary of restricted cash, cash equivalents and investments by project as required by the Trust Indentures:

	<u>2024</u>	<u>2023</u>
Renaissance at City Center	\$ 8,185,928	\$ 8,100,458
Millennium South Bay Apartments	16,618,369	17,817,463
Monterey Station Apartments	16,207,318	17,673,188
The Crescent	15,404,978	17,430,751
Union South Bay	30,188,598	30,075,791
The Link	11,847,066	11,757,280
Parallel Apartments	14,728,272	14,791,613
Jefferson Platinum Triangle	12,134,853	12,845,263
Oceanaire Apartments	7,921,019	8,604,847
Atlana Apartments	25,824,749	27,013,919
Residences at Westgate I & II and The Hudson	23,290,370	24,705,056
Cameo Apartments and Garrison Apartments	16,366,463	17,779,632
1818 Platinum Triangle Apartments	11,968,201	13,752,714
THEO	5,545,281	6,211,861
777 Place Apartments	23,008,858	27,611,391
Westgate Apartments	15,853,469	20,886,332
Alcove Apartments, Haven76 Apartments and Rowan Apartments	15,617,443	16,950,194
MODA at Monrovia Station	10,538,764	10,923,963
Waterscape Apartments	6,382,002	7,264,324
Acacia on Santa Rosa Creek	12,960,963	13,699,302
Vineyard Gardens Apartments	9,019,364	9,628,068
Park Crossing Apartments	7,806,286	8,349,920
Wood Creek Apartments	29,250,777	34,183,327
CTR City Anaheim	10,179,167	10,157,698
Waterford Place Apartments	24,058,924	24,201,109
Towne at Glendale Apartments	11,744,575	12,619,481
Total	392,652,057	425,034,945
Less accrued interest	(66,852,927)	(60,639,310)
Less security deposits	(7,401,706)	(7,087,312)
Net position restricted for debt service	<u>\$ 318,397,424</u>	<u>\$ 357,308,323</u>

Restricted cash and cash equivalents held by CSCDA CIA Core (for the Reserve Fund, as described in Note 1) was \$158,154 and \$110,406 as of June 30, 2024 and 2023, respectively.

CSCDA Community Improvement Authority

Notes to Financial Statements
June 30, 2024 and 2023

3. Deposits and Investments

Information regarding assets at fair value on a recurring basis as of June 30, 2024 and 2023, is as follows:

	2024			
	Recurring Fair Value Measurements Using			
Total Assets at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Money market funds, CSCDA CIA Core	\$ 171,943	\$ 171,943	\$ -	\$ -

	2023			
	Recurring Fair Value Measurements Using			
Total Assets at Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Money market funds, CSCDA CIA Core	\$ 120,345	\$ 120,345	\$ -	\$ -

Following is a description of the methodologies used for assets measured at fair value:

Money Market Funds - The fair value of money market funds are based on inputs that are observable, such as quoted prices for similar assets in active markets, interest rates, yield curve volatilities and credit risk.

CSCDA Community Improvement Authority

Notes to Financial Statements
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4. Capital Assets

The following is a summary of changes in the Asset Ownership Program's capital assets for the year ended June 30, 2024:

	2024			Ending Balance
	Beginning Balance	Additions	Disposals and Retirements	
Capital assets not being depreciated:				
Land	\$ 743,369,908	\$ -	\$ -	\$ 743,369,908
Construction-in-progress	3,697,388	4,991,776	(6,636,324)	2,052,840
Total capital assets not being depreciated	<u>747,067,296</u>	<u>4,991,776</u>	<u>(6,636,324)</u>	<u>745,422,748</u>
Capital assets being depreciated:				
Land improvements	-	208,903	-	208,903
Building and building improvements	3,283,034,910	10,150,529	-	3,293,185,439
Furniture, fixtures and equipment	26,407,666	3,158,164	-	29,565,830
Tenant improvements	1,446,185	176,625	-	1,622,810
Total capital assets being depreciated	<u>3,310,888,761</u>	<u>13,694,221</u>	<u>-</u>	<u>3,324,582,982</u>
Total capital assets	<u>4,057,956,057</u>	<u>18,685,997</u>	<u>(6,636,324)</u>	<u>4,070,005,730</u>
Less accumulated depreciation	<u>(233,313,135)</u>	<u>(125,175,010)</u>	<u>-</u>	<u>(358,488,145)</u>
Net capital assets being depreciated	<u>3,077,575,626</u>	<u>(111,480,789)</u>	<u>-</u>	<u>2,966,094,837</u>
Total	<u>\$ 3,824,642,922</u>	<u>\$ (106,489,013)</u>	<u>\$ (6,636,324)</u>	<u>\$ 3,711,517,585</u>

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June 30, 2024 and 2023

The following is a summary of changes in the Asset Ownership Program's capital assets for the year ended June 30, 2023:

	2023			
	Beginning Balance	Additions	Disposals and Retirements	Ending Balance
Capital assets not being depreciated:				
Land	\$ 743,369,908	\$ -	\$ -	\$ 743,369,908
Construction-in-progress	-	3,697,388	-	3,697,388
Total capital assets not being depreciated	<u>743,369,908</u>	<u>3,697,388</u>	<u>-</u>	<u>747,067,296</u>
Capital assets being depreciated:				
Building and building improvements	3,279,876,172	3,158,738	-	3,283,034,910
Furniture, fixtures and equipment	24,334,009	2,073,657	-	26,407,666
Tenant improvements	1,209,135	237,050	-	1,446,185
Total capital assets being depreciated	<u>3,305,419,316</u>	<u>5,469,445</u>	<u>-</u>	<u>3,310,888,761</u>
Total capital assets	<u>4,048,789,224</u>	<u>9,166,833</u>	<u>-</u>	<u>4,057,956,057</u>
Less accumulated depreciation	<u>(108,690,549)</u>	<u>(124,622,586)</u>	<u>-</u>	<u>(233,313,135)</u>
Net capital assets being depreciated	<u>3,196,728,767</u>	<u>(119,153,141)</u>	<u>-</u>	<u>3,077,575,626</u>
Total	<u>\$ 3,940,098,675</u>	<u>\$ (115,455,753)</u>	<u>\$ -</u>	<u>\$ 3,824,642,922</u>

CSCDA Community Improvement Authority

Notes to Financial Statements

June 30, 2024 and 2023

5. Bond Obligations

Bonds are special limited obligations of CSCDA CIA payable from and secured exclusively by the revenues and assets of the applicable project pledged under the Indenture. The Bonds are summarized within the table on the following pages.

	Original Face Value of Bond Obligations	Interest Rate	Terms (Years)	Maturity Date	Balance at June 30, 2024	Balance at June 30, 2023
Renaissance at City Center						
Series 2020A Bonds	\$ 67,675,000	5.000 %	31	July 2051	\$ 67,675,000	\$ 67,675,000
Series 2020B Bonds	3,000,000	10.000	36	July 2056	3,000,000	3,000,000
Original issue premium/(discount)	10,093,726				9,475,287	9,656,272
Millennium South Bay Apartments						
Series 2021A-1 Bonds	27,000,000	3.375	22	July 2043	27,000,000	27,000,000
Series 2021A-2 Bonds	99,750,000	3.250	35	July 2056	99,750,000	99,750,000
Series 2021B Bonds	55,910,000	4.000	37	July 2058	55,910,000	55,910,000
Series 2021C Bonds	5,500,000	10.000	40	July 2061	5,500,000	5,500,000
Original issue premium/(discount)	(12,523,254)				(12,080,368)	(12,257,431)
Monterey Station Apartments						
Series 2021A-1 Bonds	32,210,000	3.000	22	July 2043	32,210,000	32,210,000
Series 2021A-2 Bonds	102,080,000	3.125	35	July 2056	102,080,000	102,080,000
Series 2021B Bonds	35,470,000	4.000	37	July 2058	35,470,000	35,470,000
Series 2021C Bonds	5,500,000	10.000	40	July 2061	5,500,000	5,500,000
Original issue premium/(discount)	(14,295,685)				(13,706,878)	(13,943,615)
The Crescent						
Series 2022A-1 Bonds	7,530,000	3.250	22	July 2043	7,530,000	7,530,000
Series 2022A-2 Bonds	67,950,000	4.300	38	July 2059	67,950,000	67,950,000
Series 2022B Bonds	32,935,000	5.500	38	July 2059	32,935,000	32,935,000
Series 2022C Bonds	3,500,000	10.000	38	July 2059	3,500,000	3,500,000
Original issue premium/(discount)	(6,670,782)				(6,509,756)	(6,578,817)
Union South Bay						
Series 2021A-1 Bonds	35,000,000	3.100	24	July 2045	35,000,000	35,000,000
Series 2021A-2 Bonds	174,685,000	4.000	35	July 2056	174,685,000	174,685,000
Series 2021B Bonds	6,000,000	10.000	40	July 2061	6,000,000	6,000,000
Original issue premium/(discount)	13,026,260				12,446,657	12,643,669
The Link						
Series 2021A-1 Bonds	16,000,000	3.000	24	July 2045	16,000,000	16,000,000
Series 2021A-2 Bonds	75,045,000	4.000	35	July 2056	75,045,000	75,045,000
Series 2021B Bonds	4,500,000	10.000	40	July 2061	4,500,000	4,500,000
Original issue premium/(discount)	6,097,653				5,829,838	5,920,257
Parallel Apartments						
Series 2021A Bonds	176,010,000	4.000	35	August 2056	175,430,000	176,010,000
Series 2021B Bonds	5,000,000	10.000	35	August 2056	5,000,000	5,000,000
Original issue premium/(discount)	6,878,471				6,564,353	6,655,614
Jefferson Platinum Triangle						
Series 2021A-1 Bonds	45,000,000	2.875	35	August 2056	40,325,000	42,335,000
Series 2021A-2 Bonds	145,965,000	3.125	35	August 2056	145,965,000	145,965,000
Series 2021B Bonds	5,000,000	10.000	35	August 2056	5,000,000	5,000,000
Original issue premium/(discount)	(5,316,045)				(4,947,813)	(5,062,751)
Oceanaire Apartments						
Series 2021A-1 Bonds	25,000,000	3.200	25	Sept 2046	25,000,000	25,000,000
Series 2021A-2 Bonds	105,730,000	4.000	35	Sept 2056	105,730,000	105,730,000
Series 2021B Bonds	5,000,000	10.000	40	Sept 2061	5,000,000	5,000,000
Original issue premium/(discount)	6,485,478				6,186,550	6,282,073

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June 30, 2024 and 2023

	Original Face Value of Bond Obligations	Interest Rate	Terms (Years)	Maturity Date	Balance at June 30, 2024	Balance at June 30, 2023
Atlana Apartments						
Series 2021A-1 Bonds	\$ 70,000,000	3.500 %	25	October 2046	\$ 70,000,000	\$ 70,000,000
Series 2021A-2 Bonds	262,500,000	4.000	35	October 2056	262,500,000	262,500,000
Series 2020B Bonds	6,900,000	10.000	40	October 2061	6,900,000	6,900,000
Original issue premium/(discount)	9,531,375				9,111,797	9,248,877
Residences at Westgate I & II and The Hudson						
Series 2021A-1 Bonds	110,000,000	2.650	25	December 2046	108,745,000	109,375,000
Series 2021A-2 Bonds	173,985,000	3.000	35	December 2056	173,985,000	173,985,000
Series 2021B Bonds	94,500,000	4.000	35	December 2056	94,500,000	94,500,000
Series 2021C Bonds	7,500,000	10.000	40	December 2061	7,500,000	7,500,000
Original issue premium/(discount)	547,626				546,985	547,615
Cameo Apartments and Garrison Apartments						
Series 2021A-1 Bonds	75,000,000	2.800	25	March 2047	73,010,000	74,325,000
Series 2021A-2 Bonds	106,010,000	3.000	35	March 2057	106,010,000	106,010,000
Series 2021B Bonds	51,000,000	4.000	35	March 2057	51,000,000	51,000,000
Series 2021C Bonds	8,000,000	10.000	40	March 2062	8,000,000	8,000,000
Original issue premium/(discount)	2,470,189				2,379,452	2,413,329
1818 Platinum Triangle Apartments						
Series 2021A-1 Bonds	40,000,000	3.350	25	April 2047	39,300,000	40,000,000
Series 2021A-2 Bonds	78,890,000	3.250	35	April 2057	78,890,000	78,890,000
Series 2021B Bonds	33,500,000	4.000	35	April 2057	33,500,000	33,500,000
Series 2021C Bonds	5,000,000	10.000	40	April 2062	5,000,000	5,000,000
Original issue premium/(discount)	(4,348,308)				(4,175,221)	(4,239,548)
THEO						
Series 2021A-1 Bonds	20,000,000	3.500	25	May 2047	20,000,000	20,000,000
Series 2021A-2 Bonds	42,565,000	3.250	35	May 2057	42,565,000	42,565,000
Series 2021B Bonds	17,500,000	4.000	35	May 2047	17,500,000	17,500,000
Series 2021C Bonds	1,000,000	10.000	40	May 2062	1,000,000	1,000,000
Original issue premium/(discount)	(3,152,147)				(3,035,193)	(3,080,647)
777 Place Apartments						
Series 2021A-1 Bonds	60,000,000	3.600	25	May 2047	60,000,000	60,000,000
Series 2021A-2 Bonds	97,915,000	3.250	35	May 2057	97,915,000	97,915,000
Series 2021B Bonds	44,500,000	4.000	35	May 2047	44,500,000	44,500,000
Series 2021C Bonds	5,000,000	10.000	40	May 2062	5,000,000	5,000,000
Original issue premium/(discount)	(11,841,442)				(11,431,435)	(11,595,219)
Westgate Apartments						
Series 2021A-1 Bonds	85,000,000	3.000	25	June 2047	85,000,000	85,000,000
Series 2021A-2 Bonds	196,480,000	3.125	35	June 2057	196,480,000	196,480,000
Series 2021B Bonds	70,250,000	4.000	35	June 2057	70,250,000	70,250,000
Series 2021C Bonds	5,000,000	10.000	40	June 2062	5,000,000	5,000,000
Original issue premium/(discount)	(33,079,358)				(31,719,579)	(32,256,318)
Alcove Apartments, Haven76 Apartments and Rowan Apartments						
Series 2021A-1 Bonds	50,500,000	3.000	26	June 2048	50,500,000	50,500,000
Series 2021A-2 Bonds	98,370,000	4.000	36	June 2058	98,370,000	98,370,000
Series 2021B Bonds	49,250,000	4.000	37	December 2059	49,250,000	49,250,000
Series 2021C Bonds	4,000,000	10.000	40	June 2062	4,000,000	4,000,000
Original issue premium/(discount)	(15,038,870)				(14,471,303)	(14,705,054)

CSCDA Community Improvement Authority

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	Original Face Value of Bond Obligations	Interest Rate	Terms (Years)	Maturity Date	Balance at June 30, 2024	Balance at June 30, 2023
MODA at Monrovia Station						
Series 2021A-1 Bonds	\$ 22,590,000	3.4000 %	25	October 2046	\$ 22,490,000	\$ 22,490,000
Series 2021A-2 Bonds	90,365,000	4.000	35	October 2056	90,365,000	90,365,000
Series 2021B Bonds	5,000,000	10.000	40	October 2061	5,000,000	5,000,000
Original issue premium/(discount)	3,929,974				3,755,080	3,811,902
Waterscape Apartments						
Series 2021A Bonds	57,335,000	3.000	35	Sept 2056	57,335,000	57,335,000
Series 2021B Bonds	23,940,000	4.000	25	Sept 2046	23,940,000	23,940,000
Series 2021C Bonds	3,000,000	10.000	40	Sept 2061	3,000,000	3,000,000
Original issue premium/(discount)	1,728,229				1,604,705	1,650,512
Acacia on Santa Rosa Creek						
Series 2021A Bonds	88,970,000	4.000	35	October 2056	88,970,000	88,970,000
Series 2021B Bonds	40,635,000	4.000	25	October 2046	40,635,000	40,635,000
Series 2021C Bonds	5,000,000	10.000	40	October 2061	5,000,000	5,000,000
Original issue premium/(discount)	8,847,224				8,442,622	8,597,683
Vineyard Gardens Apartments						
Series 2021A Bonds	62,385,000	3.250	37	October 2058	62,385,000	62,385,000
Series 2021B Bonds	24,045,000	4.000	27	October 2048	24,045,000	24,045,000
Series 2021C Bonds	3,000,000	10.000	40	October 2061	3,000,000	3,000,000
Original issue premium/(discount)	(5,010,704)				(4,852,937)	(4,913,694)
Park Crossing Apartments						
Series 2021A Bonds	81,715,000	3.250	37	December 2058	81,715,000	81,715,000
Series 2021B Bonds	27,235,000	4.000	27	December 2048	27,235,000	27,235,000
Series 2021C Bonds	5,000,000	10.000	40	December 2061	5,000,000	5,000,000
Original issue premium/(discount)	(8,463,634)				(8,167,839)	(8,287,627)
Wood Creek Apartments						
Series 2021A-1 Bonds	136,460,000	3.000	28	December 2049	136,460,000	136,460,000
Series 2021A-2 Bonds	146,780,000	4.000	37	December 2058	146,780,000	146,780,000
Series 2021B Bonds	108,910,000	4.000	38	December 2059	108,910,000	108,910,000
Series 2021C Bonds	3,000,000	10.000	43	December 2064	3,000,000	3,000,000
Original issue premium/(discount)	(38,706,406)				(37,281,472)	(37,868,143)
CTR City Anaheim						
Series 2020A Bonds	112,575,000	5.000	33	January 2054	112,575,000	112,575,000
Series 2020B Bonds	4,250,000	10.000	33	January 2054	4,250,000	4,250,000
Original Issue premium/(discount)	15,167,230				14,398,907	14,630,698
Waterford Place Apartments						
Series 2021A-1 Bonds	75,000,000	2.450	25	February 2047	70,780,000	72,455,000
Series 2021A-2 Bonds	104,500,000	3.000	35	February 2057	104,500,000	104,500,000
Series 2021B Bonds	50,500,000	4.000	35	February 2057	50,500,000	50,500,000
Series 2021C Bonds	5,000,000	10.000	40	February 2062	5,000,000	5,000,000
Original issue premium/(discount)	8,078,320				7,726,384	7,854,460
Towne at Glendale Apartments						
Series 2022A Bonds	64,641,006	4.750	40	February 2047	64,641,006	64,641,006
Series 2022B Bonds	29,000,000	5.000	15	February 2057	25,215,000	27,940,000
Series 2022C Bonds	2,000,000	10.000	40	February 2062	2,000,000	2,000,000
Accretion of Series 2022A Bonds	N/A				7,365,570	4,063,107
Total	<u>\$ 4,722,891,006</u>				<u>\$ 4,649,040,399</u>	<u>\$ 4,654,408,210</u>

CSCDA Community Improvement Authority

Notes to Financial Statements
June 30, 2024 and 2023

Activity for the bonds for the years ended June 30, 2024 and 2023 was as follows:

	2024			
	Beginning Balance	Additions	Reductions	Ending Balance
Bond obligations	\$ 4,715,221,006	\$ -	\$ 9,635,000	\$ 4,705,586,006
Accretion on CAP bonds	4,063,107	3,302,463	-	7,365,570
(Discounts)/premiums	(64,875,903)	-	(964,726)	(63,911,177)
Total	\$ 4,654,408,210	\$ 3,302,463	\$ 8,670,274	\$ 4,649,040,399

	2023			
	Beginning Balance	Additions	Reductions	Ending Balance
Bond obligations	\$ 4,720,306,006	\$ -	\$ 5,085,000	\$ 4,715,221,006
Accretion on CAP bonds	899,508	3,163,599	-	4,063,107
(Discounts)/premiums	(65,782,509)	-	(906,606)	(64,875,903)
Total	\$ 4,655,423,005	\$ 3,163,599	\$ 4,178,394	\$ 4,654,408,210

Interest payments on the Bonds are due semi-annually. Principal payments are not to be made on the bonds unless and until such bond is tendered to the Trustee for cancellation; however partial payments may be made from time to time at the election of the CSCDA CIA. All outstanding principal balances on the bonds as of June 30, 2024 and 2023, are classified as long-term liabilities.

Future principal and interest payments on the bonds as of June 30, 2024, are as follows:

Years Ending June 30:	Principal	Interest	Total
2025	\$ -	\$ 169,210,529	\$ 169,210,529
2026	-	169,168,862	169,168,862
2027	-	169,210,529	169,210,529
2028	-	169,168,862	169,168,862
2029	-	169,168,862	169,168,862
2030-2034	-	855,127,563	855,127,563
2035-2039	25,215,000	868,401,665	893,616,665
2040-2044	-	858,042,004	858,042,004
2045-2049	807,140,000	795,976,567	1,603,116,567
2050-2054	255,415,000	688,548,969	943,963,969
2055-2059	2,808,470,000	411,834,959	3,220,304,959
2060-2064	806,346,006	43,650,102	849,996,108
2065	3,000,000	125,000	3,125,000
Total	\$ 4,705,586,006	\$ 5,367,634,473	\$ 10,073,220,479

CSCDA Community Improvement Authority

Notes to Financial Statements
June 30, 2024 and 2023

6. Ground Lease

Upon purchase of the MODA at Monrovia Station property, the Project assumed a ground lease with an unrelated party extending through April 2096. The ground lease requires monthly base rent, subject to annual increases based on consumer price index changes and of at least 2%. During the year ended June 30, 2024, monthly base rent increased from \$111,465 to \$116,522.

Below is a summary of expenses incurred pertaining to leases during the year ended June 30, 2024:

Operating lease expense	\$ 2,956,884
Variable lease expense	<u>29,643</u>
Total lease expense	<u>\$ 2,986,527</u>

The following is a schedule of future minimum lease payments due under the ground lease for the years ending June 30:

<u>Years Ending</u> <u>June 30:</u>	
2025	\$ 1,402,921
2026	1,430,979
2027	1,459,599
2028	1,488,791
2029	1,518,566
Thereafter	<u>212,300,534</u>
Total	<u>\$ 219,601,390</u>

The right-of-use asset and lease liability were calculated using a weighted average discount rate of 3.0%. As of June 30, 2024, the weighted average remaining lease term was 71.8 years.

Right-of-use assets are assessed for impairment in accordance with the Project's long-lived asset policy. The Project reassesses lease classification and remeasures right-of-use assets and lease liabilities when a lease is modified and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with GAAP.

7. Related-Party Transactions/Significant Contracts

CSCDA CIA Core

CSCDA CIA has entered into Intellectual Property License, Royalty and Administrative Agreements with CSAC and Cal Cities for sponsorship and marketing of CSCDA CIA's programs. In addition, per the provisions of the CSCDA CIA Joint Powers Agreement, CSAC and Cal Cities appoint individuals to serve on CSCDA CIA's seven-member commission.

CSCDA CIA has entered into a services agreement with Bridge Strategic Partners LLC (BSP) for consulting and management services related to CSCDA CIA's finance programs, including post-issuance management and compliance oversight. Acting as CSCDA CIA's staff, BSP personnel implement the issuance policies established by the Board, present transactions to the Board for review and approval and work with the financial and legal community, local agencies and regulatory bodies and others, to ensure that bonds issued in CSCDA CIA's name remain in good standing. The agreement expires December 31, 2026, with the option for one two-year extension.

CSCDA Community Improvement Authority

Notes to Financial Statements

June 30, 2024 and 2023

Under the services agreement as amended, CSCDA CIA incurred fees to BSP of \$1,954,284 and \$1,958,282 for the years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, \$1,144,533 and \$1,001,073 was payable to BSP for such services, respectively.

Under the intellectual Property License, et seq. Agreement, CSAC and Cal Cities receive an equal portion of the remaining bond issuance and ongoing bond administration fees. CSCDA CIA incurred fees to each of CSAC and Cal Cities of \$1,465,713 and \$1,468,712 for the years ended June 30, 2024 and 2023, respectively. At June 30, 2024 and 2023, \$858,400 and \$750,805 was payable to each of CSAC and Cal Cities, respectively.

Asset Ownership Program

All asset ownership projects are pursuant to the Assignment and Assumption of Agreement of Purchase and Sale, for consideration for services provided by the Administrators related to the acquisition of the Property, the Administrators are entitled to a one-time payment. This cost is capitalized into the initial cost of each property. The Projects incurred and paid for this acquisition fee during the year ended June 30, 2022, and those costs were \$49,095,000. In addition to the acquisition fee paid to the Project Administrator, the Administrators earn an annual administration fee which is subject to incremental increases on an annual basis. During the years ended June 30, 2024 and 2023, the Projects incurred and paid \$4,680,809 and \$4,595,142, respectively, in project administration fees to the Administrators. Accrued project administration fees were \$266,096 and \$0 at June 30, 2024 and 2023, respectively.

All asset ownership projects have signed management agreements with third-party property managers to establish the terms and conditions for the operation and maintenance of the projects. The management agreements renew automatically on their anniversary date unless terminated as a result of circumstances as defined by the management agreements. Fees incurred to the project managers for the management agreements during the years ended June 30, 2024 and 2023 were \$4,905,875 and \$4,684,408, respectively. Accrued property management fees were \$526,163 and \$381,798 at June 30, 2024 and 2023, respectively.

Under the terms of the Trust Indentures, the individual projects pay one-time bond issuance fees to CSCDA CIA Core. No bond issuance fees were incurred for the years ended June 30, 2024 and 2023. The asset ownership projects also pay annual bond administration fees to CSCDA CIA Core. Bond administration fees incurred during the years ended June 30, 2024 and 2023 were \$5,065,709 and \$5,065,706, respectively. Accrued bond administration fees as of June 30, 2024 and 2023, were \$2,861,332 and \$2,502,682, respectively. Bond issuance fees and bond administration fees are eliminated upon consolidation of CSCDA CIA Core and the Asset Ownership Program.

8. Risk Management

CSCDA CIA is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. All of these risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year

SUPPLEMENTARY INFORMATION

CSCDA Community Improvement Authority

Divisional Statement of Net Position

June 30, 2024

	CSCDA Core	Asset Ownership Program	Eliminations	Total
Assets				
Current Assets				
Cash	\$ 13,789	\$ 20,184,499	\$ -	\$ 20,198,288
Restricted cash	158,154	392,652,057	-	392,810,211
Tenant receivables, net	-	1,414,229	-	1,414,229
Accounts receivable, related party	2,861,332	-	(2,861,332)	-
Other receivables	1,056	173,670	-	174,726
Prepaid expenses and other assets	-	4,095,973	-	4,095,973
Total current assets	<u>3,034,331</u>	<u>418,520,428</u>	<u>(2,861,332)</u>	<u>418,693,427</u>
Noncurrent Assets				
Intangible assets, net	-	1,776,780	-	1,776,780
Operating right-of-use asset	-	65,931,339	-	65,931,339
Capital assets:				
Construction-in-progress	-	2,052,840	-	2,052,840
Land	-	743,369,908	-	743,369,908
Land improvements	-	208,903	-	208,903
Building and building improvements	-	3,293,185,439	-	3,293,185,439
Furniture, fixtures and equipment	-	29,565,830	-	29,565,830
Tenant improvements	-	1,622,810	-	1,622,810
Less accumulated depreciation	-	(358,488,145)	-	(358,488,145)
Total noncurrent assets	<u>-</u>	<u>3,779,225,704</u>	<u>-</u>	<u>3,779,225,704</u>
Total assets	<u>3,034,331</u>	<u>4,197,746,132</u>	<u>(2,861,332)</u>	<u>4,197,919,131</u>
Liabilities and Net Position (Deficit)				
Current Liabilities				
Accounts payable and accrued expenses	2,868,275	80,928,317	(2,861,332)	80,935,260
Prepaid rent	-	1,215,919	-	1,215,919
Security deposits	-	7,401,706	-	7,401,706
Total current liabilities	<u>2,868,275</u>	<u>89,545,942</u>	<u>(2,861,332)</u>	<u>89,552,885</u>
Noncurrent Liabilities				
Ground lease liability	-	69,189,576	-	69,189,576
Bonds payable, net	-	4,649,040,399	-	4,649,040,399
Total noncurrent liabilities	<u>-</u>	<u>4,718,229,975</u>	<u>-</u>	<u>4,718,229,975</u>
Total liabilities	<u>2,868,275</u>	<u>4,807,775,917</u>	<u>(2,861,332)</u>	<u>4,807,782,860</u>
Net Position (Deficit)				
Net investment in capital assets	-	(869,814,695)	-	(869,814,695)
Restricted for reserve fund	158,154	-	-	158,154
Restricted for debt service	-	318,397,424	-	318,397,424
Unrestricted	7,902	(58,612,514)	-	(58,604,612)
Total net position (deficit)	<u>\$ 166,056</u>	<u>\$ (610,029,785)</u>	<u>\$ -</u>	<u>\$ (609,863,729)</u>

CSCDA Community Improvement Authority

Divisional Statement of Net Position

June 30, 2023

	CSCDA Core	Asset Ownership Program	Eliminations	Total
Assets				
Current Assets				
Cash	\$ 9,939	\$ 18,039,886	\$ -	\$ 18,049,825
Restricted cash	110,406	425,034,945	-	425,145,351
Tenant receivables, net	-	1,750,113	-	1,750,113
Accounts receivable, related party	2,502,682	-	(2,502,682)	-
Other receivables	972	233,175	-	234,147
Prepaid expenses and other assets	16,200	2,639,855	-	2,656,055
Total current assets	<u>2,640,199</u>	<u>447,697,974</u>	<u>(2,502,682)</u>	<u>447,835,491</u>
Noncurrent Assets				
Intangible assets, net	-	2,146,919	-	2,146,919
Operating right-of-use asset	-	66,827,620	-	66,827,620
Capital assets:				
Construction-in-progress	-	3,697,388	-	3,697,388
Land	-	743,369,908	-	743,369,908
Building and building improvements	-	3,283,034,910	-	3,283,034,910
Furniture, fixtures and equipment	-	26,407,666	-	26,407,666
Tenant improvements	-	1,446,185	-	1,446,185
Less accumulated depreciation	-	(233,313,135)	-	(233,313,135)
Total noncurrent assets	<u>-</u>	<u>3,893,617,461</u>	<u>-</u>	<u>3,893,617,461</u>
Total assets	<u>2,640,199</u>	<u>4,341,315,435</u>	<u>(2,502,682)</u>	<u>4,341,452,952</u>
Liabilities and Net Position (Deficit)				
Current Liabilities				
Accounts payable and accrued expenses	2,521,033	72,116,725	(2,502,682)	72,135,076
Prepaid rent	-	1,480,200	-	1,480,200
Security deposits	-	7,087,312	-	7,087,312
Total current liabilities	<u>2,521,033</u>	<u>80,684,237</u>	<u>(2,502,682)</u>	<u>80,702,588</u>
Noncurrent Liabilities				
Ground lease liability	-	68,468,782	-	68,468,782
Bonds payable, net	-	4,654,408,210	-	4,654,408,210
Total noncurrent liabilities	<u>-</u>	<u>4,722,876,992</u>	<u>-</u>	<u>4,722,876,992</u>
Total liabilities	<u>2,521,033</u>	<u>4,803,561,229</u>	<u>(2,502,682)</u>	<u>4,803,579,580</u>
Net Position (Deficit)				
Net investment in capital assets	-	(760,790,749)	-	(760,790,749)
Restricted for reserve fund	110,406	-	-	110,406
Restricted for debt service	-	357,308,323	-	357,308,323
Unrestricted	8,760	(58,763,368)	-	(58,754,608)
Total net position (deficit)	<u>\$ 119,166</u>	<u>\$ (462,245,794)</u>	<u>\$ -</u>	<u>\$ (462,126,628)</u>

CSCDA Community Improvement AuthorityDivisional Statement of Revenues, Expenses and Change in Net Position
Year Ended June 30, 2024

	CSCDA Core	Asset Ownership Program	Eliminations	Total
Operating Revenues				
Net rental revenues	\$ -	\$ 233,837,267	\$ -	\$ 233,837,267
Bond administration fees	5,065,709	-	(5,065,709)	-
Total operating revenues	5,065,709	233,837,267	(5,065,709)	233,837,267
Operating Expenses				
Net operating expenses	5,028,712	212,065,177	(5,065,709)	212,028,180
Operating income	36,997	21,772,090	-	21,809,087
Nonoperating Revenues (Expenses)				
Interest income	9,893	9,792,258	-	9,802,151
Interest expense	-	(179,348,339)	-	(179,348,339)
Total nonoperating revenue (expense)	9,893	(169,556,081)	-	(169,546,188)
Change in net position	46,890	(147,783,991)	-	(147,737,101)
Net Position (Deficit), Beginning	119,166	(462,245,794)	-	(462,126,628)
Net Position (Deficit), Ending	\$ 166,056	\$ (610,029,785)	\$ -	\$ (609,863,729)

CSCDA Community Improvement AuthorityDivisional Statement of Revenues, Expenses and Change in Net Position
Year Ended June 30, 2023

	<u>CSCDA Core</u>	<u>Asset Ownership Program</u>	<u>Eliminations</u>	<u>Total</u>
Operating Revenues				
Net rental revenues	\$ -	\$ 228,020,666	\$ -	\$ 228,020,666
Bond administration fees	5,065,706	-	(5,065,706)	-
Total operating revenues	<u>5,065,706</u>	<u>228,020,666</u>	<u>(5,065,706)</u>	<u>228,020,666</u>
Operating Expenses				
Net operating expenses	<u>5,117,838</u>	<u>211,272,211</u>	<u>(5,065,706)</u>	<u>211,324,343</u>
Operating income (loss)	<u>(52,132)</u>	<u>16,748,455</u>	<u>-</u>	<u>16,696,323</u>
Nonoperating Revenues (Expenses)				
Interest income	14,733	8,730,744	-	8,745,477
Interest expense	-	(179,384,862)	-	(179,384,862)
Total nonoperating revenue (expense)	<u>14,733</u>	<u>(170,654,118)</u>	<u>-</u>	<u>(170,639,385)</u>
Change in net position	<u>(37,399)</u>	<u>(153,905,663)</u>	<u>-</u>	<u>(153,943,062)</u>
Net Position (Deficit), Beginning	<u>156,565</u>	<u>(308,340,131)</u>	<u>-</u>	<u>(308,183,566)</u>
Net Position (Deficit), Ending	<u>\$ 119,166</u>	<u>\$ (462,245,794)</u>	<u>\$ -</u>	<u>\$ (462,126,628)</u>



REGULAR MEETING AGENDA

November 21, 2024
2:00 PM or upon adjournment of the CSCDA CIA meeting

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

Telephonic Locations:

3124 Chesapeake Bay Avenue
Davis, CA 95616

3252 Southern Hills Drive
Fairfield, CA 94534

709 Portwalk Place
Redwood City, CA 94065

15465 Vantage Point
Redding, CA 96001

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

County of Stanislaus
1010 10 Street, Suite 6500
Modesto, CA 95354

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
____ Brian Stiger, Treasurer
____ Leonard Moty, Member

____ Vito Chiesa, Member
____ Niroop Srivatsa, Member
____ Jim Erb, Alt. Member
____ Norman Coppinger, Alt. Member

2. Consideration of the Minutes of the November 7, 2024 Regular Meeting.

3. Consent Calendar
4. Public Comment

B. AGENDA ITEMS

5. Presentation about Public Service Laws and Principles for Joint Powers Authorities. (Information Only)
6. Consideration of First Amendment to Second Amended and Restated Services Agreement with Bridge Strategic Partners.

C. STAFF ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

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

NEXT MEETING: Thursday, December 5, 2024 at 2:00 pm

CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR

1. Adopt Ordinances levying a special tax in each of seven community facilities districts:
 - a. Community Facilities District No. 2024-07 (East Airport), City of San Luis Obispo, County of San Luis Obispo, State of California.
 - b. Statewide Community Infrastructure Program Community Facilities District No. 2024-19 (Machado), City of Oakley, County of Contra Costa, State of California.
 - c. Improvement Area No. 1 of Statewide Community Infrastructure Program Community Facilities District No. 2024-11 (Panhandle), City of Sacramento, County of Sacramento, State of California.
 - d. Statewide Community Infrastructure Program Community Facilities District No. 2024-21 (Skylar (San Juan Road)), City of Sacramento, County of Sacramento, State of California.
 - e. Statewide Community Infrastructure Program Community Facilities District No. 2024-16 (Machado Ranch (Unit 1)), City of Manteca, County of San Joaquin, State of California.
 - f. Statewide Community Infrastructure Program Community Facilities District No. 2024-22 (Northpoint), County of Yuba, State of California.
 - g. Statewide Community Infrastructure Program Community Facilities District No. 2024-20 (Sellers & Laurel), City of Oakley, County of Contra Costa, State of California.



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

November 7, 2024 at 9:00 am

Commission Chair Brian Moura called the meeting to order at 9:04 am.

1. Roll Call.

Board Members: Brian Moura, Jordan Kaufman, Kevin O'Rourke, Brian Stiger, Leonard Moty, Vito Chiesa, Niroop Srivatsa, Jim Erb (non-voting), and Norman Coppinger (non-voting).

CSCDA Staff & Program Managers: Cathy Barna, CSCDA Executive Director; James Hamill, Bridge Strategic Partners; Jon Penkower, Bridge Strategic Partners

CSCDA Legal Counsel: Tricia Ortiz, Richards Watson & Gershon

Cal Cities and CSAC: Carolyn Coleman, Cal Cities; Graham Knaus, CSAC; Alan Fernandes, CSAC Finance Corporation; Rob Pierce, CSAC Finance Corporation; Jim Manker, CSAC Finance Corporation

2. Consideration of the Minutes of the October 31, 2024 Regular Meeting.

The Commission approved the October 31, 2024 Regular Meeting minutes.

Motion to approve by B. Stiger. Second by K. O'Rourke. Unanimously approved by voice vote.

3. Public Comment

No public comment.

4. Statewide Community Infrastructure Program (SCIP) District Proceedings :

- a. Consider the following resolutions for multiple Statewide Community Infrastructure Program (SCIP) Community Facilities Districts (collectively, the "CFDs") for Series 2024C-2 or a separate pooled or stand-alone issuance:

1. Resolutions approving joint community facilities agreements and declaring intention to establish CFDs, to designate improvement areas and future annexation areas therein, as applicable, and to levy special taxes therein to finance certain public improvements and fees;

Motion to approve by J. Kaufman. Second by N. Srivatsa. Unanimously approved by voice vote.

2. Resolutions to incur bonded indebtedness to finance certain public improvements and fees within the CFDs and calling for a public hearing.

Motion to approve by K. O'Rourke. Second by J. Kaufman. Unanimously approved by voice vote.

- b. Conduct and close or continue consolidated public hearings with respect to the Statewide Community Infrastructure Program ("SCIP") for certain Assessment Districts (collectively, the "ADs") and CFDs for multiple development projects to be included in a bond issuance for Series 2024C-1 or a separate pooled or stand-alone issuance.

Motion to close the public hearing by N. Srivatsa. Second by B. Stiger. Unanimously approved by voice vote.

- c. Conduct following actions with respect to the SCIP ADs to be included in a bond issuance for Series 2024C-1 or a separate pooled or stand-alone issuance:
 1. Open assessment ballots of landowners within the ADs and announce results.
 2. Consideration of resolutions approving final engineer's reports, levying assessments, ordering the financing of specified development impact fees and capital improvements, confirming the amounts of unpaid assessments and directing related actions in relation to the ADs.

Motion to approve by J. Kaufman. Second by N. Srivatsa. Unanimously approved by voice vote.

- d. Conduct following actions with respect to the SCIP CFDs to be included in a bond issuance for Series 2024C-1 or a separate pooled or stand-alone issuance:
 1. Consideration of resolutions of formation establishing the CFDs, each providing for the levy of a special tax therein to finance certain public improvements and development impact fees, as applicable.

Motion to approve by B. Stiger. Second by K. O'Rourke. Unanimously approved by voice vote.

2. Consideration of resolutions deeming it necessary to incur bonded indebtedness to finance certain public improvements either directly or to be constructed from certain development impact fees to mitigate the impacts of development within the CFDs.

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

vote.

3. Consideration of resolutions calling special mailed-ballot elections within the CFDs.

Motion to approve by K. O'Rourke. Second by N. Srivatsa. Unanimously approved by voice vote.

4. Conduct special mailed ballot elections for the CFDs.
5. Consideration of resolutions declaring results of special mailed-ballot elections within the CFDs.

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

6. Conduct first readings of Ordinances Levying a Special Tax in the CFDs.

Motion to approve by K. O'Rourke. Second by N. Srivatsa. Unanimously approved by voice vote.

5. Consider the following resolutions with respect to issuance of SCIP Series 2024C-1 Local Obligations and Revenue Bonds:
 - a. Consideration of resolution providing for the issuance of SCIP limited obligation improvement bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.

Motion to approve by K. O'Rourke. Second by J. Kaufman. Unanimously approved by voice vote.

- b. Consideration of resolution providing for the issuance of SCIP special tax bonds each in one or more series and approving the form and substance of a trust agreement and authorizing related actions.

Motion to approve by N. Srivatsa. Second by B. Stiger. Unanimously approved by voice vote.

- c. Consideration of resolution authorizing the issuance, sale and delivery of not to exceed \$72,121,000 of SCIP Revenue Bonds, Series 2024C-1 and approving the forms of a trust agreement, a bond purchase agreement, a continuing disclosure certificate, an official statement, and authorizing certain other actions in connection therewith.

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

6. Consider the following resolution for Community Facilities District No. 2024-07 (East Airport):
 - a. Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2024-07 (East Airport)

Special Tax Bonds, Series 2024 (San Luis Obispo East Airport Annexation), in an aggregate principal amount not to exceed \$3,500,000; authorizing the execution and delivery of an Indenture providing for the issuance of such bonds; approving a Bond Purchase Contract providing for the sale of such bonds; approving an Official Statement; approving a Continuing Disclosure Certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

Motion to approve by B. Stiger. Second by N. Srivatsa. Unanimously approved by voice vote.

7. Consider the following resolution for Community Facilities District No. 2020-02 (Atwell), Improvement Area No. 4:

- a. Resolution approving the issuance of the California Statewide Communities Development Authority Community Facilities District No. 2020-02 (Atwell), Improvement Area No. 4, Special Tax Bonds, Series 2024, in an aggregate principal amount not to exceed \$25,000,000; authorizing the execution and delivery of an Indenture providing for the issuance of such bonds; approving a Bond Purchase Contract providing for the sale of such bonds; approving an Official Statement; approving a Continuing Disclosure Certificate; authorizing the sale of such bonds; and authorizing related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds.

Motion to approve by J. Kaufman. Second by K. O'Rourke. Unanimously approved by voice vote.

8. Consideration of 2025 CSCDA Meeting Calendar.

Motion to approve by N. Srivatsa. Second by B. Stiger. Unanimously approved by voice vote.

9. 2024-25 Q1 Financials and Bank Account Activity (Information Only)

Executive Director Barna provided a summary of the 2024-25 Q1 financials. In terms of revenue, performance was in line with the budget as all categories operated over 25% with PACE as the only exception, however there are PACE projects in the pipeline to bring PACE revenues in line with the budget. Administrative expenses were also in line with the budget at 26.5%. Bond Administration and Issuance Fee Disbursements over performed at nearly 32% and 28.3% of budget respectfully. Bank activity was not unusual.

10. Program Update (Information Only).

Before beginning the program update report, Executive Director Barna requested a round of introductions from all attendees.

Executive Director Barna, Mr. Hamill and Mr. Penkower provided a 24-25 Q1 update and summary of the various CSCDA programs including overall performance of the programs including prior FY comparisons.

11. Executive Director Update.

Executive Director Barna discussed a briefing and orientation with the two new Commissioners after this meeting and that all were welcome to attend.

12. Staff Update.

Mr. Hamill shared that Commissioners and others will be receiving a number of calendar invites for the coming year. Mr. Hamill also shared that the Stanford Summer Institute Program Scholarship process is underway.

13. Adjourn.

The meeting was adjourned at 10:44 a.m.

Submitted by: Rob Pierce, CSAC Finance Corporation

NEXT MEETING: Thursday, November 21, 2024 at 2:00 PM



Agenda Item No. 3

DATE: November 21, 2024
TO: CSCDA COMMISSIONERS
FROM: Cathy Barna, Executive Director
PURPOSE: Consent Calendar

1. Adopt Ordinances levying a special tax in each of seven community facilities districts:

- a. **Community Facilities District No. 2024-07 (East Airport), City of San Luis Obispo, County of San Luis Obispo, State of California.**
- b. **Statewide Community Infrastructure Program Community Facilities District No. 2024-19 (Machado), City of Oakley, County of Contra Costa, State of California.**
- c. **Improvement Area No. 1 of Statewide Community Infrastructure Program Community Facilities District No. 2024-11 (Panhandle), City of Sacramento, County of Sacramento, State of California.**
- d. **Statewide Community Infrastructure Program Community Facilities District No. 2024-21 (Skylar (San Juan Road)), City of Sacramento, County of Sacramento, State of California.**
- e. **Statewide Community Infrastructure Program Community Facilities District No. 2024-16 (Machado Ranch (Unit 1)), City of Manteca, County of San Joaquin, State of California.**
- f. **Statewide Community Infrastructure Program Community Facilities District No. 2024-22 (Northpoint), County of Yuba, State of California.**
- g. **Statewide Community Infrastructure Program Community Facilities District No. 2024-20 (Sellers & Laurel), City of Oakley, County of Contra Costa, State of California.**

On November 7, 2024 the Commission conducted the first reading of ordinances for the SCIP 2024C-1 pool, and the East Airport CFD in the City of San Luis Obispo. The action requested today is for the adoption of the ordinances. Recommend adoption.

Documents:

https://www.dropbox.com/scl/fo/jck752acheyo4n8fqc7xl/AHXwS_8gS7zSVobaNKBIF1s?rlkey=ox8gu454nikdwt3i3w2vqg60v&dl=0



Agenda Item No. 6

Agenda Report

DATE: November 21, 2024

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

PURPOSE: Consideration of First Amendment to the Second Amended and Restated Services Agreement with Bridge Strategic Partners

EXECUTIVE SUMMARY:

- **Original Agreement:** On December 4, 2014, following a competitive RFP process, CSCDA approved a contract with Bridge Strategic Partners (BSP) for program management services, which commenced on July 1, 2015, and was initially set to end on December 31, 2018.
- **Contract Extensions:** The Commission approved extensions of the BSP contract on December 6, 2018 (through December 31, 2022) and February 17, 2022 (through December 31, 2026).
- **Recent Amendment:** On April 18, 2024, the Commission approved a Second Amended and Restated Services Agreement, which removed municipal advisory services and associated compensation from the agreement.
- **Current Services:** BSP continues to provide exceptional services to CSCDA and its affiliates.
- **Recommendation:** The Program Administration Ad Hoc Committee (Brian Moura, Kevin O'Rourke, and Jordan Kaufman) recommends extending the BSP Agreement through December 31, 2030, via a First Amendment to the Second Amended and Restated Services Agreement.

DISCUSSION:

In February 2024, the Program Administration Ad Hoc Committee began discussions with BSP regarding the removal of municipal advisory services from CSCDA's services agreement with BSP. The Committee also explored the potential for a new RFP process but ultimately concluded that such a process would not be in the best interest of CSCDA's constituent cities, counties, and special districts.

On April 18, 2024, the Commission approved a new agreement with BSP that removed municipal advisory services but deferred consideration of the term extension. Since that time, the

Committee has continued to evaluate the benefits of conducting an RFP process or extending BSP's contract through December 31, 2030.

Agreement Extension

The original RFP process conducted in 2014 was comprehensive, and BSP was selected as CSCDA's Program Manager. From December 2014 (when the contract was approved) to July 1, 2015 (the effective date of the agreement), CSCDA underwent a complex transition period that extended well beyond the start date of BSP's contract. Over the course of their contract, BSP has consistently demonstrated professionalism and dedication to CSCDA's programs.

Through BSP's management, CSCDA has seen significant growth in its legacy programs. Borrowers have provided positive feedback, and the expansion of these programs has had a positive impact on CSCDA's member agencies and the broader public. BSP has also been instrumental in developing new CSCDA programs that deliver substantial public benefits across California.

After careful consideration, the Committee has determined that issuing a new RFP at this time would introduce unnecessary disruptions, potentially affecting the high level of service CSCDA provides. Therefore, the Committee recommends extending the BSP Agreement through December 31, 2030, to ensure continuity of services without interruption.

The proposed Agreement has been reviewed by CSCDA's General Counsel and can be accessed here:

<https://www.dropbox.com/scl/fi/cmred2x66m7qpovpnis7l/BSP-First-Amendment-to-Second-Amended-and-Restated-Services-Agreement-11.11.24.DOCX?rlkey=xhd73lck87tntochsw89tetzf&st=n3qs20o3&dl=0>

RECOMMENDED ACTION:

CSCDA's Program Management Ad Hoc Committee and Executive Director recommend approval of the First Amendment to the Second Amended and Restated Services Agreement with BSP.