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**CSCDC**

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## REGULAR MEETING AGENDA

February 6, 2025

**League of California Cities  
1400 K Street, 3rd Floor  
Sacramento, CA 95814**

Telephonic Locations:

1010 10<sup>th</sup> Street, 6<sup>th</sup> Floor  
Modesto, CA 95354

709 Portwalk Place  
Redwood City, CA 94065

32920 Road 140  
Visalia, CA 93292

2840 Soscol Avenue  
Napa, CA 94558

15465 Vantage Point  
Redding, CA 96001

451 Trotter Drive  
Vallejo, CA 94591

*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  
\_\_\_\_ Niroop Srivatsa, Member  
\_\_\_\_ Kevin O'Rourke, Secretary  
\_\_\_\_ Brian Stiger, Treasurer  
\_\_\_\_ Vito Chiesa, Member

\_\_\_\_ Erin Hannigan Andrews, Member  
\_\_\_\_ Leonard Moty, Member  
\_\_\_\_ Jim Erb, Alt. Member  
\_\_\_\_ Norman Coppinger, Alt. Member

2. Consideration of the Minutes of the January 23, 2025 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. IVHP2 Apartments LP, (Citrus Grove Apartments) City of Rialto, County of San Bernardino; issue up to \$40,000,000 in multifamily housing revenue bonds.
6. 2024-25 Q2 Financials and Bank Account Activity (Information Only).

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

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

**NEXT MEETING:** Thursday, February 20, 2025 at 2:00 pm

**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**  
**CONSENT CALENDAR**

1. Consideration of membership renewal with the California Council for Affordable Housing (CCAH).

February 6, 2025



## MINUTES

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

**January 23, 2025**

**at 2:00 pm or upon adjournment of the CSCDC Meeting**

Commission Chair Brian Moura called the meeting to order at 2:19 pm.

1. Roll Call.

Commission members participating via teleconference: Brian Moura, Kevin O'Rourke, Brian Stiger, Leonard Moty, Vito Chiesa, 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; Steve Maciel, Cal Cities; Alan Fernandes, CSAC Finance Corporation; Rob Pierce, CSAC Finance Corporation; Sedy Young, CSAC Finance Corporation; and Tricia Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the January 9, 2025 Regular Meeting.

The Commission approved the January 9, 2025 Regular Meeting minutes.

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

3. Consent Calendar.

The Commission approved the Consent Calendar.

1. Consideration of membership renewal with the California Association of Local Housing Finance Agencies (CAL-ALHFA).

2. Inducement of Dorado Senior, LP (Dorado Senior Apartments), City of Buena Park, County of Orange; issue up to \$30 million in multi-family housing revenue bonds.

***Motion to approve by V. Chiesa. Second by L. Moty. Unanimously approved by roll-call vote.***

4. Public Comment

*No public comment.*

5. Consider 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. Heritage Park Apartments Roseville, LP, (Heritage Park Apartments) City of Roseville, County of Placer; issue up to \$35,000,000 in multifamily housing revenue bonds.

*Executive Director Barna stepped away and turned off her audio and video due to a potential conflict.*

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

6. Consideration of First Amendment to Second Amended and Restated Services Agreement with Bridge Strategic Partners.

*James Hamill and Jon Penkower left the CSCDA Meeting after agenda item # 5 and were not present during the presentation and discussion of Item # 6.*

*Executive Director Barna presented the item and after thorough discussion, a motion was made to continue the item for 30 days. The Commission also asked for additional information that was presented by Alan Fernandes, CSAC Finance Corporation, to be sent to them.*

*Approved by roll-call vote with N. Srivatsa, B. Stiger, L. Moty, and V. Chiesa voting Yes and B. Moura and K. O'Rourke voting No*

7. Executive Director Update.

*Executive Director Barna had no update.*

8. Staff Update.

*Staff had no update.*

9. Adjourn.

The meeting was adjourned at 2:50 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

**NEXT MEETING:** Thursday, February 6, 2025 at 2:00 pm



**CSCDA**  
CALIFORNIA STATEWIDE COMMUNITIES  
DEVELOPMENT AUTHORITY

## **Agenda Item No. 4**

### **Agenda Report**

**DATE:** February 6, 2025  
**TO:** CSCDA COMMISSIONERS  
**FROM:** Cathy Barna, Executive Director  
**PURPOSE:** Consent Calendar

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#### **SUMMARY:**

**1. Consideration of membership renewal with the California Council for Affordable Housing (CAAH).**

CAAH (California Council for Affordable Housing) is a tax-exempt nonprofit organization dedicated to facilitating the development and expansion of affordable housing in the State of California. CCAH devotes its resources to tracking relevant state and federal legislation, monitoring current housing development and finance programs, making recommendations on appropriate housing and programs, and keeping the CCAH membership informed about these matters. The annual membership cost is \$950.



## Agenda Item No. 5a

### Agenda Report

**DATE:** February 6, 2025

**TO:** CSCDA COMMISSIONERS

**FROM:** Cathy Barna, Executive Director

**PROJECT:** Citrus Grove Apartments

**PURPOSE:** Approve the Financing of Rental Affordable Housing Project Located in the City of Rialto, County of San Bernardino

**AMOUNT:** Not to Exceed \$40,000,000

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#### **EXECUTIVE SUMMARY:**

Citrus Grove Apartments (the “Project”) is the acquisition and rehabilitation of 152 units of rental housing located in the City of Rialto. 100% of the units will remain rent restricted for extremely low-income and low-income residents.

#### **PROJECT DESCRIPTION:**

- Acquisition and rehabilitation of a 152-unit affordable rental housing facility located at 1432 North Willow Avenue, Rialto, California in the City of Rialto.
- Consists of 99 two-bedroom units, 51 three-bedroom units, and two manager’s units.

#### **PROJECT ANALYSIS:**

##### **Background on Applicant:**

National Community Renaissance (National CORE) is comprised of National Community Renaissance of California (NCRC), and Hope through Housing Foundation (HOPE), which provides on-site social services to all of National CORE’s communities. National CORE was established in 1992 as a 501(c)(3) not-for-profit public benefit corporation and currently has over 8,000 rental units under ownership in four states, including more than 6,900 throughout the Southern California region. National CORE is the developer, owner, operator, and services provider of all of its properties. National CORE currently employs more than 400 people. National CORE is a vertically integrated company with in-house construction, property management, asset management, compliance, accounting, and social programs/services departments. National CORE has experienced staff capacity in development, construction management, property management, social services, and is a licensed general contractor. This “in-house” structure allows for strict



quality control and cost-savings in all facets of its business. National CORE’s philosophy is to not only develop and maintain high-quality affordable housing, but to go well beyond the bricks and mortar and create vibrant communities that are safe and nurturing environments for its residents. National CORE continues to own and manage all its properties, thus ensuring long-term affordability as well as the maintenance of high-quality affordable communities. National CORE has financed more than 15 prior projects with CSCDA.

**Public Agency Approvals:**

**TEFRA Hearing and Approval:** March 12, 2024 – City of Rialto

**CDLAC Approval:** December 6, 2023

**Public Benefits:**

- 100% of the total units will be rent restricted for 55 years.
  - 11% (16 units) of the affordable units restricted to 30% or less of AMI households.
  - 26% (39 units) of the affordable units restricted to 40% or less of AMI households.
  - 35% (52 units) of the affordable units restricted to 50% or less AMI households.
  - 28% (43 units) of the affordable units restricted to 60% or less of AMI households.
  - One manager unit.

**Sources and Uses:**

Sources of Funds:

Tax-Exempt Bonds:	\$ 32,895,715
Taxable Bonds:	\$ 2,329,926
HCD MHP Loan:	\$ 11,651,466
Tax Credits:	\$ 5,052,049
San Bernardino County:	\$ 4,706,412
AHP Loan:	\$ 1,000,000
Income:	\$ 181,828
Deferred Developer Fee:	<u>\$ 6,509,120</u>
Total Sources:	\$ 64,326,516

Uses of Funds:

Acquisition:	\$ 41,153,622
Rehabilitation Costs:	\$ 14,393,555
Architecture & Engineering:	\$ 300,000
Relocation:	\$ 1,417,560
Capitalized Interest/Fees:	\$ 1,213,787
Reserves:	\$ 357,969
Developer Fee:	\$ 4,372,742
Costs of Issuance:	\$ 255,000
Soft Costs:	<u>\$ 862,281</u>
Total Uses:	\$ 64,326,516

**Finance Partners:**

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

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

Private Placement Purchaser: Chase Bank, N.A.

**Finance Terms:**

**Anticipated Rating:** Unrated  
**Term:** 35 years  
**Method of Sale:** Private Placement  
**Estimated Closing:** February 28, 2025

**CSCDA Policy Compliance:**

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

**DOCUMENTS:** (as attachments)

1. CSCDA Resolution (Attachment A)

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

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

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents in connection with the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

**ATTACHMENT A**

**RESOLUTION NO. 25H-\_\_**

**A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT GENERALLY KNOWN AS CITRUS GROVE; 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, 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**, IVHP2 Apartments LP, a California limited partnership, and entities related thereto (the “Borrower”), has requested that the Authority issue and deliver revenue bonds to assist in the financing of the acquisition, rehabilitation, development and equipping of a 152-unit multifamily rental housing development located in the City of Rialto, California, and generally known as Citrus Grove (the “Project”);

**WHEREAS**, on December 6, 2023 the Authority received an allocation in the amount of \$32,895,715 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

**WHEREAS**, the City of Rialto is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds;

**WHEREAS**, the Authority is willing to issue not to exceed \$40,000,000 aggregate principal amount of its multifamily housing revenue bonds (the “Bonds”), in one or more series or subseries, provided that the portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

**WHEREAS**, the Bonds will be privately placed with JPMorgan Chase Bank, N.A. (the “Bank”), as the initial purchaser of the Bonds, in accordance with the Authority’s private placement policy;

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

**WHEREAS**, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the 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) Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Bank, as agent (the “Agent”);
- (2) Master Pledge and Assignment (the “Pledge Agreement”) to be entered into among the Authority, the Agent and the Bank, as bondholder; and
- (3) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into between the Authority and the Borrower;

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

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

SECTION 2. Pursuant to the JPA Law and the Pledge Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Citrus Grove) 2025 Series B” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$40,000,000; 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. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Pledge Agreement, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Pledge Agreement 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 Pledge Agreement, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

SECTION 3. The Pledge Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 24R-06 of the Authority, adopted on September 5, 2024) (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 Pledge Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of 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 Bonds shall be as provided in the Pledge Agreement as finally executed.

SECTION 4. The 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 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 5. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

SECTION 6. The Authority is hereby authorized to sell the Bonds to the Bank pursuant to the terms and conditions of the Pledge Agreement.

SECTION 7. The Bonds, when executed, shall be delivered to the Agent for registration. The Agent is hereby requested and directed to register the Bonds by executing the certificate of registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof 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 Agent. Such instructions shall provide for the delivery of the Bonds to the purchasers thereof upon payment of the purchase price thereof.

SECTION 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the 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, any endorsements and such other documents as described in the Pledge Agreement 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 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the 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 Pledge Agreement and other documents approved herein.

This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the California Statewide Communities Development Authority this February 6, 2025.

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 February 6, 2025.

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: IVHP2 Apartments LP
2. Authority Meeting Date: February 6, 2025
3. Name of Obligations: Citrus Grove 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 / attached as Schedule A]:
  - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 5.64%.
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$137,896.
  - (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: \$24,866,291.
  - (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): \$32,920,712.]
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: 2/6/25





## Agenda Item No. 6

### Agenda Report

**DATE:** February 6, 2025  
**TO:** CSCDA COMMISSIONERS  
**FROM:** Cathy Barna, Executive Director  
**PURPOSE:** 2024-25 Q2 Financials and Bank Account Activity

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CSCDA's bank account activity and budget to actual figures for the second quarter of FY 2024-25 are provided in the attached financial reports.

#### **FY 2024-2025 Q2 BUDGET REPORT:**

The budget report provides second quarter FY 2024-25 actual figures for CSCDA, 2024-25 budget information, and actual figures through December 31, 2024. The variances represent 2024-25 budget figures compared to actual amounts received or disbursed through December 31, 2024. A variance of 50% reflects that the amount was on target for the fiscal year while variances below 50% were below budget and variances above 50% were above budget.

1. **Issuance Fee Receipts** - Issuance fees received were \$4.62 million which represented 72.1% of the annual budget, or \$1.4 million over the annual budget amount.
  - **Qualified 501(c)(3)** issuance fees were at 75.9% of the amount budgeted for the fiscal year and over budget by \$64 thousand.
  - **Affordable Housing** was above budget at 70.3% of the amount budgeted for the fiscal year, representing \$81 thousand above the annual budget amount.
  - **PACE** generated \$2.25 million in fees representing 60% of the amount budgeted for the year.
  - **SCIP/CFD** issuance fees were at 93.3% of the amount budgeted for the year and above the annual budget amount by approximately \$862 thousand.
  - **Other Municipal Bond Programs** are at 100% of the annual budget amount.
2. **Bond Administrative Fee Receipts** - Bond administrative fee collections were \$4.9 million for Q2, or 59% of the amount budgeted for the year.
3. **Issuance Fee Disbursements** - Issuance fee disbursements were \$4.6 million representing 71% of the amount budgeted for the year.
4. **Bond Administration Fee Disbursements** - Bond Administration Fee Disbursements were \$4.6 million at 59% of the amount budgeted.
5. **General Administrative** - General Administrative disbursements equal to \$237 thousand were made representing 52.6% of the annual budget.

## **BANK ACCOUNT ACTIVITY:**

CSCDA's fee collections are disbursed monthly after funding the professional services and operations accounts. Receipts, disbursements, and balances as of December 31, 2025 in the two accounts are provided below.

### **1. Professional Services Account**

- Deposits of \$252.2 thousand and disbursements of \$270.8 thousand have been made through the fiscal year.
- The beginning balance on June 30, 2024 was \$72 thousand, less \$270.8 thousand in disbursements plus \$252.2 thousand in deposits equates to an ending balance as of December 31, 2024 of \$53.4 thousand.

### **2. Operations Account**

- Deposits of \$1,956 and disbursements of \$30 thousand to replenish the Professional Services Account have been made through the fiscal year.
- The balance as of December 31, 2024 was \$53.9 thousand.

## **SUMMARY AND QUESTIONS**

CSCDA staff and CalCities accounting personnel are available to respond to any questions the Commissioners may have about the attached FY 2024-25 Q2 financial reports.

CSCDA

Budget-to-Actual Comparison for the Six Months Ended December 31, 2024

	Actual 2023-24	Budget 2024-25	YTD 2024-25	Variance 2024-25
<b>Additions</b>				
Issuance fees				
Qualified 501 (c)(3)	48,533	250,000	189,725	75.89%
Qualified residential rental program	565,304	400,000	281,527	70.38%
PACE	4,221,267	3,700,000	2,250,383	60.82%
SCIP / Mello Roos	1,717,050	2,000,000	1,862,600	93.13%
Other municipal bond programs	20,000	20,000	20,000	100.00%
Investment income	63,449	50,000	24,603	49.21%
Total issuance fees	6,635,603	6,420,000	4,628,838	72.10%
Bond administrative fees				
Qualified 501 (c)(3)	1,466,635	1,400,000	786,387	56.17%
Qualified residential rental program	6,269,627	5,800,000	3,443,888	59.38%
SCIP / Mello Roos	981,061	950,000	574,332	60.46%
Other municipal bond programs	228,238	100,000	33,261	33.26%
Investment income	46,896	55,000	58,582	106.51%
Total bond administrative fees	8,992,458	8,305,000	4,896,450	58.96%
<b>Total additions</b>	<b>15,628,060</b>	<b>14,725,000</b>	<b>9,525,288</b>	<b>64.69%</b>
<b>Deductions</b>				
Issuance				
Program management fees - BSP	3,093,705	3,112,000	2,292,131	73.65%
Program governance fees - CSAC	1,739,224	1,654,000	1,156,052	69.89%
Program governance fees - League	1,739,224	1,654,000	1,156,052	69.89%
Total issuance	6,572,154	6,420,000	4,604,235	71.72%
Bond administration				
Program administration fees - BSP	1,361,364	1,300,000	688,398	52.95%
Compliance/portfolio monitoring fees - BSP	634,754	605,000	330,636	54.65%
Prior administration fees - HB Capital	2,980,968	2,500,000	1,697,313	67.89%
Program governance fees - CSAC	1,687,227	1,625,000	900,609	55.42%
Program governance fees - League	1,687,227	1,625,000	900,609	55.42%
Compliance fees - Urban Futures	199,875	200,000	99,937	49.97%
Total bond administration	8,551,414	7,855,000	4,617,503	58.78%
Subtotal Issuance & Bond Administration	15,123,568	14,275,000	9,221,738	64.60%

CSCDA

Budget-to-Actual Comparison for the Six Months Ended December 31, 2024

	Actual 2023-24	Budget 2024-25	YTD 2024-25	Variance 2024-25
General administrative				
Executive Director	60,325	65,000	30,000	46.15%
General Counsel - Richards Watson Gershon	83,274	80,000	56,395	70.49%
Insurance	32,437	40,000	400	1.00%
Board travel reimbursements	9,011	7,500	4,383	58.44%
Issuer counsel - Orrick	100,000	100,000	50,000	50.00%
Auditor - MUN CPAs	16,800	20,000	16,800	84.00%
Other professional services	2,549	2,500	1,230	49.20%
BSP municipal advisor fee	20,000	0	0	
Bank service fees	7,500	7,000	1,875	26.79%
Marketing and Sponsorships	45,899	50,000	45,671	91.34%
Annual meeting	91,690	75,000	29,601	39.47%
Other	475	3,000	675	22.50%
Total general administrative	469,959	450,000	237,031	52.67%
<b>Total deductions</b>	<b>15,593,527</b>	<b>14,725,000</b>	<b>9,458,769</b>	<b>64.24%</b>
<b>Net surplus (deficit)</b>	<b>34,533</b>	<b>(0)</b>	<b>66,519</b>	

**CSCDA**  
**Bank Account Activity**  
**For the Six Months Ended December 31, 2024**

	<b>Beg Bal</b>	<b>Add:</b>	<b>Less:</b>	<b>End Bal</b>
	<b>06/30/24</b>	<b>Deposits</b>	<b>Disbursements</b>	<b>12/31/24</b>
<b>Bank account:</b>				
Professional Services	72,001	252,287	(270,840)	53,448
Operations	81,977	1,956	(30,000)	53,933
	-----	-----	-----	-----
	153,978	254,243	(300,840)	107,380
	=====	=====	=====	=====



**CSCDC**  
 CALIFORNIA STATEWIDE COMMUNITIES  
 DEVELOPMENT CORPORATION



California State Association of Counties



LEAGUE OF  
 CALIFORNIA  
 CITIES

**REGULAR MEETING AGENDA**

**February 6, 2025**

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

**League of California Cities  
 1400 K Street, 3rd Floor  
 Sacramento, CA 95814**

Telephonic Locations:

2840 Soscol Avenue  
 Napa, CA 94558

15465 Vantage Point  
 Redding, CA 96001

1010 10<sup>th</sup> Street, 6<sup>th</sup> Floor  
 Modesto, CA 95354

451 Trotter Drive  
 Vallejo, CA 94591

709 Portwalk Place  
 Redwood City, CA 94065

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, President  
 \_\_\_\_ Niroop Srivatsa, Member  
 \_\_\_\_ Kevin O'Rourke, Secretary  
 \_\_\_\_ Brian Stiger, Treasurer  
 \_\_\_\_ Vito Chiesa, Member

\_\_\_\_ Erin Hannigan Andrews, Member  
 \_\_\_\_ Leonard Moty, Member  
 \_\_\_\_ Jim Erb, Alt. Member  
 \_\_\_\_ Norman Coppinger, Alt. Member

2. Consideration of the Minutes of the January 23, 2025 Meeting.

3. Public Comment.

4. Approve all necessary actions; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:
  - a. Approve the making of up to \$8,000,000 in qualified low-income community investments by CSCDC 29 LLC to Fairchild Medical Center, City of Yreka, County of Siskiyou, California.
5. Executive Director Update.
6. Staff Updates.
7. Adjourn.



## MINUTES

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

**January 23, 2025  
2:00 PM**

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

1. Roll Call.

Commission members participating: Brian Moura, Kevin O'Rourke, Brian Stiger, Leonard Moty, Vito Chiesa, 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; Steve Maciel, Cal Cities; Alan Fernandes, CSAC Finance Corporation; Rob Pierce, CSAC Finance Corporation; Sendy Young, CSAC Finance Corporation; and Tricia Ortiz, Richards Watson & Gershon Richards Watson & Gershon.

2. Consideration of the Minutes of the December 23, 2024 Meeting.

The Commission approved the minutes of the December 23, 2024 Meeting.

***Motion to approve with a minor correction by B. Stiger. Second by L. Moty. Unanimously approved by roll-call vote.***

3. Public Comment.

There was no public comment.

4. Approve all necessary actions; the execution and delivery of all necessary documents; and authorize any signatory to sign all necessary documents in connection with the following:

- a. Approve the making of up to \$12,000,000 in qualified low-income community investments by CSCDC 27 LLC to DHF Peace & Justice Corporation (Peace & Justice Cultural Center), City of Bakersfield, County of Kern, California.

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



- b. Approve the making of up to \$9,250,000 in qualified low-income community investments by CSCDC 28 LLC to Torani S' Awesome Equipment, LLC (Torani Sauce Plane Project), City of San Leandro, County of Alameda, California.

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

5. Executive Director Update.

Executive Director Barna had no updates.

6. Staff Update.

Staff informed the Commission that they will be submitting the New Markets Tax Credit application to the U.S. Department of the Treasury next week. The wait time for the award allocation is between 10-11 months.

7. Adjourn.

The meeting was adjourned at 2:19 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation



## **Agenda Report**

**DATE:** February 6, 2025

**TO:** CSCDC BOARD OF DIRECTORS

**FROM:** Cathy Barna, Executive Director

**PURPOSE:** Approve the Making of up to \$8,000,000 in Qualified Low Income Community Investments by CSCDC 29 LLC to Fairchild Medical Center, City of Yreka, County of Siskiyou, California.

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### **SPONSOR BACKGROUND:**

For over 25 years, Fairchild Medical Center (FMC) has served the rural, high poverty populations of northern, western, and eastern Siskiyou County. Licensed as a 25-bed facility, FMC is an independent, nonprofit hospital. FMC offers a full scope of services to this large geographic area, including emergent, primary care, medical, surgical, imaging, laboratory, and a variety of other outpatient services.

FMC is a Critical Access Hospital (CAH), as designated by the Centers for Medicare and Medicaid Services (CMS). CAHs are hospitals that provide essential services to rural communities. CMS designates hospitals as CAHs to improve access to healthcare in rural areas and reduce the financial risk of rural hospitals. Congress created the CAH designation in 1997, in response to over 400 rural hospital closures in the 1980s and 90s.

In Siskiyou County, the need for medical services is outstripping what the current medical community, including FMC, can provide, and FMC's current facility lacks capacity to meet demand. Moreover, the aging nature of FMC's hospital facility presents additional challenges – for example, FMC's emergency department is currently housed in a space that is inefficient, outdated, non-compliant with ADA, and in violation of code provisions.

### **PROJECT OVERVIEW:**

To meet the need for expanded health care, FMC needs to expand its campus and replace functionally obsolete spaces with new, state-of-the-art medical facilities. FMC has requested that CSCDC provide up to \$8,000,000 in New Markets Tax Credit (NMTC) allocation for the construction of a new 22,866 SF, two-story wing on the existing 63,270 SF Fairchild Medical Center.

The new addition will become home to a state-of-the-art 11,433 SF Emergency Department (ED), which will ease the overcrowding and correct the inefficient workflows of the existing ED space. Specific improvements for the ED include:

- Resizing the existing 7 treatment rooms, the Observation Room, and Trauma Spaces to meet code and adding a privacy door to every room.
- Adding 5 new treatment rooms and 2 additional hallway beds (78% more capacity).
- Adding 2 behavioral health rooms for involuntary psychiatric care that will be separate from other patient rooms.
- Adding negative pressure in every room for infectious patients.
- Addressing all code and compliance issues.
- Adding ADA-compliant features.

The second floor of the new wing will include a new 6,500 SF Laboratory Department, providing this department with its first space increase since its inception in 1997. The expanded Lab space will create capacity for new equipment and supplies, and ease current workflow challenges that are hampering the department's efficiency and speed of diagnosis. In addition, the new wing is freeing up significant space in the existing hospital, which will be modernized and utilized as FMC best sees fit. A total of \$28,000,000 in additional NMTC allocation has been committed by three other community development entities alongside CSCDC.

## **COMMUNITY OUTCOMES:**

### **Construction Jobs**

- The project is expected to result in 80 FTE construction jobs.

### **Permanent Jobs**

- The project is expected to result in 48 permanent FTE jobs (34 retained jobs and 14 new jobs).

### **Quality Jobs**

- 96% of FMC employees will receive wages exceeding the local living wage (currently \$20.89/hour for Siskiyou County).
- 100% of FMC's permanent employees are eligible for benefits. Benefits include medical, dental, vision, PTO/paid vacation, sick pay, extended sick leave, paid holidays, short/long-term disability, life insurance, maternity/paternity leave, and 401k/retirement.
- FMC has multiple initiatives to promote wage progression for employees, including: tuition assistance programs; nursing internships, and on-the-job training for entry level new hires without experience who are interested in jobs as phlebotomists or medical assistants.

### **Accessible Jobs**

- Of the 48 permanent jobs, 22 (46%) will be accessible for individuals with a high-school level education or less.

### **Community Goods & Services**

- FMC's modern, expanded Emergency Department is expected to provide care to 12,095 unique patients annually, through 13,835 annual visits. This is a 15% increase in capacity for FMC's ED.
- Approximately 70% of the patients are expected to be low-income people.
- FMC primarily serves the residents of Siskiyou County. FMC's targeted beneficiaries include local residents, rural populations, elderly patients, and low-income individuals.

**ADVISORY BOARD APPROVAL:**

On December 19, 2024, CSCDC’s Advisory Board unanimously recommended approval of the Project.

**FINANCE TEAM:**

- Tax Credit Investor: Chase Bank N.A.
- Investor Counsel: Applegate & Thorne-Thomsen, LLP
- CSCDC Counsel: Kutak Rock, LLP

**ESTIMATED SOURCES AND USES:**

<b>Sources</b>	
FMC Cash	\$32,014,257
NMTC Subsidy / B QLICs	\$9,898,500
<b>Total Sources</b>	<b>\$41,912,757</b>
<b>Uses</b>	
Acquisition	\$100,000
Hard Costs	\$29,134,384
Soft Costs	\$9,450,618
NMTC Costs	\$3,227,755
<b>Total Uses</b>	<b>\$ 41,912,757</b>

**DOCUMENTS:**

1. Resolutions (Attachment A)

**ACTIONS RECOMMENDED BY THE EXECUTIVE DIRECTOR:**

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

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

**ATTACHMENT A**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION  
(Fairchild Medical Center)**

At a meeting duly called on February 6, 2025 (the “**Meeting Date**”), the Board of Directors (the “**Board**”) of **CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT CORPORATION**, a California nonprofit public benefit corporation (the “**Allocatee**”), for itself and in its capacity as “managing member” the Sub-CDE (defined below), does hereby adopt the following resolutions:

**WHEREAS**, the Allocatee and CSCDC 29 LLC, a California limited liability company (the “**Sub-CDE**”), were organized for the purpose of participating in the federal New Markets Tax Credit (“**NMTC(s)**”) program, designed by Congress to encourage investment in (i) the rehabilitation and construction of commercial, retail, office and manufacturing space in low-income communities; (ii) businesses and nonprofits active in low-income communities; and (iii) the provision of technical assistance and other services to businesses active in low-income communities; and

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

**WHEREAS**, the Allocatee was certified by the Community Development Financial Institutions Fund (the “**CDFI Fund**”) as a CDE, and the Allocatee submitted a CY 2022 NMTC Allocation Application to the CDFI Fund (the “**Application**”); and

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

**WHEREAS**, the Allocatee received an allocation of NMTCs under Section 45D of the Internal Revenue Code of 1986, as amended (the “**Code**”), in the amount of \$60,000,000 of NMTC authority (the “**Allocation**”) in connection with the Application; and

**WHEREAS**, the Allocatee, as managing member, and CSCDC Manager, LLC, a Delaware limited liability company, as the non-managing member (the “**Withdrawing Member**”), entered into that certain Operating Agreement of the Sub-CDE, with an effective date of October 4, 2023 (the “**Initial Sub-CDE Operating Agreement**”) to govern the Sub-CDE; and

**WHEREAS**, pursuant to that certain Sub-Allocation Agreement, to be dated on or before the funding date of the Initial CDE Investment (defined below), the Allocatee will sub-allocate a portion of the Allocation, in an amount not to exceed \$8,000,000, to the Sub-CDE; and

**WHEREAS**, it is anticipated that on the funding date of the Initial CDE Investment, the Withdrawing Member will withdraw as a member of the Sub-CDE, the Allocatee will admit Chase NMTC FMC Investment Fund, LLC, a Delaware limited liability company (the “**Investor Member**”), as the 99.99% member of the Sub-CDE, and the Investor Member and the Allocatee will amend and restate the Initial Sub-CDE Operating Agreement in its entirety (as amended and

restated, the “*A&R Sub-CDE Operating Agreement*”), pursuant to which the Investor Member will make an equity investment in the Sub-CDE in the amount of up to \$8,000,000 (the “*Initial CDE Investment*”); and

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

**WHEREAS**, in accordance with the A&R Sub-CDE Operating Agreement, the Sub-CDE will use substantially all of the QEI proceeds to make one or more loans to Siskiyou Hospital, Inc., a California nonprofit public benefit corporation d/b/a Fairchild Medical Center (the “*Project Borrower*”) in the aggregate original principal amount of up to \$8,000,000 (collectively, the “*CDE Loan*”); and

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

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

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

**RESOLVED**, that each of the following individuals (each, an “*Authorized Signatory*”) be, and each of them hereby is singly or jointly, authorized, empowered and directed, to execute, deliver and perform any Transaction Document for or in the name of the Allocatee and on behalf of the Allocatee as managing member of the Sub-CDE, and with such changes, variations, omissions and insertions as they shall approve, the execution and delivery thereof by them to constitute conclusive evidence of such approval: Catherine Barna, Jon Penkower and James Hamill; and be it further

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

**RESOLVED**, that any and all documents, instruments and other writings previously executed and delivered or acts performed by an Authorized Signatory, in the name and on behalf of the Allocatee or the Sub-CDE (as managing member of the Sub-CDE), as the case may

be, in connection with the transactions, be, and the same hereby are, consented to in all respects and are hereby ratified, confirmed and approved;

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

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

**IN WITNESS WHEREOF**, the Board has executed and adopted these Resolutions at its meeting duly called and held on the Meeting Date, at which a quorum of the Board was present or represented.

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Brian Moura, Board President

## EXHIBIT A

### TRANSACTION DOCUMENTS

1. Indemnification Agreement (CSCDC CDE), by the Allocatee and the Sub-CDE for the benefit of JPMorgan Chase Bank, N.A., a national banking association (“*Chase*”).
2. The A&R Sub-CDE Operating Agreement.
3. New Markets Fee and Expense Agreement, by and among the Project Borrower, the Allocatee, and the Sub-CDE.
4. Fund Sponsor Fee Agreement, by and among Chase, the Allocatee, and the Sub-CDE.
5. Sub-Allocation Agreement, by and between the Allocatee and the Sub-CDE.
6. [Loan Agreement], by and among the Sub-CDE, CNMC Sub-CDE 253, LLC, a Delaware limited liability company, CCG Sub-CDE 83, LLC, a Delaware limited liability company, Clearinghouse NMTC (Sub 77), LLC, a Delaware limited liability company, CHHS Subsidiary CDE 65, LLC, a Maryland limited liability company (collectively, “*QLICI Lenders*”), as lenders, and the Project Borrower, as borrower.
7. Community Benefits Agreement, by and among the Project Borrower and the QLICI Lenders.
8. Account Pledge and Control Agreement (CSCDC CDE Reserve Account), by and among the Sub-CDE, the Project Borrower, and Chase.
9. Account Pledge and Control Agreement (Disbursement Account), by and among the QLICI Lenders, the Project Borrower, and Chase.
10. Construction Monitoring and Disbursement Agreement, by and among the Project Borrower, the QLICI Lenders, and Chase.
11. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Transactions (Siskiyou County Economic Development Council), executed by the Allocatee and the Sub-CDE.
12. Other related documents.