



TABLE OF CONTENTS

May 15, 2025

Item 2	Minutes	Page	5
Item 4a	Oak View Ranch Senior Apartments	Page	7
Item 4b	Park Villas at Millenium Apartments	Page	17
Item 5	Hummingbird Lane District & Explore CFD	Page	26
Item 6	City of Paso Robles JPA	Page	28
Item 7	First Amendment to Second Amended and Restated Services Agreement with Bridge Strategic Partners	Page	30



REGULAR MEETING AGENDA

**May 15, 2025
2:00 PM**

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

Telephonic Locations:

15465 Vantage Point
Redding, CA 96001

709 Portwalk Place
Redwood City, CA 94065

1010 10th Street, 6th Floor
Modesto, CA 95354

3124 Chesapeake Bay Avenue
Davis, CA 95616

7400 Cristobal Avenue
Atascadero, CA 93422

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
____ Niroop Srivatsa, Member
____ Kevin O'Rourke, Secretary
____ Brian Stiger, Treasurer

____ Vito Chiesa, Member
____ Leonard Moty, Member
____ Erin Hannigan Andrews, Member
____ Norman Coppinger, Alt. Member
____ Jim Erb, Alt. Member

2. Consideration of the Minutes of the May 1, 2025 Regular Meeting.

3. Public Comment.

B. AGENDA ITEMS

4. 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. NCRC Murrieta Senior Housing, LP (Oak View Ranch Senior Apartments), City of Murrieta, County of Riverside; issue up to \$25,000,000 in multi-family housing revenue bonds.
 - b. PD Millennium Partners, LP (Palm Villas at Millennium Apartments), City of Palm Desert, County of Riverside; issue up to \$65,000,000 in multi-family housing revenue bonds.
5. Hummingbird Lane District and Explore CFD Formation Proceedings:
 - a. Conduct and close or continue consolidated public hearings with respect to California Statewide Communities Development Authority Community Facilities District No. 2025-07 (Explore), City of Palm Desert, County of Riverside, State of California (the “Explore CFD”) and the Statewide Community Infrastructure Program Assessment District No. 25-02 (Hummingbird Lane) Town of Windsor, County of Sonoma (the “Hummingbird Lane District”) for multiple development projects to be included in a bond issuance for Series 2025B or a separate pooled or stand-alone issuance.
 - b. Conduct following actions with respect to the Hummingbird Lane District to be included in a bond issuance for Series 2025B or a separate pooled or stand-alone issuance:
 1. Open assessment ballot of landowner within the Hummingbird Lane District and announce results.
 2. Consideration of resolution 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 Hummingbird Lane District.
 - c. Conduct following actions with respect to the Explore CFD to be included in a stand-alone issuance:
 1. Consideration of a resolution of formation establishing the Explore CFD, and providing for the levy of a special tax therein to finance certain public improvements.
 2. Consideration of a resolution deeming it necessary to incur bonded indebtedness in one or more series to finance certain public improvements to mitigate the impacts of development within the Explore CFD.
 3. Consideration of a resolution calling special mailed-ballot elections within the Explore CFD.

4. Conduct special mailed ballot election for the Explore CFD.
5. Consideration of resolution declaring results of special mailed-ballot elections within the Explore CFD.
- d. Conduct first reading of the Ordinance Levying a Special Tax in the Explore CFD.
6. Consideration of a Joint Exercise of Powers Agreement between CSCDA and City of El Paso de Robles, County of San Luis Obispo.
7. Consideration of First Amendment to Second Amended and Restated Services Agreement with Bridge Strategic Partners.

C. ANNOUNCEMENTS, REPORTS ON ACTIVITIES OR REQUESTS

8. Chair Updates.
9. Staff Updates.
10. Adjourn.

NEXT MEETING: Thursday, June 5, 2025 at 2:00 pm



MINUTES

REGULAR MEETING OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY

**May 1, 2025
at 2:00 pm**

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

1. Roll Call.

Commission members participating via teleconference: Brian Moura, Niroop Srivatsa, Kevin O'Rourke, Brian Stiger, Leonard Moty, Vito Chiesa, and Erin Hannigan Andrews.

Others participating via teleconference: Jon Penkower, Bridge Strategic Partners; James Hamill, Bridge Strategic Partners; Steve Maciel, Cal Cities; Sendy Young, CSAC Finance Corporation; and Trisha Ortiz, Richards Watson & Gershon.

2. Consideration of the Minutes of the April 17, 2025 Regular Meeting.

The Commission approved the April 17, 2025 Regular Meeting minutes.

Motion to approve by V. Chiesa. Second by E. Hannigan Andrews. Unanimously approved by roll-call vote.

3. Consent Calendar

The Commission approved the Consent Calendar.

1. Consideration of an administration agreement with Clearwater PACE to become a CSCDA commercial Open PACE administrator.

Motion to approve by E. Hannigan Andrews. Second by K. O'Rourke. Unanimously approved by roll-call vote.

4. Public Comment

No public comment.

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. Foothill Oak Park Apartments, LLC (Oak Park Apartments), City of Monrovia, County of Los Angeles; issue up to \$65,000,000 in nonprofit multi-family housing revenue bonds.

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

6. 2024-25 Q3 Financials and Bank Account Activity (Information Only)

Commission Chair Moura gave brief overview of CSCDA's 2024-25 Q3 Financials and Bank Account. All accounts are performing at or above expected levels for this time of year.

7. Conduct second reading and adoption of ordinances levying a special tax within certain Statewide Community Infrastructure Program community facilities districts and improvement areas, as applicable.

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

8. Chair Update.

Commission Chair Moura reported that Bob Murray & Associates has received 14 applicants for the Executive Director position recruitment. The recruitment period will end May 18th. Commission Chair Moura and Commission Member O'Rourke have had a couple of calls inquiring about the position.

9. Staff Update.

Staff had no update.

10. Adjourn.

The meeting was adjourned at 2:07 p.m.

Submitted by: Sendy Young, CSAC Finance Corporation

NEXT MEETING: Thursday, May 15, 2025 at 2:00 pm



Agenda Item No. 4a

Agenda Report

DATE: May 15, 2025

TO: CSCDA COMMISSIONERS

PROJECT: Oak View Ranch Senior Apartments

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

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

EXECUTIVE SUMMARY:

Oak View Ranch Senior Apartments (the “Project”) is the new construction of an 81-unit rental housing project located in the City of Murrieta. 100% of the units will be rent restricted for very-low and low-income senior tenants. On June 2, 2023, CSCDA issued \$33,360,000 in bonds for an earlier phase of the project, located on an adjacent parcel, and reserved for low-income families.

PROJECT DESCRIPTION:

- Construction of an 81-unit affordable rental housing facility located at 24960 Adams Avenue in the City of Murrieta.
- Consists of 72 one-bedroom and nine two-bedroom units, including one manager’s unit.
- Property includes an outdoor pool and clubhouse, community center, community garden, half basketball court, outdoor fitness stations & conversation areas, pet-friendly green space, and BBQ area with tables.

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 of 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 of its properties, thus ensuring long-term affordability as well as the maintenance of high-quality affordable communities. National CORE has financed 20 prior projects with CSCDA.

Public Agency Approvals:

TEFRA Hearing & Approval: February 18, 2025 – City of Murrieta

CDLAC Approval: December 11, 2024

Public Benefits:

- 100% of the units will be rent restricted for 55 years.
 - 50% (40 units) restricted to 30% or less of area median income households.
 - 25% (20 units) restricted to 40% or less of area median income households.
 - 25% (20 units) restricted to 60% or less of area median income households.
 - One Manager’s Unit

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 19,066,355
Housing Authority:	\$ 2,760,000
Foundation Grant:	\$ 1,000,000
County Loan:	\$ 3,227,147
Fee Waiver:	\$ 526,400
Accrued Interest:	\$ 228,844
Tax Credit Equity:	\$ 4,898,670
Deferred Costs/Fees:	<u>\$ 4,742,526</u>
Total Sources:	\$ 36,449,942

Uses of Funds:

Land:	\$ 1,335,000
Construction Costs:	\$ 23,083,773
Architecture & Engineering:	\$ 1,375,000
Capitalized Interest:	\$ 2,329,389
Reserves:	\$ 285,861
Developer Fee:	\$ 4,357,317
Legal Fees:	\$ 90,000
Soft Costs:	<u>\$ 3,593,602</u>
Total Uses:	\$ 36,449,942

Finance Partners:

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

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

Bond Purchaser: Bank of America, N.A.

Finance Terms:

Rating: Unrated

Term: 35 years

Method of Sale: Private Placement

Estimated Closing: June 9, 2025

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTIONS FOR CONSIDERATION:

Adoption of 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 EXECUTION AND DELIVERY OF ONE OR MORE MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT TO BE GENERALLY KNOWN AS OAK VIEW RANCH SENIOR APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds and execute and deliver revenue notes for the purpose of financing, among other things, the acquisition, construction and/or rehabilitation, and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, NCRC Murrieta Senior Housing LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver one or more series or subseries of its California Statewide Communities Development Authority Multifamily Housing Revenue Notes (Oak View Ranch Senior Apartments) 2025 Series G (the “Notes”) to assist in financing the acquisition, construction and development of an 81-unit (including one manager’s unit) multifamily housing rental development located in the City of Murrieta, California (the “City”), to be known as Oak View Ranch Senior Apartments (the “Project”);

WHEREAS, on December 11, 2024, the Authority received a private activity bond volume cap allocation in the amount of \$19,066,355 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the City is a Program Participant (as defined in the Agreement) of the Authority, the City has conducted a public hearing and provided approval for purposes of Section 9 of the Agreement and of Section 147(f) of the Internal Revenue Code of 1986 (the “Code”) with respect to the financing for the Project;

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$25,000,000, and to loan the proceeds thereof to the

Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and moderate income persons;

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

WHEREAS, the Notes will be executed and delivered to Bank of America, N.A. (the “Initial Funding Lender”), as the initial holder of the Notes, in accordance with the Authority’s private placement policies, and subject to the terms set forth in a loan purchase agreement to be entered into among California Community Reinvestment Corporation, a California nonprofit corporation (“CCRC” or “Permanent Funding Lender”), the Initial Funding Lender and the Borrower, CCRC is expected to purchase the outstanding Notes during the permanent period; and

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

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into among the Initial Funding Lender, Wilmington Trust, National Association, as fiscal agent (the “Fiscal Agent”) and the Authority;

(2) Borrower Loan Agreement (the “Borrower Loan Agreement”) to be entered into among the Authority, the Fiscal Agent, the Initial Funding Lender and the Borrower;

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

(4) Amended and Restated Borrower Loan Agreement, to be entered into between the Authority and the Borrower (the “Amended and Restated Borrower Loan Agreement”); and

(5) Amended and Restated Funding Loan Agreement, to be entered into between the Permanent Funding Lender and the Authority (the “Amended and Restated Funding Loan Agreement”).

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

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

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the

Notes in one or more series. The Notes shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Oak View Ranch Senior Apartments) 2025 Series G” including, if and to the extent necessary, one or more series or sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$25,000,000, which may be taxable or tax-exempt; provided that the aggregate principal amount of any federally tax-exempt obligations shall not exceed the Allocation Amount, plus any additional amount made available to the Project in connection with any additional supplemental allocation from CDLAC or as recycled volume cap under Section 146(i)(6) of the Code. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and, if appropriate, attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 24R-06 of the Authority, adopted on September 25, 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 40 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Authority is hereby authorized to execute and deliver the Notes to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 7. The Amended and Restated Borrower Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Amended and Restated Borrower Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Amended and Restated Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Amended and Restated Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 9. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes 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 endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, and any documents or amendments which may be necessary to terminate any prior documents or instruments, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes 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 10. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Notes, 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 Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and the other documents approved herein.

Section 11. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this May 15, 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 May 15, 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: **NCRC Murrieta Senior Housing, LP**
2. Authority Meeting Date: **May 15, 2025**
3. Name of Obligations: **Oak View Ranch Seniors**
4. X Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations [as follows / attached as Schedule A]:
 - [(A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): **6.5200%.**
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$410,614.**
 - (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: **\$16,827,260.**
 - (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): **\$2,239,095.**
5. The good faith estimates provided above were X 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: **April 21, 2025**

Agenda Item No. 4b

Agenda Report

DATE: May 15, 2025

TO: CSCDA COMMISSIONERS

PROJECT: Palm Villas at Millennium

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

AMOUNT: Not to Exceed \$65,000,000

EXECUTIVE SUMMARY:

Palm Villas at Millennium (the “Project”) is the new construction of a 121-unit rental housing project located in the City of Palm Desert. 100% of the units will be rent restricted for extremely-low and low-income tenants.

PROJECT DESCRIPTION:

- Construction of a 121-unit affordable rental housing facility located in the City of Palm Desert.
- Consists of 15 one-bedroom, 75 two-bedroom, and 31 three-bedroom units, including a manager’s unit.
- Common amenities include on-site management, a community center, laundry room, play areas, computer lab, and picnic areas.

PROJECT ANALYSIS:

Background on Applicant:

Palm Communities is an integrated real estate development company that specializes in producing only the highest quality, service enriched affordable housing for families, seniors and those with special needs. With a portfolio consisting of more than 2,000 affordable multi-family units located in a variety of communities throughout Southern California, Palm Communities has earned a strong reputation for innovative design, commitment to lasting quality and the delivery of projects on time and on budget. For over 30 years, Palm Communities has been committed to developing physically and economically sustainable residential developments that exceed the expectations of all of its stakeholders: its public agency partners, business partners, lenders, investors and, most of all, its residents. Palm Communities understands that high quality affordable housing is only the first step toward creating communities that are sustainable and that provide residents with the best opportunity to improve their outcomes in life. On-site social services support residents’ goals of

upward mobility and help to provide the peace of mind necessary for them to have the highest quality of life possible, regardless of economic circumstances. Services provided at Palm Communities' properties include after school programs, supplemental education programs, health, wellness and skill building classes, on-site case management, crisis management, mediation services and social activities. Palm Communities has constructed or rehabilitated more than 30 multi-family affordable housing projects and this is its seventh financing with CSCDA.

Public Agency Approvals:

TEFRA Hearing: May 8, 2025 – City of Palm Desert

CDLAC Approval: December 11, 2024

Public Benefits:

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

Sources and Uses:

Sources of Funds:

Tax-Exempt Bonds:	\$ 38,133,692
Taxable Loan:	\$ 11,823,249
County Loan:	\$ 6,700,000
Palm Desert Housing Authority Loan:	\$ 1,965,539
Tax Credit Equity:	\$ 6,081,171
Deferred Costs:	<u>\$ 12,182,984</u>
Total Sources:	\$ 76,886,635

Uses of Funds:

Land:	\$ 2,050,937
Construction Costs:	\$ 51,651,529
Architecture & Engineering:	\$ 1,238,000
Capitalized Interest:	\$ 7,161,619
Reserves:	\$ 719,371
Developer Fee:	\$ 9,217,834
Legal Fees:	\$ 860,800
Soft Costs:	<u>\$ 3,986,545</u>
Total Uses:	\$ 76,886,635

Finance Partners:

Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
Bond Purchaser: Western Alliance Bank

Finance Terms:

Rating: Unrated
Term: 35 years
Method of Sale: Private Placement
Estimated Closing: June 9, 2025

CSCDA Policy Compliance:

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

DOCUMENTS: (as attachments)

1. CSCDA Resolution (Attachment A)

COMMISSION ACTIONS FOR CONSIDERATION:

Adoption of 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 EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS PALM VILLAS AT MILLENNIUM PHASE I; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds and execute and deliver revenue notes for the purpose of financing, among other things, the acquisition, construction and/or rehabilitation, and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, PD Millennium Partners LP, a California limited partnership (or entities related thereto) (the “Borrower”) has requested that the Authority execute and deliver its Multifamily Housing Revenue Note (Palm Villas at Millennium Phase I) 2025 Series F-1 (the “Tax-Exempt Note”) and Multifamily Housing Revenue Taxable Note (Palm Villas at Millennium Phase I) 2025 Series F-2 (the “Taxable Note” and, together with the Tax-Exempt Note, the “Notes”) to assist in financing the acquisition, construction and development of an 121-unit (including one manager unit) multifamily housing rental development to be located in the City of Palm Desert, California (the “City”), and known or to be known as Palm Villas at Millennium Phase I (the “Project”);

WHEREAS, on December 11, 2024, the Authority received a private activity bond volume cap allocation in the amount of \$38,133,692 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

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

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$65,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project,

which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and moderate income persons;

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

WHEREAS, the Notes will be executed and delivered to Western Alliance Business Trust, a Delaware statutory trust (the “Funding Lender”), as the initial holder of the Notes in accordance with the Authority’s private placement policies; and

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

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into among the Funding Lender, Wilmington Trust, National Association, as fiscal agent (the “Fiscal Agent”) and the Authority;

(2) Project Loan Agreement (the “Project Loan Agreement”) to be entered into among the Authority, the Fiscal Agent and the Borrower; 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 Funding Loan Agreement and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Note (Palm Villas at Millennium Phase I) 2025 Series F-1” and “California Statewide Communities Development Authority Multifamily Housing Revenue Taxable Note (Palm Villas at Millennium Phase I) 2025 Series F-2” with such additional series and subseries designations and other modifications or sub-series designations as shall be set forth in the Funding Loan Agreement, in an aggregate principal amount not to exceed \$65,000,000; provided that the aggregate principal amount of any federally tax-exempt obligations shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and, if appropriate, attested by

the 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 Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment or redemption premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, respectively, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 24R-06 of the Authority, adopted on September 5, 2024 or any successor resolution) (together with the Members, each such person is referred to herein individually as an "Authorized Signatory"), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The dated date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery thereof), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Authority is hereby authorized to execute and deliver the Notes to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 7. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project, the execution and delivery of the Notes 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, assignment(s) of deed(s) of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement, and the other documents herein approved, which they,

or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes, 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 8. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Notes, 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 Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and the other documents approved herein.

This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this May 15, 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 May 15, 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: PD Millennium Partners LP, a California limited partnership
2. Authority Meeting Date: May 15, 2025
3. Name of Obligations: California Statewide Communities Development Authority Multifamily Housing Revenue Note (Palm Villas at Millennium Phase I) 2025 Series F-1 and California Statewide Communities Development Authority Multifamily Housing Revenue Taxable Note (Palm Villas at Millennium Phase I) 2025 Series F-2
4. x Private Placement Lender or Bond Purchaser, ___ Underwriter or ___ Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): 5.500% - Series F-1; 7.25% Series F-2
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$450,000.
 - (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: \$55,500,000.
 - (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): \$3,400,000.

5. The good faith estimates provided above 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, X 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: May 8, 2025

Agenda Item No. 5

Agenda Report

DATE: May 15, 2025

TO: CSCDA COMMISSIONERS

PROJECT: Explore (City of Palm Desert) – Community Facilities District & Hummingbird Lane (Town of Windsor) – Assessment District

PURPOSE: Conduct and close or continue consolidated public hearings with respect to California Statewide Communities Development Authority Community Facilities District No. 2025-07 (Explore), City of Palm Desert, County of Riverside, State of California (the “Explore CFD”) and the Statewide Community Infrastructure Program Assessment District No. 25-02 (Hummingbird Lane) Town of Windsor, County of Sonoma (the “Hummingbird Lane District”) for multiple development projects to be included in a bond issuance for Series 2025B or a separate pooled or stand-alone issuance.

EXECUTIVE SUMMARY:

The actions requested today are the scheduled public hearings for the Explore CFD (“Explore”) by the Pulte Group located in the City of Palm Desert to finance fees and improvements relating to the Coachella Valley Water District (the “Water District”), and the continued public hearing from May 1, 2025, for Hummingbird Lane in the Town of Windsor to be included in the 2025B SCIP pool.

Explore - Pulte Group is developing approximately 78.8 acres planned for approximately 332 single-family homes within the boundaries of the Water District. The formation of a new community facilities district (“CFD”) is to fund Water District fees and improvements required for the Project. The Project is located in the City of Palm Desert, however the financing will only be for Water District fees and improvements.

Hummingbird Lane – Christopherson Builders is developing 24 single-family condominium units in the Town of Windsor. The financing will be for water, wastewater, drainage, park, and traffic impact fees.

COMMISSION ACTIONS:

- a. Conduct following actions with respect to the Hummingbird Lane District to be included in a bond issuance for Series 2025B or a separate pooled or stand-alone issuance:
 1. Open assessment ballot of landowner within the Hummingbird Lane District and announce results.

2. Consideration of resolution 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 Hummingbird Lane District.
- b. Conduct following actions with respect to the Explore CFD to be included in a stand-alone issuance:
 1. Consideration of a resolution of formation establishing the Explore CFD, and providing for the levy of a special tax therein to finance certain public improvements.
 2. Consideration of a resolution deeming it necessary to incur bonded indebtedness in one or more series to finance certain public improvements to mitigate the impacts of development within the Explore CFD.
 - c. Consideration of a resolution calling special mailed-ballot elections within the Explore CFD.
 - d. Conduct special mailed ballot election for the Explore CFD.
 - e. Consideration of resolution declaring results of special mailed-ballot elections within the Explore CFD.

Documents:

https://www.dropbox.com/scl/fo/ks2d7y0v438u23eyi8khj/ABtwnAePA4WBpSRM0HK_Q1M?rlkey=z0fps7dtbyj0flrmp425hhz5s&dl=0



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY

Agenda Item No. 6

Agenda Report

DATE: May 15, 2025

TO: CSCDA COMMISSIONERS

PURPOSE: Consideration of a Joint Exercise of Powers Agreement between CSCDA and the City of El Paso de Robles, County of San Luis Obispo.

EXECUTIVE SUMMARY:

The City of El Paso de Robles (the “City”), located in San Luis Obispo County, has requested that CSCDA enter into a new joint exercise of powers agreement, creating the El Paso de Robles Infrastructure Financing Authority.

BACKGROUND & SUMMARY:

The Infrastructure Financing Authority will be used to finance public capital improvements for the City. The initial financing will be approximately \$15-\$20 million for the construction of a traffic improvement described as the South Vine Bridge (the “Project”). The Project will span State Route 46 in the City. Components of the Project include demolition, grading, and street improvements, street lighting, bridge construction and reinforcement, drainage, traffic signalization and landscape improvements.

In order to form a joint powers authority, the City needed to find an eligible public entity to be the counterparty to a joint exercise of powers agreement.

- CSCDA will have no other role in the proposed bond financing.
- The governing board of the Authority will consist of the members of the City Council. The administration and operation of the Authority will be provided by City staff.
- CSCDA will be the only other member to the Authority. Standard limitations on liability and indemnification are contained in the Joint Exercise of Powers Agreement between the City and CSCDA.
- CSCDA has previously entered into similar joint powers agreements to assist the San Bruno Park School District, Cameron Park Community Services District, San Dieguito Union High School District, Alameda County Flood Control and Water Conservation District, Zone 7, City of Orange, City of Martinez, West County Wastewater District, City of Dublin, Mountain House Community

Services District, El Toro Water District, City of St. Helena, City of Laguna Beach, City of Santa Barbara, Hidden Lakes CSD and Laguna Beach County Water District in connection with similar financings.

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

COMMISSION ACTION:

Approve the resolution to authorize CSCDA to enter into the joint exercise of powers agreement by and between CSCDA and the City of El Paso de Robles.

Documents:

<https://www.dropbox.com/scl/fo/bsaznn8hc0872z62srglg/AMYTgz7WVIUFs4gd0JEPf7U?rlkey=6vemkfs6rfrnbxv85sdq5dyjc&dl=0>

Agenda Item No. 7

Agenda Report

DATE: May 15, 2025

TO: CSCDA COMMISSIONERS

FROM: Brian Moura, CSCDA Chair

PURPOSE: First Amendment to the Second Amended and Restated Services Agreement with Bridge Strategic Partners (BSP)

Background

On Thursday, January 23, 2025, the CSCDA Board of Commissioners met to consider the First Amendment to the Second Amended and Restated Services Agreement with Bridge Strategic Partners (BSP) for program management of CSCDA.

This meeting followed a Study Session on the program management agreement with BSP held on Tuesday, January 21, 2025, and a prior discussion of the proposed renewal of this agreement by the Commission held on November 21, 2024.

Copies of the Executive Director's Reports on this matter from the November 21, 2024 and January 23, 2025 meetings are attached to this memo.

Past Action by the Commission

At the January 23, 2025 meeting, the Board continued the item for 30 days to provide Board Members of the Commission with further time to consider the item.

This followed the earlier consideration of the matter by the Commission on November 21, 2024. The matter was continued by the Commission for 60 days at that meeting.

Recommendation

As the 30-day continuance period approved by the Board on January 21, 2025 has passed some time ago, it is now appropriate to bring this matter back to the Board for consideration and action.

Attachments

- Executive Director's Report on First Amendment to the Second Amended and Restated Services Agreement with Bridge Strategic Partners (November 21, 2024)
- Executive Director's Report on First Amendment to the Second Amended and Restated Services Agreement with Bridge Strategic Partners (January 23, 2025)
- First Amendment to Second Amended and Restated Services Agreement with BSP (May 15, 2025)

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.

Agenda Item No. 6

Agenda Report

DATE: January 23, 2025

TO: CSCDA COMMISSIONERS

FROM: Cathy Barna, Executive Director

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

Introduction

The CSCDA Program Administration Ad Hoc Committee scheduled a Study Session for the CSCDA Board of Commissioners on Tuesday, January 21, 2025 to facilitate an in-depth discussion about CSCDA's history, governance, finances, and next steps regarding CSCDA's program management. The session was designed to provide an overview of past milestones, current operations, and potential pathways forward for the organization.

During the Study Session, the Commission considered the following factors regarding CSCDA's Program Management:

- I. History of CSCDA
- II. State Treasurer Intervention (2008–2013)
- III. 2014–15 Program Management RFP and Transition
- IV. Other Statewide Financing JPAs
- V. CSCDA Revenues
- VI. Accomplishments under BSP

Summary of BSP Contract Term Extensions

In 2014, CSCDA conducted an extensive RFP process for Program Management services, culminating in the approval of a contract with Bridge Strategic Partners (BSP) on December 4, 2014. This contract commenced on July 1, 2015, and was initially set to expire on December 31, 2018. Subsequently, on December 6, 2018, the Commission extended the term of the contract to December 31, 2022, and on February 17, 2022, the agreement was extended to December 31, 2026.

The Program Administration Ad Hoc Committee held discussions with BSP in February 2024 regarding amendments to its existing Agreement to remove municipal advisory services and

related compensation from the BSP Agreement. In addition, the Committee concluded that another RFP process at that time would not be in the best interest of CSCDA's constituent cities, counties, and special districts, and was planning to recommend to the Commission to extend BSP's contract to December 31, 2030. On April 18, 2024, a Second Amended and Restated Contract with BSP was approved which removed the municipal advisory language, but consideration of the term extension was not presented to the Commission.

Conclusion

CSCDA has experienced significant growth and development over the past 36 years, with particularly notable progress in the last decade. The programs, management, and governance structures have evolved to meet changing needs, ensuring reliable and transparent public service.

As CSCDA looks to the future, strategic partnerships and the retention of seasoned professionals will remain essential to its stability and continued growth.

Recommended Action

The Program Management Ad Hoc Committee (Brian Moura, Kevin O'Rourke, and Brian Stiger) with the Executive Director recommend that the term of the Agreement continue until December 31, 2028, with two one-year extensions by mutual agreement, to ensure CSCDA continues to receive the best quality and value for its Program Management Services.

The Ad Hoc Committee further recommends that the Executive Director start a strategic planning process. The process will include succession planning, which may include hiring CSCDA employees to oversee and manage CSCDA or may include an RFP process for Program Management Services that is directed by the Commission without the involvement of Cal Cities, CSAC and CSAC Finance Corporation. The strategic planning process will be conducted in a timely manner.

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.

The proposed Agreement has been reviewed by CSCDA's General Counsel and can be accessed here: <https://www.dropbox.com/scl/fi/noj367dldmvjaxln2zqt/BSP-First-Amendment-to-Second-Amended-and-Restated-Services-Agreement-1.23.25.DOCX?rlkey=9lqjnpqwzb0zqu9v1i2ihlaih&st=9ozdeq4c&dl=0>

FIRST AMENDMENT TO SECOND AMENDED AND RESTATED SERVICES AGREEMENT

This **FIRST AMENDMENT TO SECOND AMENDED AND RESTATED SERVICES AGREEMENT** ("**First Amendment**"), dated as of May 15, 2025 ("**Effective Date**"), is made and entered into by and between **BRIDGE STRATEGIC PARTNERS LLC**, a California limited liability company ("**BSP**") and **CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**, a California joint powers authority organized pursuant to Section 6500 et. seq. of the California Government Code ("**CSCDA**" or "**Authority**"), (collectively the "**Parties**" and each individually a "**Party**").

RECITALS

WHEREAS, on December 4, 2014, BSP and the Authority entered into an agreement for comprehensive program management services following a competitive Request for Proposal process conducted by the Authority and such agreement was subsequently amended and restated on December 6, 2018, and further amended and restated on April 18, 2024 (as amended, the "**Agreement**");

WHEREAS, the Parties mutually desire to further amend the Agreement as set forth in this First Amendment.

NOW, THEREFORE, in consideration of the foregoing and of the covenants, conditions, representations, and warranties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **CAPITALIZED TERMS.** All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

2. **AMENDED TERMS AND CONDITIONS.**

2.1 Section 4 of the Agreement is hereby amended to replace "December 31, 2026" with "December 31, 2030".

3. **MISCELLANEOUS.**

3.1 **Severability.** If any provision of this First Amendment is held unlawful or invalid by court or administrative decision, it shall be deemed severable and such unlawfulness or invalidity shall not in any way affect any other provision of this First Amendment which can be given effect without the unlawful or invalid provision.

3.2 **Waiver.** Any failure of a party to enforce, for any period of time, any of the provisions under this First Amendment shall not be construed as a waiver of such provisions or of the right of said party thereafter to enforce each and every provision under this First Amendment.

3.3 **Construction.** The language in and provisions of this First Amendment shall in all cases be simply construed according to their fair meaning and not strictly construed for or against BSP or the Authority.

3.4 **Counterparts.** This First Amendment may be executed in two or more counterparts, each of which, when so executed, shall be deemed an original, but all of which counterparts together shall constitute one and the same document.

3.5 **Conflicts.** In the event of any conflict between the terms of the Agreement and the First Amendment, the terms of the First Amendment shall control.

3.6 **Entire Agreement; Amendments.** This First Amendment constitutes the entire understanding and agreement of the parties respecting the subject matter of this Amendment and no modification, change, or amendment of this First Amendment shall be binding upon the parties, except by mutual express consent in writing of subsequent date duly signed by the authorized representatives of each of the parties.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the Effective Date by their duly authorized representatives as set forth below.

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

By _____

Name: _____

Title: _____

BRIDGE STRATEGIC PARTNERS LLC

By _____

Name: _____

Title: _____