



Agenda

Tuesday, June 4, 2019

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

1. **CALL TO ORDER**

ROLL CALL – Clerk to the Board

2. **APPROVAL OF MINUTES**

Approval of the minutes from the April 23, 2019 regular meeting.

3. **CONSENT CALENDAR**

- a. Consideration of approving an inducement resolution 19-04I for:
 - i. SDCC South Block, LLC (SDCC South Block), City of San Diego, County of San Diego; up to \$250,000,000 in revenue bonds.
- b. Consideration of approving resolution 19-04M for the addition of program participants to the Authority.
- c. Consideration of Invoice request 19-03IR for US Bank Fees.
- d. Consideration of approving Amendment to Funding Loan Agreement for Beautiful Light Inn Apartments 2017 Series D.

4. **PUBLIC COMMENT**

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

5. **STAFF UPDATES**

6. **ADJOURNMENT**

Adjourn as the California Public Finance Authority.



CALIFORNIA
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FINANCE
AUTHORITY

2. **APPROVAL OF MINUTES**

Approval of the minutes from the April 23, 2019 regular meeting.



Action Summary

Tuesday, April 23, 2019

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m.

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1. **CALL TO ORDER**

ROLL CALL – Clerk to the Board

MEMBERS PRESENT: JOE NEVES, DOUG VERBOON, CRAIG PEDERSEN, RICHARD FAGUNDES

MEMBERS ABSENT: RICHARD VALLE

2. **APPROVAL OF MINUTES**

Approval of the minutes from the April 9, 2019 regular meeting.

ACTION: APPROVED AS PRESENTED (DV/RF/CP/JN-Aye, RV-Absent)

3. **CONSENT CALENDAR**

a. Consideration of approving an inducement resolution 19-03I for:

i. Reliant - Napa, LP (River Park Manor Apartments), City of Napa, County of Napa; up to \$26,000,000 in revenue bonds.

b. Consideration of approving resolution 19-03M for the addition of program participants to the Authority.

ACTION: APPROVED AS PRESENTED (RF/DV/CP/JN-Aye, RV-Absent)

4. **PUBLIC COMMENT**

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

None

5. **STAFF UPDATES**

Scott Carper stated that California Community Housing Agency is closing on the Annadel project on April 25, 2019.

6. **ADJOURNMENT**

The meeting was adjourned at 11:05 a.m.



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3. **CONSENT CALENDAR**

- a. Consideration of approving an inducement resolution 19-04I for:
 - i. SDCC South Block, LLC (SDCC South Block), City of San Diego, County of San Diego; up to \$250,000,000 in revenue bonds.

RESOLUTION NO. 19-04I

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY SETTING FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS TO UNDERTAKE THE FINANCING OF VARIOUS MULTIFAMILY RENTAL HOUSING PROJECTS AND RELATED ACTIONS

WHEREAS, California Public Finance Authority (the "Authority") is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue mortgage revenue bonds pursuant to Part 5 (commencing with Section 52000) of the California Health and Safety Code (the "Act"), for the purpose of financing multifamily rental housing projects; and

WHEREAS, the borrowers identified in Exhibit A hereto and/or related entities (collectively, the "Borrowers") have requested that the Authority issue and sell multifamily housing revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation or construction as set forth in Exhibit A, of certain multifamily rental housing developments identified in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Authority, in the course of assisting the Borrowers in financing the Projects, expects that the Borrowers have paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects within 60 days prior to the adoption of this Resolution and prior to the issuance of the Bonds for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the Authority wishes to declare its intention to authorize the issuance of Bonds for the purpose of financing costs of the Projects (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and condition as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to each Project set forth in Exhibit A; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing mortgage revenue bonds that may be issued on behalf of for-profit borrowers in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (the "Committee") for such allocation, and the Committee has certain policies that are to be satisfied in connection with any such application;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

Section 1. The above recitals, and each of them, are true and correct.

Section 2. The Authority hereby determines that it is necessary and desirable to provide financing for the Projects (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrowers to undertake the Projects, and nothing contained herein shall be construed to signify that the Projects comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and construction or rehabilitation of the Projects, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Project.

Section 3. This resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In such regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures.

Section 4. The officers and/or the program managers of the Authority are hereby authorized and directed to apply to the Committee for an allocation from the state ceiling of private activity bonds to be issued by the Authority for each of the Projects in an amount not to exceed the amounts set forth in Exhibit A, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

PASSED AND ADOPTED by the California Public Finance Authority this 4th day of June, 2019.

The undersigned, an Authorized Signatory of the California Public Finance Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on June 4, 2019.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
SDCC South Block	City of San Diego, County of San Diego	430	New Construction	SDCC South Block, LLC	\$250,000,000



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3. CONSENT CALENDAR

- b. Consideration of approving resolution 19-04M for the addition of program participants to the Authority.

RESOLUTION NO. 19-04M

**RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY APPROVING
AND RATIFYING THE ADDITION OF PROGRAM PARTICIPANTS TO THE
AUTHORITY**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), Kings County and the Housing Authority of Kings County entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized;

WHEREAS, pursuant to Section 12 of the Agreement, the Authority may add a qualifying public agency to become a Non-Charter Member (an "Additional Member") upon the filing by such public agency with the Authority of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Authority and adoption of a resolution of the Board approving the addition of such public agency as an Additional Member;

WHEREAS, the Cities and/or Counties listed on Exhibit A hereto (the "City/County") have by resolution requested to join the Authority and the Authority has authorized each such City/County to become an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Board hereby finds and determines that each City/County is qualified to be added as an Additional Member to the Authority;

NOW, THEREFORE, BE IT RESOLVED by the Board of the California Public Finance Authority, as follows:

Section 1. This Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The addition of the Cities and/or Counties listed on Exhibit A hereto as Additional Members of the Authority is hereby approved, confirmed and ratified, and any actions heretofore taken on behalf of each City/County is hereby approved, confirmed and ratified.

Section 3. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED by the California Public Finance Authority this 4th day of June, 2019.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called meeting of the Board of Directors of the Authority held in accordance with law on June 4, 2019.

By: _____
Authorized Signatory
California Public Finance Authority

EXHIBIT A

**ADDITION OF CITIES AND/OR COUNTIES AS ADDITIONAL MEMBERS OF THE
CALIFORNIA PUBLIC FINANCE AUTHORITY**

1. City of Napa
2. City of Colton



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3. CONSENT CALENDAR

- c. Consideration of Invoice request 19-03IR for US Bank Fees.



MK-WI-S200
1555 N. RiverCenter Dr. Ste 300
Milwaukee, WI 53212

Billing Period:	01/01/2019-03/31/2019
Invoice Number:	11555491
Account Number:	6745041900
Invoice Date:	04/25/2019
Direct Inquiries To:	FRANCISCO RODRIGUEZ
Phone:	213-615-6828

CALIFORNIA PUBLIC FINANCE AUTHORITY
ATTN: HUILING REN
2999 OAK ROAD, SUITE 710
WALNUT CREEK, CA 94597

CALPFA ANNUAL FEES

The following is a statement of transactions pertaining to your account. For further information, please review the attached.

STATEMENT SUMMARY

Unpaid Balance from Prior Fee Statements	\$1,250.00
Payments through 04/04/2019	(\$1,250.00)
Current Invoice (for detail see attached)	\$1,250.00
Balance Due	\$1,250.00

All invoices are due upon receipt.

Please detach at perforation and return bottom portion of the statement with your check, payable to U.S. Bank.

**CALIFORNIA PUBLIC FINANCE AUTHORITY
ANNUAL FEES**

Invoice Number:	11555491
Account Number:	6745041900
Current Due:	\$1,250.00
Past Due:	\$0.00
Total Due:	\$1,250.00
Direct Inquiries To:	FRANCISCO RODRIGUEZ
Phone:	213-615-6828

Wire Instructions:
U.S. Bank
ABA # 091000022
Acct # 1-801-5013-5135
Trust Acct # 6745041900
Invoice # 11555491
Attn: Fee Dept St. Paul

Please mail payments to:
U.S. Bank
CM-9703
PO BOX 70870
St. Paul, MN 55170-9703





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3. CONSENT CALENDAR

- d. Consideration of approving Amendment to Funding Loan Agreement for Beautiful Light Inn Apartments 2017 Series D.

AMENDMENT TO FUNDING LOAN AGREEMENT

by and between

CITIBANK, N.A.,
as the Funding Lender

and

CALIFORNIA PUBLIC FINANCE AUTHORITY,
as the Governmental Lender

dated as of June 4, 2019

relating to:
\$10,380,000
Original Principal Amount
California Public Finance Authority
Multifamily Housing Revenue Note
(Beautiful Light Inn Apartments) 2017 Series D

AMENDMENT TO FUNDING LOAN AGREEMENT

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AMENDMENT TO FUNDING LOAN AGREEMENT

This **AMENDMENT TO FUNDING LOAN AGREEMENT** dated as of June 4, 2019 (this "**Amendment**"), by and between **CITIBANK, N.A.** (together with any successor to its rights, duties and obligations hereunder, the "**Funding Lender**"), and **CALIFORNIA PUBLIC FINANCE AUTHORITY** (together with any successor to its rights, duties and obligations hereunder, the "**Governmental Lender**").

A. Pursuant to the terms of that certain Funding Loan Agreement dated as of September 1, 2017 (the "**Original Funding Loan Agreement**"), the Governmental Lender issued its promissory note in the maximum principal amount of \$10,380,000 (the "**Governmental Lender Note**").

B. The proceeds of the Governmental Lender Note were used to fund a loan in the total principal amount of \$10,380,000 to BLI Affordable, L.P., a California limited partnership (the "**Borrower**") from the Governmental Lender pursuant to that certain Borrower Loan Agreement dated as of September 1, 2017, by and between the Governmental Lender and the Borrower for the purposes described therein.

C. Citibank, N.A. is now the holder of the Governmental Lender Note and the Funding Lender under the Original Funding Loan Agreement.

D. The Funding Lender and the Governmental Lender have agreed to make certain changes to the Original Funding Loan Agreement.

For and in consideration of the mutual agreements hereinafter contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATION

Section 1.1. Definitions. The capitalized words and terms used in this Amendment shall have the meanings as set forth in the Original Funding Loan Agreement, unless the context or use indicates a different meaning or intent, or unless a different meaning is ascribed to them herein.

Section 1.2. Interpretation. Unless the context clearly requires otherwise, words of masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to included correlative words of the plural number and vice versa. This Amendment and all the terms and provisions hereof shall be construed to effectuate the purpose set forth herein and to sustain the validity hereof.

Section 1.3. Titles and Headings. The title and headings of the articles and sections of this Amendment have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Amendment or any provision hereof or in ascertaining intent, if any question of intent should arise.

ARTICLE II

AMENDMENTS

Section 2.1. Amendment to Article I. Section 1.1 of the Original Funding Loan Agreement is hereby amended by deleting the definition for “*Approved Transferee*” in its entirety and replacing it with the following:

“**Approved Transferee**” means (1) a “qualified institutional buyer” (“QIB”) as defined in Rule 144A promulgated under the Securities Act of 1933, as in effect on the date hereof (the “Securities Act”) that is a financial institution or commercial bank having capital and surplus of \$5,000,000,000 or more, (2) an affiliate of the Funding Lender, (3) a trust or custodial arrangement established by the Funding Lender or one of its affiliates the beneficial interests in which will be owned only by QIBs, or (4) a governmental entity.

Section 2.2. Amendment to Exhibit B. Exhibit B to the Original Funding Loan Agreement is hereby amended, or deemed amended, to the extent necessary to give effect to the amendment contained in Section 2.1 above. Notwithstanding anything to the contrary in the Original Funding Loan Agreement, as amended by this Amendment, or in the Governmental Lender Note, in the event of a transfer to an entity that qualifies as an Approved Transferee under clause (4) of the definition thereof, “Required Transferee Representations” shall be limited to solely to certification by the transferee that it meets the requirements contained in said clause (4) of the definition of Approved Transferee.

ARTICLE III

MISCELLANEOUS

Section 3.1. Ratification of the Original Funding Loan Agreement. Except as supplemented and amended hereby, the Original Funding Loan Agreement is in all respects ratified and confirmed and the Original Funding Loan Agreement as so supplemented and amended hereby shall be read, taken and construed as one and the same instrument. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Funding Loan Agreement as supplemented and amended hereby, shall be deemed to be incorporated in, and made a part of, this Amendment, and the Original Funding Loan Agreement as supplemented and amended by this Amendment and as otherwise supplemented and amended is in all respects ratified and confirmed.

Section 3.2. Authorization of Amendment. This Amendment shall be construed as having been authorized, executed and delivered under the provisions of Section 10.1 of the Original Funding Loan Agreement, and its effectiveness shall be conditioned upon delivery of an opinion of Tax Counsel substantially to the effect that such amendment shall not, in and of itself, adversely affect the exclusion of interest on the Funding Loan Note(s) from gross income for purposes of federal income tax.

Section 3.3. Binding Effect. This Amendment shall inure to the benefit of and shall be binding upon the Governmental Lender, the Purchaser, any Approved Transferee and their respective successors and assigns.

Section 3.4. Severability. If any provision of this Amendment shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or of unenforceable to any extent whatsoever.

Section 3.5. Governing Law. This Amendment shall be governed exclusively by and construed in accordance with the internal laws of the State applicable to contracts made and performed in the State.

Section 3.6. Inclusion as Part of the Funding Loan Agreement. This Amendment on its delivery shall be a part of the Funding Loan Agreement and all references herein to “Funding Loan Agreement” shall include reference to this Amendment as well as the Original Funding Loan Agreement.

Section 3.7. Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amendment to Funding Loan Agreement, all as of the date first above written.

CALIFORNIA PUBLIC FINANCE
AUTHORITY

By: _____
Name:
Title:

CITIBANK, N.A., AS FUNDING LENDER

By: _____
Name:
Title: