



Agenda

Tuesday, April 11, 2017

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 March 28, 2017 regular meeting.

3. **CONSENT CALENDAR**
A. Consideration of approval of fee for Kings County Notarial Services.

4. **NEW BUSINESS**
A. Consideration of approving resolution 17-05A for Willowbrook Affordable Communities, L.P. (Willowbrook Apartments), City of Bay Point, County of Contra Costa; up to \$24,000,000 of revenue bonds. (Staff – Caitlin Lanctot)

5. **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.

6. **STAFF UPDATES**

7. **ADJOURNMENT**
Adjourn as the California Public Finance Authority.



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2. **APPROVAL OF MINUTES**

Approval of the minutes from the March 28, 2017 regular meeting.



Action Summary

Tuesday, March 28, 2017

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

Time: 11:00 a.m.

1. **B 1** **CALL TO ORDER**
ROLL CALL – Clerk to the Board
ALL MEMBERS PRESENT

2. **APPROVAL OF MINUTES**
Approval of the minutes from the March 14, 2017 regular meeting.
ACTION: APPROVED AS PRESENTED (JN/RF/RV/DV/CP-Aye)

3. **NEW BUSINESS**
A. Consideration of approving resolution 17-03A for 10632 Bolsa Avenue LP (Sycamore Court), City of Garden Grove, County of Orange; up to \$17,000,000 of revenue bonds. (Staff – Caitlin Lanctot)
ACTION: APPROVED AS PRESENTED (DV/RF/JN/RV/CP-Aye)
B. Consideration of approving resolution 17-04A for 8211 Remmet Ave, LLC (Multicultural Learning Center), City of Los Angeles, County of Los Angeles; up to \$12,000,000 of revenue bonds. (Staff – Scott Carper)
ACTION: APPROVED AS PRESENTED (DV/RV/JN/RF/CP-Aye)

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**
Mike LaPierre stated that the annual audit is being completed and will be brought to the Board on a future agenda.

6. **ADJOURNMENT**
The meeting was adjourned at 11:14 a.m..



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3. CONSENT CALENDAR

A. Consideration of approval of fee for Kings County Notarial Services.

KINGS COUNTY
EXPENDITURE AUDIT TRAIL

Total 219.71

SUNGARD PENTAMATION
DATE: 03/28/2017
TIME: 11:56:21

SELECTION CRITERIA: expldgr.key orgn='111000'
ACCOUNTING PERIODS: 1/17 THRU 9/17

SORTED BY: FUND, FUNCTION, DEPARTMENT, BUDGET UNIT, 1ST SUBTOTAL, ACCOUNT
TOTALLED ON: FUND, FUNCTION, DEPARTMENT, BUDGET UNIT, 1ST SUBTOTAL

PAGE BREAKS ON: FUND

FUND - 0001 - GENERAL FUND
BUDGET UNIT - 111000 - ADMINISTRATIVE OFFICE

ACCOUNT DATE	T/C	PO	REFERENCE	VENDOR	BUDGET	EXPENDITURES	ENCUMBRANCES	DESCRIPTION	CUMULATIVE BALANCE
82222000			(cont'd)						
11/30/16	21-5	P170030-01	15610	22228	CORE BUSINESS IN	115.75	-115.75	KC ADMIN	
11/30/16	21-5	P170030-01	15610	22228	CORE BUSINESS IN	-115.75	115.75	KC ADMIN	
11/30/16	21-5	P170030-01	1149454	22228	CORE BUSINESS IN	115.75	-115.75	KC ADMIN	
12/01/16	21-6		1149636	24823	NATIONAL NOTARY	59.00		VALENZUELA NOTARY INS	
12/13/16	21-6		E1007489	20537	SAN JOAQUIN PEST	75.00		1024060	
12/21/16	21-6		1151274	20726	US BANK	71.25		COSTCO WHSE #1244	
12/21/16	21-6		1151274	20726	US BANK	720.00		PORT OF SUBS 0042	
12/21/16	21-6		E1007561	26455	STAPLES BUSINESS	54.23		8042058507	
12/21/16	21-6		1151362	20538	STANTON OFFICE M	129.14		23542	
01/12/17	21-7		E1007660	20537	SAN JOAQUIN PEST	75.00		1029539	
01/12/17	21-7		E1007661	26455	STAPLES BUSINESS	169.87		8042513359	
01/19/17	21-7		1153262	20538	STANTON OFFICE M	112.24		27199	
01/30/17	21-7		1154212	20538	STANTON OFFICE M	162.04		23508	
02/09/17	17-8	P170631-01		22228	CORE BUSINESS IN		959.03	QUOTE 8103 SHAUN APPERSON	
02/10/17	21-8		E1007842	20537	SAN JOAQUIN PEST	75.00		1034950	
02/27/17	21-8		1156234	20538	STANTON OFFICE M	375.19		29315	
02/27/17	21-8		E1007924	26455	STAPLES BUSINESS	439.58		8042946058	
03/15/17	21-9		E1008028	20537	SAN JOAQUIN PEST	75.00		1040283	
03/15/17	21-9		E1008029	26455	STAPLES BUSINESS	395.27		8043368338	
03/16/17	21-9		1157542	24823	NATIONAL NOTARY	33.00		VALENZUELA NOTARY FEE	
03/17/17	21-9	P170631-01		22228	CORE BUSINESS IN		-959.03	KCPW	
03/22/17	21-9		1157907	20726	US BANK	11.34		STAPLES 00106674	
03/22/17	21-9		1157907	20726	US BANK	29.99		BIG LOTS #4665	
03/22/17	21-9		1157907	20726	US BANK	127.71		NNA SERVICES LLC	
03/23/17	21-9		1158115	20538	STANTON OFFICE M	457.94		31319	
TOTAL					OFFICE EXPENSE	7,052.84			532.16
82222010					BOOKS & PERIODICALS				
09/16/16	11-1					.00		BEGINNING BALANCE	
TOTAL					BOOKS & PERIODICALS	.00		POSTED FROM BUDGET SYSTEM	.00
82222015					RECORD STORAGE CHARGES				
07/29/16	19-1		J00344			.00		BEGINNING BALANCE	
09/16/16	11-1		J00617			132.10		OITS Billing	
08/31/16	19-2		J00815			118.40		POSTED FROM BUDGET SYSTEM	
09/30/16	19-3		J01188			118.40		OITS Billing	
10/31/16	19-4					138.40		OITS Billing	

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION



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4. NEW BUSINESS

A. Consideration of approving resolution 17-05A for Willowbrook Affordable Communities, L.P. (Willowbrook Apartments), City of Bay Point, County of Contra Costa; up to \$24,000,000 of revenue bonds. (Staff – Caitlin Lanctot)



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DATE: APRIL 11, 2017

APPLICANT: WILLOWBROOK AFFORDABLE COMMUNITIES, L.P.

AMOUNT: UP TO \$24,000,000 IN REVENUE OBLIGATIONS

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Willowbrook Affordable, L.P. (the "Borrower") has requested that CalPFA issue revenue bonds to assist in the acquisition, rehabilitation and development of Willowbrook Apartments, located at 110 Bailey Road in Bay Point, California (the "Project"). The Project application was filed on February 9, 2016, induced on February 11, 2016 and received an allocation of tax exempt bonds on January 18, 2017.

Description of Proposed Project:

The Borrower has requested CalPFA to issue and deliver multifamily housing revenue bonds in an amount not to exceed \$24,000,000 (the "Bonds") to finance the acquisition, rehabilitation and development of the Project. The Project was initially constructed in 1982 and rehabilitated in 2002. The site consists of seven 2-story buildings with separate leasing office/community building and laundry facilities. There are 72 total units, including 16 one-bedroom, 48 two-bedroom, and 8 three-bedroom units. The units will be available to low income families with income levels at or below the 50 and 60 percent area median income ("AMI") levels.

The proposed renovation will address the entire property and will include substantial improvements to the property. The current scope of work provides for upgrades to flooring, electrical, appliances and plumbing in all 72 units. The common grounds will also be upgraded including, but not limited to, landscaping and walkways. Roofing for the entire property will also be replaced.

TEFRA Information:

TEFRA hearings were held by Contra Costa County and Kings County on December 6, 2016.

Financing Structure:

The unrated Bonds will be privately placed and mature in no more than 17 years. The Bonds will bear interest at a fixed rate, estimated at 3.9%. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Bond Proceeds	\$21,620,000
Deferred Developer Fee	\$3,185,829
Seller Carryback	\$832,829
LIHTC Equity	<u>\$1,073,705</u>
Total Sources:	\$26,712,363

Uses:

Acquisition Cost	\$16,650,000
Hard Construction Costs	\$4,141,089
Architect & Engineering Fees	\$85,000
Construction Interest & Fees	\$738,349
Relocation	\$72,000
Legal Fees	\$300,000
Developer Fee	\$3,185,829
Appraisal & Contingency	\$406,520
Reserves	\$294,359
Financing Costs	\$349,350
<u>Other Soft Costs</u>	<u>\$489,867</u>
Total Costs:	\$26,712,363

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefits:

- 100% of the Project's units will remain income and rent restricted
 - 8 units at 50% AMI
 - 63 units at 60% AMI
 - 1 manager's unit
- The Project will remain income and rent restricted for at least 55 years
- Site Amenities
 - The Project is located within a Public Transit Corridor
 - The Project is located within ½ mile of a park
 - The Project will provide after school programs to residents (tutoring, mentoring, homework assistance, art and/or recreation)
 - The Project will provide instructor-led educational, health and wellness or skill building classes to residents

RESOLUTION NO. 17-05A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE ISSUANCE, EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$24,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS WILLOWBROOK 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 OBLIGATIONS.

WHEREAS, the California Public Finance Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Joint Exercise of Powers Agreement, dated as of May 12, 2015, 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/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, Willowbrook Affordable Communities, L.P., a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its Multifamily Housing Revenue Construction/Permanent Note (Willowbrook Apartments) 2017 Series B-1, its Multifamily Housing Revenue Construction Note (Willowbrook Apartments) 2017 Series B-2 and its Multifamily Housing Revenue Taxable Note (Willowbrook Apartments) 2017 Series B-3 (collectively, the “Notes”), and issue and sell its Multifamily Housing Revenue Bonds (Willowbrook Apartments) 2017 Series B-S (Subordinate Bonds) (the “Subordinate Bonds” and together with the Notes, the “Obligations”), to assist in the financing of the acquisition, rehabilitation and development of a 72-unit multifamily housing rental development located in the City of Bay Point, County of Contra Costa, California, and to be known as Willowbrook Apartments (the “Project”);

WHEREAS, on January 18, 2017, the Authority received an allocation in the amount of \$21,620,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the County of Kings is a Charter Member (as defined in the Agreement) of the Authority and the County of Contra Costa is an Additional Member (as defined in the Agreement) and each has authorized the execution and delivery of the Obligations;

WHEREAS, the Authority is willing to execute and deliver the Obligations in an aggregate principal amount not to exceed \$24,000,000, provided that the portion of such Obligations issued, 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 very low income persons;

WHEREAS, the Notes will be executed and delivered to Citibank, N.A. (the “Funding Lender”), as the initial holder of the Notes, and the Subordinate Bonds will be privately placed with Willowbrook Housing Partners, L.P., or a related entity (the “Holder”), as the initial purchaser of the Subordinate Bonds, in each case in accordance with the Authority’s private placement policy;

WHEREAS, there have been prepared and made available to the members of the Board of Directors of the Authority (the “Board”) the following documents required for the execution and delivery of the Obligations, 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 between the Funding Lender and the Authority;

(2) Borrower Loan Agreement (the “Borrower Loan Agreement”) to be entered into between the Authority and Borrower;

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

(4) Contingency Draw-Down Agreement (the “Contingency Draw-Down Agreement”) to be entered into by the Funding Lender and the Borrower;

(5) Subordinate Master Pledge and Assignment (the “Pledge and Assignment”) to be entered into among the Authority, Willowbrook Housing Partners, L.P., as agent (the “Subordinate Bonds Agent”), and the Holder, relating to the Subordinate Bonds; and

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

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

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

Section 2. Pursuant to the JPA Law, the Funding Loan Agreement and the Pledge and Assignment, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes and issue and sell the Subordinate Bonds in one or more series. The Notes shall be designated as “California Public Finance Authority Multifamily Housing Revenue Note (Willowbrook Apartments) 2017 Series B” and the Subordinate Bonds

shall be designated as “California Public Finance Authority Multifamily Housing Revenue Bonds (Willowbrook Apartments) 2017 Series B-S (Subordinate Bonds)” including, and to the extent necessary, Obligations in one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$24,000,000; provided that the aggregate principal amount of any tax-exempt Obligations issued, executed and delivered shall not exceed the Allocation Amount. The Obligations shall be issued, executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement and the Pledge and Assignment, and shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Treasurer and Secretary of the Authority, or the manual signature of any Authorized Signatory. The Obligations shall be secured in accordance with the terms of the Funding Loan Agreement and the Pledge and Assignment 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 Obligations shall be made solely from amounts pledged thereto under the Funding Loan Agreement and the Pledge and Assignment, and the Obligations shall not be deemed to constitute a debt or liability of the Authority or any Member of the Authority or any Director of the Board of the Authority (each, a “Director”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Director, including any such Director acting as an officer of the Board, 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. 16-01C of the Authority, adopted on January 26, 2016) (together with the Directors including any such Director acting as an officer of the Board, 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 May 1, 2062), 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 Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

Section 7. The Pledge and Assignment in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Pledge and Assignment, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond May 1, 2062), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Subordinate Bonds shall be as provided in the Pledge and Assignment as finally executed.

Section 8. 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 9. 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 10. Subordinate Bonds, when executed, shall be delivered to the Agent for authentication. The Agent is hereby requested and directed to authenticate the Subordinate Bonds by executing the certificate of authentication appearing thereon, and to deliver the Subordinate 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 Subordinate Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 11. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the issuance, execution and delivery of the Obligations 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 one or more tax certificates, loan related documents, a subordination or intercreditor agreement, an assignment of deed of trust, a termination of regulatory agreement, an endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement, the Pledge and Assignment and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, execution and delivery of the Obligations and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 12. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance, execution and delivery of the Obligations, 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 Obligations or any prepayment or redemptions of the Obligations, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Board, 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, the Pledge and Assignment and other documents approved herein.

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

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Public Finance Authority this April 11, 2017.

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 the Authority at a duly called meeting of the Board of the Authority held in accordance with law on April 11, 2017.

By _____
Authorized Signatory