



Agenda

Tuesday, June 20, 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 June 6, 2017 regular meeting.

3. **CONSENT CALENDAR**
A. Consideration of Invoice Request 17-04IR for WIPFLi for CPA and consulting services to CalPFA.
B. Consideration of approving resolution 17-03M for the addition of program participant to the Authority.

4. **NEW BUSINESS**
A. Consideration of approving resolution 17-07A for Vista Tower Apartments, LP, City and County of Los Angeles; up to \$33,000,000 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.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

2. **APPROVAL OF MINUTES**

Approval of the minutes from the June 6, 2017 regular meeting.



Action Summary

Tuesday, June 6, 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 May 9, 2017 regular meeting.
ACTION: APPROVED AS PRESENTED (JN/DV/RV/RF/CP-Aye)

3. **NEW BUSINESS**
A. Consideration and approval of the CalPFA Audited Financial Statements for the fiscal year ending June 30, 2016. (Staff – Mike LaPierre/Amy Stoneham)
ACTION: APPROVED AS PRESENTED (DV/RF/JN/RV/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 and Scott Carper provided an update to the Board of transactions closed and pending.

6. **ADJOURNMENT**
The meeting was adjourned at 11:45 a.m.



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3. CONSENT CALENDAR

A. Consideration of Invoice Request 17-04IR for WIPFLi for CPA and consulting services to CalPFA.

B. Consideration of approving resolution 17-03M for the addition of program participant to the Authority.



CPAs and Consultants

2501 West Beltline Highway, Ste 401
PO Box 8700
Madison WI 53713
Federal ID# 39-0758449

INVOICE

California Public Finance Authority
2999 Oak Rd Ste 710
Walnut Creek CA 94597

Date: 06/5/17
Page: 1
Client #: 425645
Invoice #: 1145263
Billor: Zachary Mayer
Phone: (608) 270-2909
Email: zmayer@wipfli.com

ACCOUNTS DUE AND PAYABLE WITHIN 30 DAYS

Final billing for June 30, 2016 financial statement audit	3,500.00
Direct expenses - postage	8.43
Total	<u>\$ 3,508.43</u>

***** Please return remittance coupon with payment *****

All business or commercial accounts will be charged interest at the lesser of one percent (1%) per month or the maximum rate permitted by law, except where prohibited by law.

Remit payment to:

WIPFLI LLP
PO BOX 3160
MILWAUKEE WI 53201-3160

California Public Finance Authority
Client #: 425645
Invoice #: 1145263
Amount Due: \$3,508.43

0425645 1145263 00003508431

RESOLUTION NO. 17-03M

**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 20th day of June, 2017.

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 20, 2017.

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 San Bernardino



4. NEW BUSINESS

A. Consideration of approving resolution 17-07A for Vista Tower Apartments, LP, City and County of Los Angeles; up to \$33,000,000 of revenue bonds. (Staff – Caitlin Lanctot)



DATE: JUNE 20, 2017

APPLICANT: VISTA TOWER APARTMENTS, L.P.

AMOUNT: UP TO \$33,000,000 IN REVENUE NOTES

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Vista Tower Apartments, LP (the "Borrower") has requested that CalPFA issue revenue bonds to assist in the acquisition, rehabilitation and development of Vista Tower Apartments, located at 300 Leeward Avenue in Los Angeles, California (the "Project"). The Project application was filed on August 24, 2015, induced on August 2, 2016 and received an allocation of tax exempt bonds on October 19, 2016.

Description of Proposed Project:

The Borrower has requested CalPFA to issue and deliver multifamily housing revenue bonds in an amount not to exceed \$33,000,000 (the "Bonds") to finance the acquisition, rehabilitation and development of the Project. Vista Tower is located on .74 acres within the Westlake area of Los Angeles, just 2 miles west of downtown Los Angeles. The Project is a 13-story tower with 230 affordable one and two bedroom units for seniors. The Project was built in 1972 and is operated under Section 236 of the National Housing Act and regulated by the U.S. Department of Housing and Urban Development (HUD) with respect to rental charges and operating methods. It is regulated under Section 8 Housing Assistants Payments agreement with HUD. Out of the 230 units, 146 are covered under Section 8 HAP contracts. The units will be available to low income seniors with income levels at or below the 50 and 60 percent area median income ("AMI") levels.

Rehabilitation is expected to begin in July 2017 and take 14 months to complete. The complex will undergo a substantial rehabilitation including: bathroom renovations, flooring, painting, lighting, PTAC HVAC & heating units and Energy Star appliances in all apartments; accessibility upgrades including units as well as building access and public areas; fire alarm system upgrades; public area upgrades including flooring, exterior paint and elevator upgrades.

TEFRA Information:

TEFRA hearings were held by the City of Los Angeles on September 16, 2016 and Kings County on August 30, 2016.

Financing Structure:

The construction Bonds will be privately placed and mature in no more than 30 months. The Bonds will then convert to permanent financing for 17 years. Interest is currently estimated at 4.7%. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$29,100,000
LIHTC Equity	\$3,191,351
Deferred Costs	\$5,927,592
Seller Financing	\$14,767,819
Reserves	\$1,400,000
Income during construction	<u>\$1,831,727</u>
Total Sources	\$56,218,489

Uses:

Acquisition	\$36,466,000
Hard Construction Costs	\$7,080,550
Architectural Costs	\$500,000
Survey & Engineering	\$50,000
Construction Fees	\$2,557,270
Permanent Financing Costs	\$37,000
Legal Fees	\$250,000
Reserves	\$1,424,150
Construction Contingency	\$708,055
Soft Costs	\$1,512,170
Developer Overhead	<u>\$5,633,294</u>
Total Uses	\$56,218,489

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board 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
 - 24 units at 50% AMI
 - 204 units at 60% AMI
 - 2 managers units
- 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 is located within 1 mile of a medical clinic, hospital or pharmacy
 - The Project is located within ½ mile of a public library

RESOLUTION NO. 17-07A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$33,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS VISTA TOWER 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 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, Vista Tower Apartments, LP, 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 (Vista Tower Apartments) 2017 Series C-1 and its Multifamily Housing Revenue Construction Note (Vista Tower Apartments) 2017 Series C-2 (collectively, the “Notes”), to assist in the financing of the acquisition, rehabilitation and development of a 230-unit multifamily housing rental development for seniors located in the City and County of Los Angeles, California, and to be known as Vista Tower Apartments (the “Project”);

WHEREAS, on October 19, 2017, the Authority received an allocation in the amount of \$30,000,000 (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 City of Los Angeles is an Additional Member (as defined in the Agreement) and each has authorized the execution and delivery of the Notes;

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$33,000,000, 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 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 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 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 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.

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 in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in two or more series. The Notes shall be designated as “California Public Finance Authority Multifamily Housing Revenue Construction/Permanent Note (Vista Tower Apartments) 2017 Series C-1 and California Public Finance Authority Multifamily Housing Revenue Construction Note (Vista Tower Apartments) 2017 Series C-2” including, and to the extent necessary, Notes 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 \$33,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered 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 signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below). 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 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 July 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 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 8. 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, a subordination or intercreditor agreement, an assignment of deed of trust, an 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 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance, 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 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 and other documents approved herein.

Section 10. This Resolution shall take effect upon its adoption.

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PASSED AND ADOPTED by the California Public Finance Authority this June 20, 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 June 20, 2017.

By _____
Authorized Signatory