



Agenda

Tuesday, December 5, 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 November 21, 2017 regular meeting.
3. **CONSENT CALENDAR**
 - A. Consideration of approving the 2018 CalPFA calendar.
 - B. Consideration of approving inducement resolution 17-09I for:
 - i. St. Anton Rocklin, LP, City of Rocklin, County of Placer; up to \$57,000,000 of revenue bonds.
 - ii. Hope on Central, LP, City of Los Angeles, County of Los Angeles; up to \$30,000,000 of revenue bonds.
4. **NEW BUSINESS**
 - A. Consideration of approving resolution 17-18A for Sharp HealthCare, Cities of San Diego, Chula Vista, La Mesa & Bonita, County of San Diego; up to \$320,000,000 of revenue bonds. (Staff – Caitlin Lanctot)
 - B. Consideration of approving resolution 17-19A for Good Shepherd Homes Preservation, L.P., City of Inglewood, County of Los Angeles; up to \$15,000,000 of revenue bonds. (Staff – Caitlin Lanctot)
 - C. Consideration of approving resolution 17-20A for Credo High School, City of Rohnert Park, County of Sonoma; authorizing the authority to enter into a first supplemental indenture. (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.



2. **APPROVAL OF MINUTES**

Approval of the minutes from the November 21, 2017 regular meeting.



Action Summary

Tuesday, November 21, 2017

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

Time: 11:00 a.m.

B 1

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 November 14, 2017 regular meeting.
ACTION: APPROVED AS PRESENTED (JN/RF/DV/CP-Aye, RV-Absent)

3. **NEW BUSINESS**
A. Consideration of approving resolution 17-17A for Brisa Apartments L.P., City of Livermore, County of Alameda; up to \$55,000,000 of revenue bonds. (Staff – Caitlin Lanctot)
ACTION: APPROVED AS PRESENTED (RF/DV/JN/CP-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**
Mike LaPierre gave an update to the Board on the Legislative Bill regarding Private Activity bonds.

6. **ADJOURNMENT**
The meeting was adjourned at 11:27 a.m..



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

3. CONSENT CALENDAR

- A. Consideration of approving the 2018 CalPFA calendar.
- B. Consideration of approving inducement resolution 17-09I for:
 - i. St. Anton Rocklin, LP, City of Rocklin, County of Placer; up to \$57,000,000 of revenue bonds.
 - ii. Hope on Central, LP, City of Los Angeles, County of Los Angeles; up to \$30,000,000 of revenue bonds.

2018 REGULAR MEETING CALENDAR

All Regular Meetings of the Authority will be held at the Kings County Board of Supervisors' Chambers beginning at 11:00 AM. Note, CalPFA reserves the right to conduct a regular meeting during any one of the regularly scheduled meetings of the Kings County Board of Supervisors.

JANUARY

Su	Mo	Tu	We	Th	Fr	Sa
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3
4	5	6	7	8	9	10

FEBRUARY

Su	Mo	Tu	We	Th	Fr	Sa
28	29	30	31	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	1	2	3
4	5	6	7	8	9	10

MARCH

Su	Mo	Tu	We	Th	Fr	Sa
25	26	27	28	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
1	2	3	4	5	6	7

APRIL

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	1	2	3	4	5
6	7	8	9	10	11	12

MAY

Su	Mo	Tu	We	Th	Fr	Sa
29	30	1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31	1	2
3	4	5	6	7	8	9

JUNE

Su	Mo	Tu	We	Th	Fr	Sa
27	28	29	30	31	1	2
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10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
1	2	3	4	5	6	7

JULY

Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4
5	6	7	8	9	10	11

AUGUST

Su	Mo	Tu	We	Th	Fr	Sa
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	1
2	3	4	5	6	7	8

SEPTEMBER

Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29	30	31	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	1	2	3	4	5	6

OCTOBER

Su	Mo	Tu	We	Th	Fr	Sa
30	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31	1	2	3
4	5	6	7	8	9	10

NOVEMBER

Su	Mo	Tu	We	Th	Fr	Sa
28	29	30	31	1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	1
2	3	4	5	6	7	8

DECEMBER

Su	Mo	Tu	We	Th	Fr	Sa
25	26	27	28	29	30	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

RESOLUTION NO. 17-09I

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 5th day of December, 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 Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on December 5, 2017.

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
Quarry Place Apartments	City of Rocklin, County of Placer	180	New Construction	St. Anton Rocklin, LP	\$57,000,000
Hope on Central Apartments	City of Los Angeles, County of Los Angeles	79	New Construction	Hope on Central, LP	\$30,000,000



4. NEW BUSINESS

A. Consideration of approving resolution 17-18A for Sharp HealthCare, Cities of San Diego, Chula Vista, La Mesa & Bonita, County of San Diego; up to \$320,000,000 of revenue bonds. (Staff – Caitlin Lanctot)

B. Consideration of approving resolution 17-19A for Good Shepherd Homes Preservation, L.P., City of Inglewood, County of Los Angeles; up to \$15,000,000 of revenue bonds. (Staff – Caitlin Lanctot)

C. Consideration of approving resolution 17-20A for Credo High School, City of Rohnert Park, County of Sonoma; authorizing the authority to enter into a first supplemental indenture. (Staff – Caitlin Lanctot)



CALIFORNIA
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DATE: DECEMBER 5, 2017

APPLICANT: SHARP HEALTHCARE

AMOUNT: UP TO \$320 MILLION OF NONPROFIT REVENUE BONDS

PURPOSE: FINANCE AND REFINANCE THE ACQUISITION, RENOVATION, CONSTRUCTION, FURNISHING EQUIPPING AND IMPROVEMENT OF CERTAIN REAL PROPERTY, HEALTH CARE FACILITIES AND ANCILLARY FACILITIES

PRIMARY ACTIVITY: 501(C)3 NONPROFIT

Background:

Sharp HealthCare (the “Corporation”) has requested that CalPFA issue revenue bonds to finance various nonprofit health care facilities, located in Chula Vista, San Diego, La Mesa & Bonita, California (the “Project”). Sharp Chula Vista Medical Center (also known as “SCVMC”) has been providing health care to the South Bay community of San Diego County for over 70 years and is the market share leader for this region. SCVMC has 343 licensed beds and a 100-bed skilled nursing facility. Over the past 10 years, the population growth in the South Bay has exceeded that of almost every other region in the nation. This trend is expected to continue over the next ten years, especially in the senior demographic. The campus has grown with the community; however, SCVMC’s aging infrastructure will not be able to meet SCVMC’s mission and commitment to the community in the long-term without significant investment.

Copley Corporate Office, located in San Diego, is Sharp HealthCare’s new Consolidated Laboratory which is being designed to support the needs of Sharp’s customers in an environment that fosters safety, innovation, quality, and cost-effectiveness. The new laboratory will combine the operations of Sharp Rees-Stealy’s downtown core laboratory and Sharp Memorial Hospital’s Metro Street laboratory and will leverage the staff expertise of both entities.

A new state-of-the-art heart and vascular center will enhance the standard of excellence at Sharp Grossmont Hospital located in La Mesa, California. This 65,000-square-foot, state-of-the-art facility will be developed on three floors to include three cardiac catheterization labs, multipurpose operating rooms, expanded pharmacy and lab areas and more. The center will offer a variety of diagnostic tests, treatments, services and surgeries to benefit patients with congestive heart failure, coronary artery disease, atrial fibrillation (abnormal heart rhythm) and more. There is an additional facility, Grossmont Hospital Corporation located in Bonita, California. This will create one of San Diego’s most advanced clinical environments, providing leading-edge care with lifesaving answers.

Description of Proposed Project:

The Corporation is seeking approximately \$320 million to finance and refinance the acquisition, renovation, construction, furnishing, equipping and improvement of certain real property and health care facilities leased and operated, owned and operated, or to be owned and operated, by the Corporation and certain of its affiliates (the “New Project”) and, refund a portion of the ABAG Finance Authority for Nonprofit Corporations Revenue Bonds (Sharp HealthCare) Series 2009B the proceeds of which finance and refinanced certain projects for the Corporation and its affiliates (collectively the “Project”).

TEFRA Information:

A TEFRA hearing will be held in the County of San Diego on December 5, 2017.

A TEFRA hearing will be held by Kings County on December 5, 2017.

Financing Structure:

The Bonds will be issued, in one or more series, as fixed rate bonds or variable rate bonds in an aggregate principal amount not to exceed \$320 million. The Bonds or any Series thereof may be publicly offered or privately placed. The financing will comply with California Public Finance Authority’s issuance policies.

Estimated Sources and Uses:

Sources:

Tax-Exempt Bond Proceeds	\$	320,000,000
Sharp Equity Contribution	\$	5,000,000
Debt Service Reserve Fund Release	\$	<u>11,000,000</u>
Total Sources:	\$	336,000,000

Uses:

Construction Fund Deposit	\$	220,000,000
Refunding Escrow Deposits	\$	111,000,000
Cost of Issuance	\$	<u>5,000,000</u>
Total Uses:	\$	336,000,000

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 Benefit:

Sharp HealthCare has held true to its commitment, and has expanded to serve San Diego County with four acute care and three specialty care hospitals, two affiliated medical groups and more than 18,000 employees. In addition, Sharp has pledged to the San Diego community an extraordinary standard of care through The Sharp Experience — bringing focus and alignment to the most basic and critical element of the health care equation: people.

This support is Sharp's commitment to the promise that founded Sharp HealthCare. That promise to the San Diego community defines their organization, and inspires their vision to be the best place to work, the best place to practice medicine and the best place to receive care. Looking ahead to the challenges in health care, the Corporation's commitment is only further strengthened to go above and beyond to serve members of the San Diego community. The Corporation will continue to spend each day providing care and programs that set community standards and exceed community expectations.

RESOLUTION NO. 17-18A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$320,000,000 TO FINANCE AND REFINANCE THE ACQUISITION, RENOVATION, CONSTRUCTION, FURNISHING, EQUIPPING AND IMPROVEMENT OF CERTAIN REAL PROPERTY, HEALTH CARE FACILITIES AND ANCILLARY FACILITIES FOR SHARP HEALTHCARE AND ITS AFFILIATES AND OTHER MATTERS RELATING THERETO

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 (the "Charter Members") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Public Finance Authority (the "Authority") was organized;

WHEREAS, the County of San Diego (the "County") has by resolution requested to join the Authority and the Authority has authorized the County to become an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing and refinancing of certain projects;

WHEREAS, at the request of Sharp HealthCare, a California nonprofit public benefit corporation (the "Corporation"), ABAG Finance Authority For Nonprofit Corporations previously issued its Revenue Bonds (Sharp HealthCare), Series 2009B (the "Refunded Bonds") to finance and refinance the acquisition, construction, renovation, improvement, furnishing and equipping of certain health facilities and ancillary facilities of the Corporation and its affiliates located in the County (the "2009B Project");

WHEREAS, the Corporation wishes to (a) finance and refinance the acquisition, renovation, construction, furnishing, equipping and improvement of certain real property and health care facilities leased and operated, owned and operated, or to be owned and operated, by the Corporation and certain of its affiliates and located or to be located in the County (the "New Project" and, together with the 2009B Project, the "Project"), and (b) refinance a portion of the 2009B Project through the refunding of the Refunded Bonds;

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and refinancing the Project;

WHEREAS, pursuant to one or more Bond Indentures (collectively, the "Bond Indentures"), between the Authority and U.S. Bank National Association (the "Bond Trustee"), the Authority will issue the California Public Finance Authority Revenue Bonds (Sharp

Healthcare), Series 2017 (the “Bonds”), in one or more series, as fixed rate bonds or variable rate bonds, for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to one or more Loan Agreements (collectively, the “Loan Agreements”), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to one or more Bond Purchase Agreements, in each case including the exhibits thereto and to be dated the date of sale of the applicable series of Bonds (collectively, the “Bond Purchase Agreements”), and (a) with respect to any series of Bonds underwritten and sold in a public offering, among the Authority, the Corporation, Citigroup Global Markets Inc., as representative (the “Representative”) of itself and the other underwriters named therein (collectively, the “Underwriters”), and (b) with respect to any series of Bonds privately placed, among the Authority, the Corporation and such purchaser or purchasers to be named therein (individually, a “Purchaser” and collectively, the “Purchasers”), the Bonds will be sold to the Underwriters or the Purchasers, as applicable, and the proceeds of such sale will be used as set forth in the Bond Indentures to finance and refinance the Project and, if necessary, pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, each series of Bonds will either (a) at issuance, be rated at investment grade by an active nationally recognized rating agency or (b) be sold only to Purchasers that are “qualified institutional buyers,” as that term is defined under Rule 144A of the Securities Act of 1933, as amended;

WHEREAS, there have been made available to the Board of Directors of the Authority the following documents and agreements:

- (1) Proposed forms of the Bond Indentures;
- (2) Proposed forms of the Loan Agreements;
- (3) Proposed forms of the Bond Purchase Agreements; and
- (4) Proposed forms of official statements for Bonds that are fixed rate bonds or variable rate bonds (collectively, the “Official Statements”) to be used by the Underwriters in connection with the offering and sale of the Bonds or any series thereof that are publicly offered; and

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

Section 1. Pursuant to the Act and the Bond Indentures, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Revenue Bonds (Sharp HealthCare), Series 2017” in an aggregate principal amount not to exceed three hundred twenty million dollars (\$320,000,000). The Bonds shall be issued from time to time, in one or more series, as fixed rate bonds or variable rate bonds, with such other name or names of the Bonds or series thereof as designated, and secured in accordance with the terms of, and shall

be in the form or forms set forth in, the Bond Indentures. The Bonds or any series thereof may be publicly offered or privately placed. The Bonds 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 member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17-01C of the Authority, adopted on April 25, 2017 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Bond Indentures, as made available to the Board of Directors, are hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Indentures in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates or methods of determining rates, tender provisions, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption and other terms of the Bonds shall be as provided in the Bond Indentures, as finally executed.

Section 3. The proposed form of Loan Agreements, as made available to the Board of Directors, are hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreements in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Bond Purchase Agreements, as made available to the Board of Directors, are hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Purchase Agreements, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary forms of Official Statements, as made available to the Board of Directors, are hereby approved. The Underwriters are hereby authorized to distribute the Official Statements in preliminary form, to persons who may be interested in the purchase of the Bonds or any series thereof offered in a public offering and to deliver the Official Statements in final forms in substantially the forms of the preliminary Official Statements, to the purchasers of the Bonds or any series thereof sold in a public offering.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Bond Trustee for authentication by the Bond Trustee. The Bond Trustee is hereby requested and directed to authenticate the Bonds by executing the Bond Trustee’s Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Bond

Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit and/or liquidity support, if any, for the Bonds or any series thereof, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the County has held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing and refinancing for the Project.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 5th day of December, 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 and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on December 5, 2017.

By: _____

Authorized Signatory
California Public Finance Authority



DATE: DECEMBER 5, 2017

APPLICANT: GOOD SHEPHERD HOMES PRESERVATION, L.P.

AMOUNT: UP TO \$15,000,000 IN REVENUE BONDS

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Good Shepherd Homes Preservation, LP (the "Borrower") has requested that CalPFA issue revenue bonds to assist in the acquisition, construction/rehabilitation and development of the Good Shepherd Homes Apartments, located at 510 and 512 Centinela Avenue in Inglewood, California (the "Project"). The Project application was filed on June 30, 2017, induced on July 11, 2017, and received an allocation of tax exempt bonds on September 20, 2017.

Description of Proposed Project:

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue bonds in an amount not to exceed \$15,000,000 (the "Bonds") to finance the acquisition, construction/rehabilitation and development of the Project. The Project, located on 2.36 acres, is an existing Section 8 and market-rate property containing a total of 70 units on two and three floors. Project amenities include a meeting room, service coordinator, computer room, laundry facility, on-site management, on-site maintenance, intercom/electronic entry, perimeter fencing, video surveillance, open parking lot and covered parking. The Project has a mix of 13 studios and 40 one bedroom units and 1 two bedroom manager's unit. All units will be available to low income seniors with income levels at or below the 50 and 60 percent area median income ("AMI") levels.

Each unit contains a range/oven, refrigerator, carpet and vinyl flooring, blinds, coat closet, balcony, patio and pull cords. The rehabilitation will be done with the tenants in place and will include upgrade for air conditioning and heating units, mechanical and electrical. Interior upgrades will include new kitchen and bathroom equipment, new cabinets, new kitchen surfaces, new flooring, paint and new window treatments. Exterior upgrades will include replacement of certain patio covers, widening of common area pathways, common area lighting, improvements to community areas, elevator cab improvements, parking area improvements and paint. The rehabilitation is expected to begin in January and be completed by September 2018.

TEFRA Information:

TEFRA hearings were held by the City of Inglewood and Kings County on July 25, 2017.

Financing Structure:

The construction Bonds will be privately placed and mature in no more than 18 months. The Bonds will then convert to permanent financing for 40 years. Interest will be fixed and is expected to be approximately 4.5%. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$13,000,000
LIHTC Equity	\$1,679,680
Seller Note	\$4,153,094
Deferred Developer Fee	<u>\$2,230,960</u>
Total Sources	\$21,063,734

Uses:

Acquisition Cost	\$13,200,000
Hard Construction Costs	\$1,877,105
Relocation	\$175,000
Architect & Engineering Fees	\$210,000
Contractor Overhead & Profit	\$257,895
Cost of Issuance	\$737,995
Capitalized Interest	\$780,000
Developer Fee	\$2,416,439
Other Soft Costs (Marketing, Etc.)	<u>\$1,409,300</u>
Total Uses	\$21,063,734

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
 - 28 units at 50% AMI
 - 41 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 is located within ½ mile of a grocery store
 - The Project is located within a mile of a hospital

RESOLUTION NO. 17- 19A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS GOOD SHEPHERD HOMES; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California 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 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, Good Shepherd Homes Preservation, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, rehabilitation and development of a 70-unit multifamily rental housing development for seniors generally known as Good Shepherd Homes located in the City of Inglewood, California (the “Project”);

WHEREAS, on September 20, 2017, the Authority received a total allocation in the amount of \$13,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) 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 Inglewood is an Additional Member (as defined in the Agreement) and each has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$15,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Good Shepherd Homes) 2017 Series H (the “Bonds”), provided that the aggregate portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and 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, 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

issuance of the Bonds, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Indenture of Trust (the “Indenture”), to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);

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

(3) Bond Purchase Agreement (the “Purchase Agreement”), to be entered into among the Authority, the Borrower, and FMSbonds, Inc., as underwriter of the Bonds (the “Underwriter”);

(4) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee.

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 and the Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Public Finance Authority Multifamily Housing Revenue Bonds (Good Shepherd Homes) 2017 Series H” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$15,000,000; provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Indenture, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Treasurer and Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Indenture, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Indenture, and the Bonds 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 Indenture 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. 17-01C of the Authority, adopted on April 25, 2017) (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 Indenture, 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 December 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 Bonds shall be as provided in the Indenture as finally executed.

Section 4. The 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 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 Authority is hereby authorized to sell the Bonds to the Underwriter pursuant to the terms and conditions of the Purchase Agreement. The form, terms and provisions of the Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Purchase 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 hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. 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 7. The Bonds, when executed, shall be delivered to the Trustee for authentication. The Trustee is hereby requested and directed to authenticate the Bonds by executing the certificate of authentication of the Trustee appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the Underwriter, 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 Trustee. Such instructions shall provide for the delivery of the Bonds to or at the direction of the Underwriter in accordance with the Purchase Agreement upon payment of the purchase price thereof.

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, a subordination or intercreditor agreement, any endorsement, allonge and/or assignment of any note or the deed of trust and such other documents as described in the Indenture, the Purchase Agreement, and the other documents herein approved, which they, or any of them, may deem necessary or advisable

in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Bonds or any redemption of the Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the 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 Indenture, and other documents approved herein.

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

PASSED AND ADOPTED by the California Public Finance Authority this 5th day of December 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 December 5, 2017.

By: _____
Authorized Signatory

RESOLUTION NO. 17-20A

CALIFORNIA PUBLIC FINANCE AUTHORITY

A RESOLUTION AUTHORIZING THE AUTHORITY TO ENTER INTO A FIRST SUPPLEMENTAL INDENTURE WITH RESPECT TO ITS \$2,660,000 CHARTER SCHOOL REVENUE BONDS (CREDO HIGH SCHOOL PROJECT) SERIES 2017A AND \$340,000 CHARTER SCHOOL REVENUE BONDS (CREDO HIGH SCHOOL PROJECT) TAXABLE SERIES 2017B AND OTHER MATTERS RELATING THERETO

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 (the “Charter Members”) 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 a Trust Indenture (the “Original Indenture”), between the Authority and The Huntington National Bank (the “Trustee”), dated as of August 1, 2017, the Authority issued its \$2,660,000 Charter School Revenue Bonds (Credo High School Project), Series 2017A (the “Series 2017A Bonds”) and its \$340,000 Taxable Series 2017B (collectively with the Series 2017A Bonds, the “Bonds”) for the purpose of financing and refinancing (a) the costs of tenant improvements and furniture, fixtures and equipment for the charter school owned and operated by Credo High School, a California nonprofit public benefit corporation (the “Borrower”), and (b) costs of issuance of the Bonds;

WHEREAS, the Borrower has requested that the Authority and the Trustee supplement the Original Indenture by entering into a First Supplemental Indenture (the “First Supplemental Indenture”) for the purposes set forth therein;

WHEREAS, the Beneficial Owner and the Bondholder Representative (both as defined in the Original Indenture) have consented to the First Supplemental Indenture; and

WHEREAS, there has been made available to the Board of Directors of the Authority the proposed form of the First Supplemental Indenture;

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

Section 1. The proposed form of First Supplemental Indenture, as made available to the Board of Directors, is hereby approved. Any member of the Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 17-01C of the Authority, adopted on April 25, 2017 (each, an “Authorized Signatory”) is hereby authorized and directed, for and on behalf of the Authority, to execute

and deliver the First Supplemental Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery of the First Supplemental Indenture by an Authorized Signatory; provided that such execution and delivery shall be conditioned upon first receiving the written consent to such amendment from the Bondholder Representative and the Corporation.

Section 2. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents reasonably required for the transaction contemplated by the First Supplemental Indenture, including, without limitation, any and all documents necessary to be executed in connection with the “reissuance” of the Series 2017A Bonds for federal income tax purposes, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 3. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Board of Directors of the Authority and other appropriate officers and agents of the Authority with respect to the First Supplemental Indenture are hereby ratified, confirmed and approved.

Section 4. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 5th day of December, 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 and properly noticed meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on December 5, 2017.

By: _____
Authorized Signatory
California Public Finance Authority