



Agenda

Tuesday, December 10, 2019

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

Time: 11:00 a.m.

1. **CALL TO ORDER**

ROLL CALL – Clerk to the Board

2. **APPROVAL OF MINUTES**

Approval of the minutes from the November 26, 2019 regular meeting.

3. **CONSENT CALENDAR**

- a. Consideration of approving an inducement resolution 19-11I for ELOM LLC (Dorie Miller Manor), City of Los Angeles, County of Los Angeles; up to \$17,000,000 in revenue bonds.
- b. Consideration of approving the 2020 CalPFA regular meeting calendar.

4. **NEW BUSINESS**

- a. Consideration of approving resolution 19-12A for Royals 4 Preservation Limited Partnership, LP (Royals Apartments), City of Los Angeles, County of Los Angeles; up to \$65,000,000 in 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 November 26, 2019 regular meeting.



Action Summary

Tuesday, November 26, 2019

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 5, 2019 regular meeting.

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

3. **CONSENT CALENDAR**

a. Consideration of approving resolution 19-08M for the addition of program participants to the Authority.

b. Consideration of Invoice request 19-09IR and future US Bank fees to CalPFA.

c. Consideration of approving an inducement resolution 19-10I for Reliant – Santa Cruz, LP (Riverfront and Casa del Rio Apartments), City of Santa Cruz, County of Santa Cruz; up to \$45,000,000 in revenue bonds.

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

4. **PUBLIC COMMENT**

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item. None

5. **STAFF UPDATES**

Scott Carper stated that staff will bring an item to the Board on approving multiple invoices.

6. **ADJOURNMENT**

The meeting was adjourned at 11:04 a.m.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

3. **CONSENT CALENDAR**

- a. Consideration of approving an inducement resolution 19-11I for ELOM LLC (Dorie Miller Manor), City of Los Angeles, County of Los Angeles; up to \$17,000,000 in revenue bonds.

RESOLUTION NO. 19-11I

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 10th day of December, 2019.

The undersigned, an Authorized Signatory of the California Public Finance Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of said Authority at a duly called meeting of the Board of Directors of said Authority held in accordance with law on December 10, 2019.

By: _____
Authorized Signatory

EXHIBIT A

Project Name	Project Location	Project Description (units)	New Construction/ Acquisition and Rehabilitation	Legal Name of initial owner/operator	Bond Amount
Dorie Miller Manor	City of Los Angeles, County of Los Angeles	36	Acquisition and Rehabilitation	ELOM LLC	\$17,000,000



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

3. CONSENT CALENDAR

- b. Consideration of approving the 2020 CalPFA regular meeting calendar.



2020 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. 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							FEBRUARY							MARCH							APRIL						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
29	30	31	1	2	3	4	26	27	28	29	30	31	1	1	2	3	4	5	6	7	29	30	31	1	2	3	4
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31	1	23	24	25	26	27	28	29	29	30	31	1	2	3	4	26	27	28	29	30	1	2
2	3	4	5	6	7	8	1	2	3	4	5	6	7	5	6	7	8	9	10	11	3	4	5	6	7	8	9

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

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



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

4. **NEW BUSINESS**

- a. Consideration of approving resolution 19-12A for Royals 4 Preservation Limited Partnership, LP (Royals Apartments), City of Los Angeles, County of Los Angeles; up to \$65,000,000 in revenue bonds. (Staff – Caitlin Lanctot)



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

DATE: DECEMBER 10, 2019

APPLICANT: ROYALS 4 PRESERVATION LIMITED PARTNERSHIP

AMOUNT: \$65,000,000 REVENUE OBLIGATIONS

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Royals 4 Preservation Limited Partnership (the "Borrower") has requested that CalPFA issue revenue obligations to assist in the acquisition, construction/rehabilitation, and development of the Royals Apartments, located at 717 & 721 West El Segundo Blvd., 772 & 776 North Van Ness Avenue, 1327 South Catalina Street, and 3817 South Wisconsin Street in Los Angeles, California (the "Project"). The Project application was filed on June 12, 2019, induced on June 18, 2019, and is expecting an allocation of tax-exempt bonds on December 11, 2019.

Description of Proposed Project:

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue obligations in an amount not to exceed \$65,000,000 (the "Obligations") to finance the acquisition, construction/rehabilitation and development of the Project. The Project is a family property comprised of four different sites. Between the four sites, there are 111 low income units and 4 manager's units. There are 59 studios, 31 one-bedrooms, 21 two-bedrooms, and 4 three-bedroom apartments. All units are covered under a project-based section-8 HAP contract.

717-721 West El Segundo Boulevard includes 32 apartments in two two-story buildings that were built in 1926 and most recently rehabilitated in 2004. 772 & 776 North Van Ness is a 56-unit apartment complex with 1 office located in two three-story buildings. It was built in 1927 and last rehabilitated in 2004. 1327 South Catalina Street is a 16-unit two-story building that was built in 1926 and rehabilitated in 2004. 3817 South Wisconsin Street is a 10-unit apartment complex located in three one and two-story buildings. It was constructed in 1924 and rehabilitated in 2004. All four sites will receive substantial improvements to the exterior of the buildings and to the interior of residential units.

TEFRA Information:

TEFRA hearings were held and approved by the City of Los Angeles on September 27, 2019 and by Kings County on October 8, 2019.

Financing Structure:

The construction Obligations will be privately placed and mature in no more than 30 months. Interest will be floating and is expected to be around 3.75% on Tranche A and approximately 4.32% on Tranche B during the construction period. The Project will then convert to permanent financing for 30 years. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds - A	\$21,740,000
Tax Exempt Bond Proceeds - B	\$10,260,000
Seller Note - Tax Exempt Bonds	\$14,500,000
Deferred Developer Fee Note	\$3,402,948
LIHTC Equity	\$15,616,791
GP Equity	<u>\$100,000</u>
Total Sources	\$65,619,739

Uses:

Land Acquisition Cost	\$2,685,000
Building Acquisition	\$24,165,000
Hard Construction Costs	\$13,964,320
Legal and Other Fees	\$826,578
Architect & Engineering Fees	\$295,000
Cost of Issuance	\$209,425
Financing Costs	\$668,366
Reserves	\$420,000
Capitalized Interest	\$1,050,000
Developer Fee	\$6,012,948
Repayment of Tax-Exempt Bonds	<u>\$15,323,102</u>
Total Uses	\$65,619,739

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 Notes;
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 be income and rent restricted
 - 11 units at 30% AMI
 - 11 units at 40% AMI
 - 56 units at 50% AMI
 - 33 units at 60% AMI
 - 4 manager's unit
- The Project will remain income and rent restricted for at least 55 years
- The rehabilitation will improve energy efficiency by 15%
- The Project will include at least one nonsmoking building

RESOLUTION NO. 19-12A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE OBLIGATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING DEVELOPMENT TO BE GENERALLY KNOWN AS ROYALS 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, Royals 4 Preservation Limited Partnership, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Public Finance Authority Multifamily Housing Revenue Construction/Permanent Note (Royals Apartments) 2020 Series A-1 and its Multifamily Housing Revenue Construction Note (Royals Apartments) 2020 Series A-2 (collectively, the “Notes”) and issue and sell its California Public Finance Authority Multifamily Housing Revenue Bonds (Royals Apartments) 2020 Series A-S (Subordinate Series) (the “Subordinate Bonds” and, together with the Notes, the “Obligations”) to assist in the financing of the acquisition and rehabilitation of a 115-unit scattered-site multifamily rental housing project to be located in the City of Los Angeles, California, and known as Royals Apartments (the “Project”);

WHEREAS, on December 11, 2019, the Authority expects to receive an allocation in the amount of \$46,500,000 (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 Obligations;

WHEREAS, the Authority is willing to issue, execute and deliver the Obligations in an aggregate principal amount not to exceed \$65,000,000, 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 Royals Preservation Limited Partnership, a California limited partnership, 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, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth in Exhibit A attached hereto;

WHEREAS, 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 the Borrower;

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

(4) Subordinate Master Pledge and Assignment (the “Pledge and Assignment”) to be entered into among the Authority, Royals Preservation Limited Partnership, a California limited partnership, as agent (the “Subordinate Bonds Agent”), and the Holder, relating to the Subordinate Bonds; and

(5) 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 Construction/Permanent Note (Royals Apartments) 2020 Series A-1” and “California Public Finance Authority Multifamily Housing Revenue Construction Note (Royals Apartments) 2020 Series A-2” and the Subordinate Bonds shall be designated as “California Public Finance Authority Multifamily Housing Revenue Bonds (Royals Apartments) 2020 Series A-S (Subordinate Series)” or such other designations of the Authority and including, if and to the extent necessary, Obligations in one or more series or sub-series designations, with appropriate modifications for such series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$65,000,000; provided that the aggregate principal amount of any such 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, respectively, 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 Obligations shall be secured in accordance with the respective 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, respectively, 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. 18-01C of the Authority, adopted on December 4, 2018) (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 January 1, 2065), 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 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 January 1, 2065), 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 7. 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 8. 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 9. The Subordinate Bonds, when executed, shall be delivered to the Agent and the registrar, if any, for authentication. The Agent and the registrar, if any, are 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 and the registrar, if any. Such instructions shall provide for the delivery of the Subordinate Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 10. 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 a tax certificate, loan related documents, an assignment of deed of trust or similar security instrument, a subordination or intercreditor agreement, any endorsement, allonge or assignment of any notes or obligations, 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 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 11. 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 redemption 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 12. This Resolution shall take effect upon its adoption.

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Public Finance Authority this December 10, 2019.

The undersigned, an Authorized Signatory of the California Public Finance Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of the Authority at a duly called meeting of the Board of the Authority held in accordance with law on December 10, 2019.

By _____
Authorized Signatory

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the “Borrower”) identified below has provided the following required information to the California Public Financing Authority (the “Authority”) as conduit financing provider, prior to the Authority’s regular meeting (the “Meeting”) of its board of directors (the “Board”) at which Meeting the Board will consider the authorization of conduit revenue obligations (the “Obligations”) as identified below.

1. Name of Borrower: Royals 4 Preservation Limited Partnership
2. Authority Meeting Date: December 10, 2019.
3. Name of Obligations: California Public Finance Authority Multifamily Housing Revenue Construction/Permanent Note (Royals Apartments) 2020 Series A-1, A-2, and A-S (Subordinate Series).
4. Private Placement Lender or Bond Purchaser, ___ Underwriter or ___ Financial Advisor (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows: _____
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent): **3.54% estimated as of 12/6/2019; final interest rate to be set at Note closing, estimated on 1/17/2019**
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$982,846.69**
 - (C) The amount of proceeds received by the Borrower for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations: **\$27,767,153.31**
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): **\$41,956,263.00**
5. The good faith estimates provided above were ___ presented to the governing board of the Borrower, or ___ presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board x_ presented to the official or officials

Exhibit A – Good Faith Estimates

of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: December 10, 2019