



Agenda

Tuesday, January 11, 2022

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

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom signed into Law AB 361 on September 16, 2021, relating to the convening of public agency meetings via teleconference in light of the COVID-19 pandemic. Under this authority, the Board of Supervisors will convene its public meetings via video and teleconference. Pursuant to AB 361, and as advised by local Health Officials, the Kings County Board of Supervisors, County staff and interested members of the public may attend the meeting in person. The meeting can also be attended telephonically or by the Internet by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting.

The meeting can also be attended telephonically or by the Internet by clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=m3ace17721f067efee451298ebc8abdfd>

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. ELECTION OF OFFICERS

3. APPROVAL OF MINUTES

Approval of the minutes from the December 21, 2021 regular meeting.

4. CONSENT CALENDAR

- a. Consider approving resolution 22-011 for Kingdom Development, Inc (The Aspire), City of Riverside, County of Riverside; up to \$20,000,000 in revenue bonds.

5. NEW BUSINESS

- a. Consider approving resolution 22-01A for 900 E Broadway, L.P., City of Glendale, County of Los Angeles; up to \$40,000,000 in revenue bonds. (Staff – Caitlin Lanctot)
- b. Consider approving resolution 22-02A for Acme Family Apartments, LP, City of Santa Rosa, County of Sonoma; up to \$12,500,000 in revenue bonds. (Staff – Scott Carper)

6. 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.

7. STAFF UPDATES

8. ADJOURNMENT

Adjourn as the California Public Finance Authority.



CALIFORNIA
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3. APPROVAL OF MINUTES

Approval of the minutes from the December 21, 2021 regular meeting.



Action Summary

Tuesday, December 21, 2021

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

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom signed into Law AB 361 on September 16, 2021, relating to the convening of public agency meetings via teleconference in light of the COVID-19 pandemic. Under this authority, the Board of Supervisors will convene its public meetings via video and teleconference. Pursuant to AB 361, and as advised by local Health Officials, the Kings County Board of Supervisors, County staff and interested members of the public may attend the meeting in person. The meeting can also be attended telephonically or by the Internet by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting.

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 16, 2021 regular meeting.

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

3. CONSENT CALENDAR

- a. Consideration of approving resolution 21-03M for the addition of program participants to the Authority.
- b. Consideration of approving the 2022 CalPFA regular meeting calendar.
- c. Consideration of approving Inducement Resolution 21-07I for Metropolitan Airpark, LLC.
- d. Consideration of approving CalPFA Financial statements through June 30, 2020 / 2021.

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

4. NEW BUSINESS

- a. Consider approving resolution 21-17A for Mangini Place Affordable, LP, City of Folsom, County of Sacramento; up to \$50,000,000 in revenue bonds. (Staff – Caitlin Lanctot)

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

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. **None***

6. STAFF UPDATES

None

7. ADJOURNMENT

The meeting was adjourned at 11:07 a.m.



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4. CONSENT CALENDAR

- a. Consider approving resolution 22-011 for Kingdom Development, Inc (The Aspire), City of Riverside, County of Riverside; up to \$20,000,000 in revenue bonds.

RESOLUTION NO. 22-011

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 11th day of January, 2022.

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 January 11, 2022.

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 |
|---------------------|--|------------------------------------|---|---|--------------------|
| The Aspire | City of Riverside, County of Riverside | 33 | New Construction | Kingdom Development, Inc. | \$20,000,000 |



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5. NEW BUSINESS

- a. Consider approving resolution 22-01A for 900 E Broadway, L.P., City of Glendale, County of Los Angeles; up to \$40,000,000 in revenue bonds. (Staff – Caitlin Lanctot)



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DATE: JANUARY 11, 2022

APPLICANT: 900 E BROADWAY, L.P.

AMOUNT: \$40,000,000 REVENUE NOTES

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

900 E Broadway, L.P. (the "Borrower") has requested that CalPFA issue revenue notes to assist in the acquisition, construction/rehabilitation and development of the Citrus Crossing Apartments, to be located at 900 E Broadway in Glendale, California (the "Project"). The Project application was filed on April 21, 2021 and received an allocation of tax-exempt bonds on August 11, 2021.

Description of Proposed Project:

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue notes in an amount not to exceed \$40,000,000 (the "Notes") to finance the acquisition, construction/rehabilitation and development of the Project. The Project will provide 126 affordable rental units to low-income seniors in Glendale with incomes between 20% and 70% of the Area Median Income. The Project will include studio and one-bedroom units in a single five-story building.

The Project is designed with the architectural style of the neighborhood in mind with intent to respect the neighboring historic structures. Maximizing the open outdoor space, the Project features a central courtyard, a landscaped yard space, and three outdoor roof decks. The rooftop decks will be used as a combination of outdoor office spaces and edible gardens. The ground floor features a lobby, two community rooms, a laundry room, and office space. The Project will meet the requirements for mobility and sensory access with a total of 20 units for mobility impairment units and 13 units for sensory impairment.

TEFRA Information:

TEFRA hearings were held and approved by the City of Glendale on November 2, 2021 and Kings County on September 14, 2021.

Financing Structure:

The construction loan will be privately placed and mature in 32 months and then the loan will convert to permanent financing. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

| | |
|--|--------------------|
| Bond Proceeds | \$28,000,000 |
| Taxable Bonds | \$5,000,000 |
| Deferred Operating Reserve | \$613,585 |
| Deferred Developer Fee | \$1,747,986 |
| Glendale Housing Authority - Development Funds | \$9,000,000 |
| Glendale Housing Authority - Ground Lease | \$6,050,000 |
| Tax Credits | <u>\$7,084,549</u> |
| Total Sources: | \$57,496,120 |

Uses:

| | |
|--------------------------------|--------------------|
| Land Acquisition Cost | \$6,155,000 |
| Predevelopment | \$116,250 |
| New Construction Costs | \$37,725,735 |
| Architectural and Engineering | \$1,893,870 |
| Construction Interest and Fees | \$1,874,125 |
| Contingency Costs | \$2,376,287 |
| Reserves | \$613,585 |
| Legal and Consulting | \$305,000 |
| Financing Costs | \$840,701 |
| Other Soft Costs & Reserves | \$2,269,650 |
| Developer Fee | <u>\$3,325,917</u> |
| Total Costs: | \$57,496,120 |

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:

- Project units will be income and rent restricted
 - 26 units at 50% AMI
 - 31 units at 60% AMI
 - 1 manager's unit
- The Project will remain income and rent restricted for at least 55 years
- The Project will provide residents a service coordinator for at least 15 years
- The Project will provide instructor-led adult educational, health and wellness, or skill building classes onsite to residents

RESOLUTION NO. 22-01A

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 \$40,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS CITRUS CROSSING 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, 900 E Broadway, L.P., a California limited partnership and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-1 (the “Tax-Exempt Note”) and its Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-2 (Taxable) (the “Taxable Note” and, together with the Tax-Exempt Note, the “Notes”), to assist in the financing of the acquisition, construction and development of a 127-unit multifamily housing rental development located in the City of Glendale, California, and to be known as Citrus Crossing Apartments (the “Project”);

WHEREAS, the California Debt Limit Allocation Committee adopted a resolution on August 11, 2021 authorizing the Authority to use \$28,000,000 of its available volume cap (the “Allocation Amount”) for the purpose of financing the Project;

WHEREAS, the County of Kings is a Charter Member (as defined in the Agreement) of the Authority and the City of Glendale 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 \$40,000,000, provided that the portion of such Tax-Exempt Note 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 Bank of America, N.A. (the “Funding Lender”), as initial holder of the Notes and, following the construction phase of the Project, are expected to be acquired by Citibank, N.A. (the “Permanent Lender”), subject to and in accordance with the terms of that certain Forward Purchase Agreement (defined herein), and each 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 substantially final form and appropriate instruments to be executed and delivered for the purposes intended:

(1) A proposed form of Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into among the Authority, U.S. Bank National Association, as fiscal agent (the “Fiscal Agent”) and the Funding Lender;

(2) A proposed form of Borrower Loan Agreement (the “Borrower Loan Agreement”) to be entered into among the Authority, the Fiscal Agent, the Funding Lender and the Borrower;

(3) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into among the Authority, the Borrower and the Fiscal Agent; and

(4) A proposed form of the Forward Purchase Agreement to be entered into among the Funding Lender, Permanent Lender and Borrower, including therein the proposed form of Amended and Restated Funding Loan Agreement to be entered into between the Authority and the Permanent Lender and the proposed form of Amended and Restated Borrower Loan Agreement to be entered into between the Authority and the Borrower (collectively, the “Forward Purchase Agreement”); and

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 on Exhibit A attached hereto;

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 one or more series. The Notes shall be designated as “California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-1” and “California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-2 (Taxable)” including, and to the extent necessary, Notes 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 \$40,000,000;

provided that the aggregate principal amount of any such tax-exempt obligations 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, and thereafter any amended and restated Notes shall be secured in accordance with the terms of the Amended 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 substantially the form placed on file with the Authority, 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. 21-01C of the Authority, adopted on August 31, 2021) (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 45 years from the date of execution and delivery thereof), 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 Forward Purchase Agreement, in the form presented to the Authority, is hereby approved.

Section 7. 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 or similar security instrument, any endorsement, allonge or assignment of any note or obligation and such other documents as described in the Funding Loan Agreement, the Amended 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 8. 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 9. This Resolution shall take effect upon its adoption.

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PASSED AND ADOPTED by the California Public Finance Authority this January 11, 2022.

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 January 11, 2022.

By _____
Authorized Signatory

EXHIBIT A
GOOD FAITH ESTIMATES

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: 900 E Broadway, L.P.
2. Authority Meeting Date: January 11, 2022.
3. Name of Obligations: 2022 Series B-1 and B-2.
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor or Borrower (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): **BSBY Daily Floating Rate (minimum .25%) plus 1.95%**
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$684,413**
 - (C) The amount of proceeds received by the public body 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: **\$25,357,782**
 - (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): **\$34,002,138.** (construction period interest, permanent term debt service, fees)
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, presented to the official or officials 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: 1/11/2022



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- b. Consider approving resolution 22-02A for Acme Family Apartments, LP, City of Santa Rosa, County of Sonoma; up to \$12,500,000 in revenue bonds. (Staff – Scott Carper)



CALIFORNIA PUBLIC FINANCE AUTHORITY

DATE: JANUARY 11, 2022

APPLICANT: ACME FAMILY APARTMENTS, LP

AMOUNT: UP TO \$12.5 MILLION OF REVENUE BONDS

PURPOSE: FINANCING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF A 77-UNIT MULTIFAMILY RENTAL HOUSING PROJECT LOCATED IN THE CITY OF SANTA ROSA IN THE COUNTY OF SONOMA, CALIFORNIA, KNOWN OR TO BE KNOWN AS ACME FAMILY APARTMENTS

PRIMARY ACTIVITY: MULTIFAMILY HOUSING

Background:

The Acme Family Apartments is to be located in Santa Rosa, California, on an approximately 2.33-acre site. The Project contains 77 apartment units located in four buildings along with one community building with no residential units. Construction of the Project is anticipated to commence in February 2022 and be completed approximately 18 months later. The building construction consists of one building, including 91 residential units and 1 manager's unit. Common area improvements will include: on-site property management, central laundry facilities, computer room, and a community room with a kitchen. There are 130 parking spaces for resident use only.

Public Benefit:

Development of income-restricted multifamily rental housing project. City of Santa Rosa is currently a member to CalPFA.

TEFRA Information:

No TEFRA is required as this is a taxable financing.

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Los Angeles
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Underwriter: OREC Securities, LLC, San Diego

Financing Structure:

The Bonds will be issued in a public offering as Taxable Mortgage-backed Bonds. Following delivery of the Mortgage-backed Security ("MBS") that is pledged by CalPFA to the Trustee, the Bonds will be subject to a mandatory exchange for the MBS.

Estimated Sources and Uses:



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| <u>Sources</u> | |
|--------------------------|------------------|
| Bonds/1st Mortgage | \$10,985,000 |
| General Partner Advances | 380,000 |
| Tax Credit Equity | 21,809,294 |
| Deferred Developer Fee | 1,096,732 |
| Released Deposits | 208,974 |
| GIC Income | 87,880 |
| Deferred Contractor Fees | <u>1,403,725</u> |
| | \$35,971,605 |

| <u>Uses</u> | |
|-------------------------|----------------|
| Land Acquisition | \$ 2,550,000 |
| Hard Construction Costs | 22,860,671 |
| Developer Fee | 2,200,000 |
| Soft Costs | 8,026,979 |
| Reserves | <u>333,945</u> |
| | \$35,971,605 |

Recommendation:

Based on the overall Project public benefit and finance related considerations detailed above and compliance with CalPFA's general and issuance policies, Staff recommends that the Board of Directors approve the Resolution as submitted to the Board, which:

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

RESOLUTION NO. 22-02A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$12,500,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS ACME FAMILY 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 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 bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the 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, Acme Family Apartments, LP, 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 Taxable Mortgage-backed Bonds (M-TMBS)(Acme Family Apartments), Series 2022 (the “Bonds”) to assist in the financing of the acquisition, construction and equipping of a 77-unit multifamily rental housing project located in the City of Santa Rosa in the County of Sonoma, California, known or to be known as Acme Family Apartments (the “Project”);

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

WHEREAS, pursuant to one or more Indentures (collectively, the “Indenture”), between the Authority and Wilmington Trust, National Association (the “Trustee”), the Authority will issue, execute and deliver the Bonds in an aggregate principal amount not to exceed \$12,500,000, and, pursuant to one or more Financing Agreements (collectively, the “Financing Agreement”), among the Authority, the Trustee and the Borrower, 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, pursuant to one or more Bond Purchase Agreements, to be dated the date of sale of the Bonds (collectively, the “Purchase Contract”), among OREC Securities, LLC, as purchaser (the “Purchaser”), the Authority and the Borrower, the Bonds will be sold to the

Purchaser, and the proceeds of such sale will be used as set forth in the Indenture to finance the Project;

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

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Financing Agreement;
- (3) A proposed form of the Purchase Contract;
- (4) A proposed form of one or more disclosure statements (collectively, the “Disclosure Statement”) to be used by the Purchaser in connection with the offering and sale of the Bonds; and
- (5) A proposed form of Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into by and among the Borrower, the Authority and the Trustee.

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 on Exhibit A attached hereto;

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 Indenture, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Bonds in one or more series. The Bonds shall be designated as “California Public Finance Authority Multifamily Housing Taxable Mortgage-backed Bonds (M-TMBS) (Acme Family Apartments), Series 2022” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$12,500,000. 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. 21-01C of the Authority, adopted on August 31, 2021, or any other delegation resolution of the Authority (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. The Bonds shall be 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 prepayment 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.

Section 3. The Indenture 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 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 45 years from the date of execution and delivery thereof), 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 Financing 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 Financing 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 Purchase Contract 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 Financing 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 Disclosure Statement in the form presented at this meeting is hereby approved. The Purchaser is hereby authorized to distribute the Disclosure Statement in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Disclosure Statement in final form, in substantially the form of the preliminary Disclosure Statement, to the purchasers of the Bonds.

Section 7. 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 8. The Authority is hereby authorized to execute and deliver the Bonds to the Trustee pursuant to the terms and conditions of the Indenture.

Section 9. The Authority is hereby authorized to issue and sell the Bonds to the Purchaser pursuant to the terms and conditions of the Indenture and the Purchase Contract.

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 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 loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note and such other documents as described in the Indenture 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 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 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 execution and delivery 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 prepayment or 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 12. The Board of Directors hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

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

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Public Finance Authority this January 11, 2022.

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 January 11, 2022.

By _____
Authorized Signatory

[Authorizing Resolution – Acme Family Apartments]

EXHIBIT A

Good Faith Estimates Relating to Compliance with SB 450

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: ACME Family Apartments, LP.
2. Authority Meeting Date: January 11, 2022.
3. Name of Obligations: ACME Family Apartments, Series 2022.
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): 2.65%.
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$255,000.00.
 - (C) The amount of proceeds received by the public body 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: \$10,730,000 (\$10,985,000 par less \$255,000).
 - (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): \$4,925,000.
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, presented to the official or officials 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: January 11, 2022