



Agenda

Tuesday, November 29, 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

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

<https://countyofkings.webex.com/countyofkings/j.php?MTID=m9f1966019b02b726ed2b15119c36d4f6>

or 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.

Members of the public who wish to comment may submit written comments on any matter within the Board's subject matter jurisdiction, regardless of whether it is on the agenda for the Board's consideration or action, and those comments will become part of the administrative record of the meeting. Comments will not be read into the record, only the names of who have submitted comments will be read into the record. Written comments received by the Clerk of the Board of Supervisors no later than 8:30 a.m. on the morning of the noticed meeting will be included in the record, those comments received after 8:30 a.m. will become part of the record of the next meeting. To submit written comments by email, please forward them to bosquestions@co.kings.ca.us or by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. APPROVAL OF MINUTES

Approval of the minutes from the November 8, 2022 regular meeting.

3. NEW BUSINESS

- a. Consider approving resolution 22-09A for Maison's Palmdale, LP, City of Palmdale, County of Los Angeles, California; up to \$3,600,000 in revenue bonds. (Staff – Caitlin Lanctot)

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.

5. **STAFF UPDATES**

6. **ADJOURNMENT**

Adjourn as the California Public Finance Authority.



Action Summary

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1. **CALL TO ORDER**

THE MEETING WAS CALLED TO ORDER AT 12:11 P.M.

ROLL CALL – Clerk to the Board

ALL MEMBERS PRESENT

2. **APPROVAL OF MINUTES**

Approval of the minutes from the November 1, 2022 regular meeting.

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

3. **NEW BUSINESS**

- a. Consider approving resolution 22-08A for Pathways to College Properties, LLC, City of Hesperia, County of San Bernardino, California; up to \$25,000,000 in revenue bonds. (Staff – Scott Carper)

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

4. **PUBLIC COMMENT**

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

5. **STAFF UPDATES**

CAITLIN LANCTOT STATED THAT THE NEXT MEETING WILL BE HELD ON NOVEMBER 29, 2022.

6. **ADJOURNMENT**

THE MEETING WAS ADJOURNED AT 12:16 P.M.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

DATE: NOVEMBER 29, 2022

APPLICANT: MAISON’S PALMDALE, LP

AMOUNT: \$3,600,000 REVENUE BONDS

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Maison’s Palmdale, LP (the "Borrower") has requested that CalPFA issue multifamily revenue bonds to assist in the acquisition, construction and equipping of Maison’s Palmdale, to be located at 65th Street E & E Avenue S. in Palmdale, California (the “Project”). The Project application was filed on September 3, 2019 and received an allocation of tax-exempt bonds on September 16, 2020. CalPFA previously issued \$24,119,000 for this Project on June 16, 2021.

Description of Proposed Project:

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue bonds in an amount not to exceed \$3,600,000 (the “Bonds”) to finance the acquisition, construction and equipping of the Project. The Project will provide 118 affordable rental units to families in Palmdale. The Project will include two and three-bedroom detached single family homes, each with a private rear yard on a nearly 20-acre site. Each unit will be single story and will offer parking, WiFi, and in-unit washer and dryers. The site will include a community park/pool, community room playground, paseo area and a dog park. The building design is contemporary and will utilize high standards of construction and design. The look and design of the project will contribute to improving the neighborhood and will provide much needed affordable family housing to the community. The convenient location of the development will provide resident access to public transportation, markets, public school, parks, medical clinic, and other retail outlets.

Construction commenced in June, 2021 and due to increased construction costs, the Borrower needs additional funds to complete the construction.

TEFRA Information:

TEFRA hearings were held and approved by the City of Palmdale on February 2, 2021 and Kings County on January 26, 2021.

Financing Structure:

The construction certificates will be privately placed and mature in 30 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:

Tax Exempt Bond Proceeds	\$17,513,929
Taxable Bond Proceeds	\$6,605,071
Taxable Bridge Loan	\$7,500,000
New Construction Loan	\$3,600,000
LIHTC Equity	\$8,730,206
Deferred Costs	<u>\$1,368,835</u>
Total Sources	\$45,318,041

Uses:

Land Acquisition	\$1,606,693
Survey & Engineering	\$528,230
Hard Construction Costs	\$27,379,602
Construction Interest & Fees	\$1,861,562
Financing Costs	\$1,954,330
Reserves	\$1,185,000
Legal	\$392,500
Contingency Costs	\$1,642,956
Other Project Costs	\$5,781,543
Developer Fee	<u>\$2,990,175</u>
Total Uses	\$45,318,041

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 be income and rent restricted
 - 36 units at 50% AMI
 - 81 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 free high-speed internet or WiFi to residents for at least 15 years
- The Project will offer instructor-led educational, health and wellness, or skill building classes onsite to residents
- The Project will offer to Project residents health and wellness services and programs within ½ mile of the Project site (or will cover the cost of transportation)
- The Project will include at least one nonsmoking building
- The Project commits to Energy Efficiency and will utilize solar panels on residential units
- The Project commits to greywater irrigation for sustainable methods

RESOLUTION NO. 22-09A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$3,600,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS MAISON'S PALMDALE; 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 of, 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, Maison's Palmdale, LP, a California limited partnership, and entities related thereto (collectively, the "Borrower"), has requested that the Authority issue its California Public Finance Authority Multifamily Housing Revenue Bonds (Maison's Palmdale), Series 2022A (the "Bonds") to assist in the financing of the acquisition, construction and equipping of a 118-unit multifamily rental housing project located in the City of Palmdale and County of Los Angeles, California, known or to be known as Maison's Palmdale (the "Project");

WHEREAS, the Authority previously authorized and, on June 16, 2021, issued \$17,513,929 aggregate principal amount of its California Public Finance Authority Multifamily Tax-Exempt Mortgage-Backed Securities (M-TEMS) (Maison's Palmdale), Series 2021D (FN) and \$6,605,071 aggregate principal amount of California Public Finance Authority Multifamily Housing Taxable Mortgage-Backed Securities (M-TMBS) (Maison's Palmdale), Series 2021E to assist in the financing of the acquisition, construction and equipping of the Project;

WHEREAS, on November 7, 2022, the Authority received an allocation from the California Debt Limit Allocation Committee in the amount of \$3,600,000 of its 2022 allocation 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 Palmdale is an Additional Member (as defined in the Agreement) and has authorized the issuance of the Bonds;

WHEREAS, pursuant to an Indenture of Trust (the "Indenture"), between the Authority and Wilmington Trust, National Association (the "Trustee"), the Authority will issue

the Bonds in an aggregate principal amount not to exceed \$3,600,000 and, pursuant to a Financing Agreement (the “Financing Agreement”), among the Authority, the Trustee and the Borrower, will 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 income persons;

WHEREAS, pursuant to a Bond Purchase Agreement, to be dated the date of sale of the Bonds (the “Purchase Contract”), among Stifel, Nicolaus & Company, Incorporated, 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 the disclosure statement (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 Amendment to the Regulatory Agreement and Declaration of Restrictive Covenants with respect to the Project dated as if June 1, 2021 (the “Regulatory Agreement Amendment”), 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 issue the Bonds in one or more series. The Bonds shall be designated as “California Public Finance Authority Multifamily Housing Revenue Bonds (Maison’s Palmdale), Series 2022A” 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 \$3,600,000. 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. 20-01C of the Authority, adopted on September 15, 2020, 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 Purchase Contract, 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 Amendment 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 Amendment, 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 a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note, any amendments to any of the foregoing, 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 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 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 29th day of November, 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 November 29, 2022.

By _____
Authorized Signatory

[Authorizing Resolution – Maison’s Palmdale]

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: Maison's Palmdale, LP.
2. Authority Meeting Date: November 29, 2022.
3. Name of Obligations: Series 2022A.
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): 6.24471%
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: \$100,000
 - (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: \$3,500,000
 - (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): \$3,824,809. (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: 11/29/2022