PROCEDURAL ITEMS FOR THE CMFA
SUMMARY AND RECOMMENDATIONS

Items:	A1, A2, A3
Action:	Pursuant to the by-laws and procedures of CMFA, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

INSURANCE COVERAGE

Subject: Cyber Insurance Coverage

Meeting: October 4, 2019

Background:

With the increase in network and computer related security incidents on the rise the CMFA requested a quote from its insurance broker, Arthur J. Gallagher Risk Management Services, for Cyber Insurance Coverage with a $2,000,000 limit.

Although the CMFA typically does not receive non-public confidential data, programs like residential PACE require the CMFA to occasionally have access to third-party systems that may contain sensitive information. In addition, cyber criminals have become more sophisticated with regards to installing ransomware or committing funds transfer fraud. This policy would cover the CMFA, CFSC, CFPF and consultants for any business-related network and computer incidents.

Recommendation:

The Executive Director recommends approving the proposed cyber insurance policy and coverage.

SPONSORSHIP OF THE HOUSING CALIFORNIA CONFERENCE

Subject: Sponsorship of the Housing California Conference

Meeting: October 4, 2019

Background:

It is expected that the 41th Annual Housing California Conference will be attended by over 1,500 participants involved in the affordable housing industry. This event is the largest of its kind.

The conference will be held April 14-16, 2020 in San Diego.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Gold Sponsorship for the 2020 Housing California Conference.

PROPERTY ASSESSED CLEAN ENERGY (“PACE”) SUMMARY AND RECOMMENDATIONS

Action:	Approve Supplementing Resolution for the Purpose of Approving the Use of Draw-Down Structures in Connection with the Limited Obligation Improvement Bonds.
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation, Seismic Improvements
Meeting:	October 4, 2019

Background:

Property Assessed Clean Energy (“PACE”) programs help local economies and the environment by providing financing for energy and water efficient improvements and renewable energy systems. Communities with PACE programs have increased construction activity, created jobs, lowered utility bills and reduced greenhouse gas emissions. Property owners repay the financing through their property tax bill over the useful life of the installed products.

PACE Assessment Discussion:

The CMFA Board approved, on June 9, 2017, a supplement to the Original Resolution of Issuance to authorize the Authority to (i) enter into assessment contracts between property owners and the Authority (the “Assessment Contract”) substantially in the form prepared by Jones Hall, A Professional Law Corporation (“Jones Hall”) and (ii) enter into one or more indentures from time to time with Wilmington Trust, National Association, as trustee, substantially in the form prepared by Jones Hall (each a “Master Indenture”), as such Master Indenture may be supplemented from time to time.

The resolution being brought before the CMFA Board of Directors is to approve a second supplementing resolution to allow a draw-down structure where, subsequent to the initial issuance of Bonds, the principal amount of a contractual assessment and the related Bonds is increased upon satisfaction of certain conditions, and the revisions of the approved forms of the Assessment Contract and Master Indenture to implement such structure.

This will provide for a two-part draw by a property owner so that the property owner doesn't have access to the full amount of the PACE financing until a construction loan has been funded and so the property owner doesn't have to pay interest on the second draw until the money is available.

Public Benefit:

PACE programs encourage energy efficiency and diversifies energy sources, both of which reduce the impact on existing infrastructure. Furthermore, PACE programs provide property owners with a low-cost alternative to financing major energy efficiency improvements or renewable energy retrofits. The program helps the economies of the communities we serve by creating new jobs and retaining existing jobs.

Recommendation:

The Executive Director recommends the CMFA Board of Directors approve the supplementing resolution for the use of draw-down structures in connection with limited obligation improvement bonds.

KENSINGTON HOMES APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	InSite Development, LLC
Action:	Initial Resolution
Amount:	$12,000,000
Purpose:	Finance Affordable Multifamily Rental Housing Facility Located in the City of Lancaster, County of Los Angeles, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

InSite Development acquires, rehabilitates and develops properties in the Southern California area for their own portfolio. Insite's affiliated company, Ironwood Management, operates and manages the day to day business of this 2,600+ unit, quarter billion-dollar portfolio. InSite's 15+ years of experience in both market rate and affordable multi-family housing allows the team to see opportunities where others may not. The purpose of InSite is to leverage their team's intrinsic energy, creativity, relationships and experience to unleash existing financial resources in partnerships with local social service providers and community leaders to create a true social impact through the creation of new housing. InSites's core strength is the company's ability to identify and move quickly on undervalued land and acquisition/rehabilitation properties and then to creatively secure financing sources to execute its vision for quality housing. The company's geographic focus gives them important competitive advantages and knowledge of local markets, city governments and social economic needs.

InSite Development prides itself in taking a product and making it better by prioritizing rehabilitation, sometimes substantial, and upgrades to create an environment of affordable elegance. Beyond basic rehabilitation repairs like new roofs and paint, InSite also offers amenities such as pools, gyms, tennis courts and panoramic views. But above all else, or perhaps most importantly, InSite Development feature properties are all at low market rent and all in a place anyone would be proud to call home.

The Project:

The Kensington Homes Apartments project is the new construction of a 51-unit affordable multi-family housing development for the chronically homeless. This is the third phase of the Kensington Campus. The project is to be located on land that is currently vacant, located at the corner of Avenue I and 32nd Street West, in Lancaster, California. The development will consist of 51 one-bedroom units. Rents will be restricted to households making less than 30% of AMI. The units will range in size from 500 to 965 square feet and will consist entirely of 1-bedroom units. The project will be located close to public transportation, retail marketplaces and public schools. The financing of this project will result in the creation of 50 affordable apartments in the City of Lancaster for the next 55 years.

The City of Lancaster:

The City of Lancaster is a member of the CMFA and is scheduled to hold a TEFRA hearing on October 8, 2019. Upon closing, the City is expected to receive approximately $5,625 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	$	9,000,000
LIH Tax Credit Equity:	$	696,346
No Place Like Home Funds:	$	8,200,000
Deferred Developer Fee:	$	195,020
Total Sources:	$	18,091,366

Uses of Funds:

New Construction:	$	13,698,364
Furnishings, Appraisal, Market Study, Fees:	$	943,620
Architectural & Engineering:	$	475,000
Legal & Professional:	$	121,000
Const. Interest, Taxes & Insurance:	$	500,000
Reserves:	$	800,746
Contingencies:	$	500,000
Developer Fee:	$	671,636
Cost of Issuance:	$	381,000
Total Uses:	$	18,091,366

Terms of Transaction:

Amount:	$12,000,000
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	January 2020

Public Benefit:

A total of 50 households will be able to enjoy high quality, independent, affordable housing in the City of Lancaster. On-site social services for chronically homeless residents will be provided by Ocean Park Community Center Aka The People Concern. The construction of this project will provide affordable living for the chronically homeless in the City of Lancaster for 55 years.

Percent of Restricted Rental Units in the Project: 100%

100% (50 Units) restricted to 30% of area median income households.

Unit Mix: 1-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	California Bank and Trust
Bond Counsel:	Kutak Rock, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Bocarsly Emden Cowan Esmail & Arndt, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $12,000,000 for the Kensington Homes Apartments multifamily affordable housing project located in the City of Lancaster, Los Angeles County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

MISSION HERITAGE PLAZA APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Wakeland Housing and Development Corp.
Action:	Initial Resolution
Amount:	$32,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facilities Located in the City of Riverside, Riverside County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Wakeland Housing and Development Corporation ("Wakeland") was founded in 1998 as a nonprofit corporation. With its for-profit and non-profit partners, Wakeland has developed, acquired and rehabilitated over 5,000 units of affordable housing, emerging as a leader in affordable housing communities in San Diego and throughout California.

Wakeland works with a variety of municipalities, developers and redevelopment agencies throughout California. They utilize federal, state and local funding resources including tax exempt bonds and tax credits and leverage other funds from the private and public sectors.

Wakeland's board of directors is comprised of affordable-housing, community and business leaders. Their team of highly qualified staff has expertise in both affordable housing and on-site resident service programs that offer unique opportunities for families and individuals to enhance their job marketability and enrich their lives. This is the fourth transaction that the CMFA has participated in with Wakeland Development.

The Project:

The Mission Heritage Plaza project is the new construction of a 72 unit (71 affordable, 1 on-site manager's unit) mixed-use community located at 3933 Mission Inn Avenue within the City of Riverside's Downtown Neighborhood. The project will include new and updated offices for the Fair Housing Council of Riverside County (FHCRC), a Diversity Center – flexible community meeting space and home for the Civil Rights Institute of Inland Southern California (CRI). The goal of the new community is to create a place to provide comprehensive services that affirmatively address and promote fair housing rights and further housing opportunities for all persons, including veterans, families, seniors and those who have experienced homelessness.

The site is rectangular in shape and bounded by Mission Inn Avenue to the south, Fairmount Boulevard to the east, 6th Street to the north and existing commercial and residential uses to the west. The project will consist of two buildings arranged in an "L" shaped configuration. Building A will face Mission Inn Avenue and include new offices for the FHCRC, the Diversity Center, CRI and property management offices on the ground floor and 60 affordable units will be located on floors two through five. Building B will face onto Fairmount Blvd and include 12 affordable units and be 3-stories in height. Parking will be located on-site and behind Buildings A and B.

71 of the 72 total units will be reserved for households making at or below 60 percent of the Area Median Income (AMI). There will also be one unrestricted, on-site manager's unit. The new development will set aside 30% of the total units (22 units) for low-income veteran households making at or below 50% AMI, including:

• 11 units for low-income veteran households, making 50% AMI or below; and
• 11 units as Permanent Supportive Housing (PSH) units:
    - Six units will be reserved for veteran households who have experienced homelessness and have a disabling condition; and
    - Five units will be reserved for veteran households who have experienced chronic homelessness.

This financing will provide 71 units of affordable housing for the City of Riverside for 55 years.

The County of Riverside:

The County of Riverside is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately $13,683 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	16,869,402
Perm Loan:	$	3,350,000
Land Donation:	$	1,692,251
TUMF Fee Waiver:	$	444,648
State of CA Budget Allocation:	$	3,500,000
GP Equity:	$	2,800,000
Deferred Dev. Fee:	$	500,000
AHSC:	$	10,806,931
VHHP:	$	4,001,486
FHCRC Fundraising:	$	1,000,000
City Funds:	$	3,000,000
Total Sources:	$	47,964,718

Uses of Funds:

Land Acquisition:	$	2,833,000
New Construction:	$	30,018,147
Architectural & Engineering:	$	1,800,246
Legal and Professional Fees:	$	250,000
Permits and Fees:	$	2,023,518
Financing Costs:	$	2,910,266
Marketing/General Administrative:	$	358,000
Developer Fee:	$	5,300,000
Construction Contingency:	$	2,265,258
Indirect Cost Contingency:	$	206,283
Total Uses:	$	47,964,718

Terms of Transaction:

Amount:	$32,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	January 2020

Public Benefit:

A total of 71 households will be able to enjoy high quality, independent, affordable housing in the City of Riverside for the next 55 years. Six units will be reserved for veteran households who have experienced homelessness and have a disabling condition, and five units will be reserved for veteran households who have experienced chronic homelessness.

Percent of Restricted Rental Units in the Project: 100%

27% (19 Units) restricted to 30% or less of area median income households and;
21% (15 Units) restricted to 45% or less of area median income households and;
30% (21 Units) restricted to 50% or less of area median income households and;
22% (16 Units) restricted to 60% or less of area median income households
Unit Mix: 1-, 2- and 3-bedrooms
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb & Lipman, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $32,000,000 for Mission Heritage Plaza Apartments affordable multi-family housing facility located in the City of Riverside, Riverside County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees

285 12TH STREET APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	East Bay Asian Local Development Corporation
Action:	Initial Resolution
Amount:	$40,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

The East Bay Asian Local Development Corporation ("EBALDC") was created around the dream of buying and preserving a beautiful but deteriorated warehouse in Oakland's Chinatown. That warehouse became the Asian Resource Center, a multi-service center to house social services and businesses. The Asian Resource Center is home to EBALDC, various nonprofit agencies, retail businesses, medical facilities, school district classes, and the Asian Resource Art Gallery.

Since 1975, EBALDC community development efforts have included development of over 1,600 affordable apartments and townhouses in 17 developments, of which five are historic structures; 124 first-time homeownership units; and 280,000 square feet of space for community organizations, including space for nonprofit organizations, resident services, childcare and small businesses.

In 1999, EBALDC created the Neighborhood Economic Development (NED) Department. The NED Department is dedicated to empowering diverse low-income individuals, families, businesses, and community organizations by mobilizing resources and facilitating collaborations. The NED department includes the following program areas: Family Economic Success (FES), Resident Services and Community Planning and Organizing.

EBALDC is a certified Community Housing Development Organization (CHDO) in Alameda and Contra Costa Counties and has won multiple awards for excellence in architectural design.

The Project:

The 285 12th Street Apartments is the new construction of a 65-unit multifamily affordable housing facility. The project is located on a 15,000 square foot lot in downtown Oakland. The project will be restricted to households making 30% to 60% of AMI. The development will be made up of a unit mix of 15 studios, 16 one-bedroom units, 17 two-bedroom units and 17 three-bedroom units. One of the two-bedroom units will be used as a manager's unit. The ground floor will include resident parking, management offices and approximately 3,500 square feet of commercial space. Amenities will include laundry room, lobby, courtyard, play area, computer station and on-site management and services. The services coordinator will provide one-on-one service support and community building & enrichment activities. The project is centrally located near job opportunities, good schools, public transit and many neighborhood amenities. The financing of this project will result in the creation of affordable housing for 64 low-income households in the City of Oakland for the next 55 years.

The City of Oakland:

The City of Oakland is a member of the CMFA and is scheduled to hold a TEFRA hearing on October 23, 2019. Upon closing, the City is expected to receive approximately $14,166 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond:	$ 30,000,000
LIH Tax Credit Equity:	$ 6,000,000
Oakland Housing Authority:	$ 12,000,000
Sponsor Equity:	$ 4,000,000
Total Sources:	$ 52,000,000
Uses of Funds:	
Land Cost/ Acquisition:	$ 7,500,000
New Construction:	$ 28,000,000
Architectural & Engineering:	$ 1,500,000
Legal & Professional:	$ 300,000
Permits, Environmental, Marketing, Etc.:	$ 3,000,000
Hard Cost Contingency:	$ 3,000,000
Construction Interest and Fees:	$ 2,800,000
Developer Fee:	$ 5,200,000
Costs of Issuance:	$ 700,000
Total Uses:	$ 52,000,000

Terms of Transaction:

Amount:	$40,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	July 2020

Public Benefit:

A total of 64 households will be able to enjoy high quality, independent, affordable housing in the City of Oakland for the next 55 years. The project will have on-site supportive services available free of charge to residents.

Percent of Restricted Rental Units in the Project: 100%

- 16% (10 Units) restricted to 30% or less of area median income households; and
- 16% (10 Units) restricted to 50% or less of area median income households; and
- 68% (44 Units) restricted to 60% or less of area median income households
- Unit Mix: Studio, 1-, 2- & 3-bedroom units.

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $40,000,000 for 285 12th Street Apartments affordable multi-family housing facility located in the City of Oakland, Alameda County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

6^{th} & CESAR CHAVEZ APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Chelsea Investment Corporation
Action:	Initial Resolution
Amount:	$40,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Coachella, Riverside County California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Chelsea Investment Corporation ("CIC") is a real estate company focused on the financing and development of affordable housing. CIC provides financial engineering, development, asset management and property management services, as well as legal and non-profit experience to its development and investment partners and clients. Considered experts in the affordable housing sector, they have a strong and experienced team of professionals who identify and implement timely and cost-effective solutions to the many challenges of this market niche.

The CMFA has participated in over ten CIC projects.

The Project:

6^{th} & Cesar Chavez Apartments is the new construction of a 105-unit development consisting of 50 one-bedroom units, 28 two-bedroom units and 27 three-bedroom units providing for the housing needs of residents with low and very low income at less than 60% of area median income. The proposed tenant population is families with 10 units set aside for developmentally disabled individuals and families including six one-bedroom and four two-bedroom units. The project includes 3,000 square feet of commercial space along Cesar Chavez Street as well as 6th Street - the gateway to City Hall and downtown Coachella. Parking will include 99 residential spaces, 21 guest and 12 commercial spaces provided on grade. The project will be net-zero energy and smoke free.

The project has received an Affordable Housing and Sustainable Communities (AHSC) funding award that will fund the following features available to the public:

- Over 3,000 linear feet of walkway improvements.
- Over two miles of new bikeways connecting downtown to Urban Greening improvements planned for Grapefruit Boulevard.
- A new bus station allowing bus routes for the City to have a new centralized hub adjacent to the housing development.
- Increased frequency of the Sun line 111 bus line connecting the City of Coachella to key destinations along Highway 111 that terminates in Palm Springs.
- Vanpools for employment workplace commuting.

This financing will provide 104 units of affordable housing for the City of Coachella for 55 years.

The City of Coachella:

The City of Coachella is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive $14,555 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	32,328,552
LIHTC Equity:	$	2,522,398
City of Coachella Fee Deferral Loan:	$	9,240,000
Riverside County:	$	1,000,000
Residential Receipt Loans Accrued Interest:	$	277,200
Total Sources:	$	45,368,150

Uses of Funds:

New Construction:	$	25,696,690
Land Acquisition:	$	1,505,000
Architectural & Engineering:	$	567,000
Contingency:	$	1,719,385
Construction Period Expenses:	$	1,770,777
Legal & Professional:	$	374,909
CFD Prepayment:	$	9,855,000
Other Costs*:	$	2,879,389
Developer Fee:	$	1,000,000
Total Uses:	$	45,368,150

Terms of Transaction:

Amount:	$40,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2020

Public Benefit:

A total of 104 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Coachella for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

21% (22 Units) restricted to 30% or less of area median income households; and

79% (82 Units) restricted to 60% or less of area median income households.

Unit Mix: 1-, 2- & 3-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Odu & Associates, PC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $40,000,000 for 6th & Cesar Chavez Apartments affordable multi-family housing facility located in the City of Coachella, Riverside County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees

1601 OXFORD STREET APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Satellite Affordable Housing Associates
Action:	Initial Resolution
Amount:	$20,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Berkeley, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Satellite Affordable Housing Associates ("SAHA") provides quality affordable homes and services that empower people and strengthen neighborhoods.

SAHA began from the idea that every person deserves a home. Their work is inspired by a belief that quality homes and empowering services should be in reach for all of the Bay Area's community members and that despite the many obstacles to providing housing for people with low-incomes and special needs, this goal is possible.

SAHA's innovative properties provide more than 3,000 residents in seven counties in northern California with much-needed affordable housing and services. With a commitment to high-quality design and thoughtful, ongoing supportive services, they empower their residents to build better lives and create healthier, safer communities.

SAHA was created out of the strengths of two of the Bay Area's leaders in providing affordable housing for low-income and special needs populations. They want to advance the field of affordable housing, and guide their work in housing development, property management, and resident services by the following principles:

- They believe that every person deserves a home
- They commit to communities for the long term
- Their comprehensive housing services empower their residents to thrive
- High quality design inspires people and builds community
- Green building practices lead to a healthy, sustainable society
- Innovation and thoughtful risk-taking are part of how they pursue excellence

The Project:

The 1601 Oxford Street Apartments is a 37-unit new construction project serving low- and very low-income households, to be located at 1601-1607 Oxford Street in Berkeley, California. The development will be a four-story wood frame structure over a 1 story podium built into the site's existing slope. The building's connection to the street is articulated through a defined main corner entrance with stairs recessed to a lobby, manager's office, and bicycle parking at the podium level, as well as a staircase and elevator to the building's four upper stories. The rest of the podium level includes 21 parking spaces, which are accessible via a driveway from Oxford St. The central courtyard, which is built on top of the podium, is accessible via a second entrance uphill from Cedar Avenue and tucked inside of the L-shaped building, providing some privacy and separation from the Oxford and Cedar intersection but connectivity and direct access to the first floor, community room and lobby spaces. A combination of open space, outdoor seating, a labyrinth and raised garden beds combine to create gathering areas where residents may engage in the project's positive community atmosphere. The development will also include approximately 1450sq feet of administrative space for All Souls Episcopal Parish. This financing will create 34 units of affordable housing for households in the City of Berkeley for 55 years.

The City of Berkeley

The City of Berkeley is a member of the CMFA and has been asked to hold a TEFRA hearing on November 12, 2019. Upon closing, the City is expected to receive approximately $8,832 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	14,132,500
City of Berkeley:	$	6,025,000
AHP:	$	340,000
Land Contribution:	$	2,970,000
Deferred Costs:	$	3,062,610
Total Sources:	$	26,530,110

Uses of Funds:

Land Acquisition:	$	2,970,000
New Construction:	$	15,392,702
Architectural & Engineering:	$	1,221,665
Legal and Professional:	$	4,422,627
Construction Interest & Fees:	$	1,329,926
Reserves:	$	337,059
Relocation:	$	422,000
Utility Hookups:	$	144,595
Costs of Issuance:	$	289,536
Total Uses:	$	26,530,110

Terms of Transaction:

Amount:	$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2020

Public Benefit:

A total of 34 low income households will be able to enjoy high quality, independent, affordable housing in the City of Berkeley, California for the next 55 years.

12 of the 34 restricted units will be dedicated to homeless seniors with serious mental illness.

Percent of Restricted Rental Units in the Project: 92%

21% (7 Units) restricted to 20% or less of area median income households;
15% (5 Units) restricted to 30% or less of area median income households;
32% (11 Units) restricted to 50% or less of area median income households; and
32% (11 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2- and 3-bedrooms

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $20,000,000 for 1601 Oxford Street Apartments affordable multi-family housing facility located in the City of Berkeley, Alameda County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

KRISTINE II APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Affirmed Housing Group
Action:	Initial Resolution
Amount:	$13,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Bakersfield, County of Kern, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

The Affirmed Housing Group is a Southern California based Affordable Housing Developer specializing in tax-credit and tax-exempt bond financed multi-family and single-family developments. Areas of expertise include site selection, engineering, architecture, construction, relocation, and marketing. They have extensive knowledge in public finance, low-income housing tax credit acquisition and tax-exempt bond financing. Through collaboration with civic leaders and private sector financial partners, Affirmed Housing Group is dedicated to improving and sustaining the viability of California communities through the development of well-designed and professionally managed affordable housing.

Founded in 1992, Affirmed has successfully developed 42 communities with over 3,000 affordable rental and for sale apartments and homes. The Affirmed pipeline of projects currently includes over 500 apartments, each at various stages of development. Affordable housing developments include new construction and rehabilitation of senior, special needs, and family rentals. With extensive knowledge in public & private finance, Affirmed is highly skilled and innovative in development funding.

With over 25 years of successful development experience, Affirmed Housing has proven relationships with lenders and investors. In an industry requiring expertise in specialized financing, Affirmed has effectively utilized creative sources to finance their award winning communities. Sources have included bank, equity, local, state, and federal funding.

The Project:

Kristine II is the rehabilitation of an existing multifamily complex comprised of 60 units, originally built in 1993, targeting families and farmworkers with incomes up to 50% AMI. This project will be 50% farmworker households and 50% large family households. The project is comprised of eleven two-story residential buildings with a unit mix of 20 two-bedroom units and 40 three-bedroom units. There is one one-story community building that includes the manager's office. One three-bedroom unit is designated for on-site management. The project will undergo extensive ADA upgrades to a percentage of the units. Unit amenities will include HVAC, and energy-star appliances including a refrigerator, stove/oven, and dishwasher. The interior of the units will receive new paint and flooring throughout common areas, new doors and hardware as needed, new kitchens including cabinets, countertops and appliances and renovated bathrooms with new fixtures, flooring and accessories. Building exteriors will receive stucco repairs and new paint, new exterior lighting and signage, and repairs to existing features including new roofs. Project amenities will include a newly renovated community building, playground, basketball court, barbeque/picnic tables, on-site management, and laundry room. The community building will receive a new kitchen area to include cabinets, countertops and appliances, and renovated bathrooms with new fixtures, flooring and accessories. The financing of this project will result in the preservation of 59 affordable apartments for another 55 years in the City of Bakersfield.

The City of Bakersfield:

The City of Bakersfield is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $5,488 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	8,781,906
Operating Income During Construction:	$	202,000
Short Term Reserve Contribution:	$	300,000
Seller Carryback:	$	450,599
Costs Deferred Until Perm:	$	784,484
Equity:	$	1,082,551
Total Sources:	$	11,601,540

Uses of Funds:

Land Acquisition:	$	433,000
Building Acquisition:	$	3,220,000
Rehabilitation:	$	4,828,131
Architectural & Engineering:	$	293,000
Legal & Professional:	$	150,000
Reserves:	$	131,000
Construction & Perm Financing Costs:	$	454,000
Permits & Dev. Impact Fees:	$	66,000
Developer Fee:	$	1,876,409
Costs of Issuance:	$	150,000
Total Uses:	$	11,601,540

Terms of Transaction:

Amount:	$13,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	September 2020

Public Benefit:

A total of 59 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Bakersfield, California for another 55 years.

Percent of Restricted Rental Units in the Project: 100%

100% (59 Units) restricted to 50% or less of area median income households.
Unit Mix: 2- and 3-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Katten Muchin Rosenman LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $13,000,000 for Kristine II Apartments affordable multi-family housing facility located in the City of Bakersfield, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

DEL NIDO APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Eden Housing
Action:	Inducement Resolution
Amount:	$55,000,000
Purpose:	Finance Affordable Rental Housing Facility Located in the City of Santa Rosa, Sonoma County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Eden Housing's Mission is to build and maintain high-quality, well-managed, service-enhanced affordable housing communities that meet the needs of lower income families, seniors, and persons with disabilities.

Eden Housing was founded in May of 1968 by six community activists who were greatly concerned about the lack of non-discriminatory, affordable housing in Alameda County. These pioneers, working out of makeshift "headquarters" such as local coffee shops, were initiated into affordable housing development by rehabilitating six older homes in Oakland for first time homebuyer families.

Since those pioneering days, Eden Housing has developed or acquired more than 7,500 affordable housing units within 100 properties that have provided homes for more than 65,000 people over the years. Eden's housing portfolio now includes rental apartments, first-time homeowner opportunities, cooperatives, and supportive living environments for families, seniors and people with disabilities.

Eden Housing revitalizes California communities through their affordable housing development and property management activities, the partnerships they establish and the investments they make in California neighborhoods, and through the free social services and supportive programs they provide to meet the needs of their residents.

The CMFA has facilitated over 15 Eden Housing projects.

The Project:

The Del Nido Apartments is an acquisition/rehabilitation of an existing 206-unit affordable housing project. The existing project is comprised of studio and 1-bedroom units. There will be 204 affordable units restricted to 60% and below of AMI and two staff units. The rehabilitation of the project will consist of substantial renovation to increase energy efficiency. The property contains a pool, playground, community building and a manager's office. The developer also provides on-site resident services. This financing will preserve 204 units of affordable housing in the City of Santa Rosa for the next 55 years.

The City of Santa Rosa:

The City of Santa Rosa is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $16,229 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

	Construction
Sources of Funds:	
Tax-Exempt Bond Proceeds:	$ 42,376,674
Seller Financing:	$ 30,258,517
City of Santa Rosa:	$ 1,000,000
County of Sonoma:	$ 750,000
Costs Deferred Until Conversion:	$ 2,268,373
Equity:	$ 2,600,724
Total Sources:	$ 79,254,288
Uses of Funds:	
Land Acquisition:	$ 1,500,000
Building Acquisition:	$ 40,739,931
Rehabilitation:	$ 20,078,293
Architectural & Engineering:	$ 1,083,392
Legal & Professional:	$ 410,900
Construction Interest:	$ 3,226,966
Other & Reserves*:	$ 6,019,122
Developer Fee:	$ 5,475,605
Costs of Issuance:	$ 720,079
Total Uses:	$ 79,254,288

Terms of Transaction:

Amount:	$55,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 2020

Public Benefit:

A total of 204 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Santa Rosa for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
 100% (204 Units) restricted to 60% or less of area median income households
 Unit Mix: Studio and 1-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $55,000,000 for Del Nido Apartments affordable housing facilities located in the City of Santa Rosa, Sonoma County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

FOON LOK WEST APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	MidPen Housing Coalition
Action:	Initial Resolution
Amount:	$70,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facilities Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

MidPen Housing Coalition ("MidPen") is one of the nation's leading non-profit developers, owners and managers of high-quality affordable housing. MidPen has developed over 100 communities and 6,600 homes for low-income families, seniors and special needs individuals throughout Northern California over the last 40 years.

MidPen's developments are award winning and nationally recognized. MidPen has extensive experience in site acquisition and planning, entitlements, community outreach, design, and construction management. The organization has a solid track record in securing both public and private funding and proven expertise in positioning projects for long-term financial sustainability. In addition, MidPen provides comprehensive on-site services and programs to help residents advance. These services are delivered through the organization's staff and a network of over 300 service provider partners.

The CMFA has facilitated over 10 Mid-Peninsula Housing Coalition projects.

The Project:

The Foon Lok West Apartments is the new construction of a 130-unit affordable multifamily housing project to serve lower income workforce and formerly homeless households. This project will provide 26 one-bedroom units designated for serving formerly homeless households earning 20% AMI or less. These units are set aside for referrals from the Alameda County Coordinated Entry System. The remaining 103 restricted units are composed of units ranging from one- to three-bedrooms and will serve lower income workforce households earning between 30%-60% AMI. Of these lower income workforce units, 26 units are reserved to serve households making no more than 30% AMI. One unit will be a manager's unit.

The Project is part of Brooklyn Basin Affordable Housing, a proposed multi-phased development located in the Brooklyn Basin master planned community south of Jack London Square in the City of Oakland. The site consists of two parcels jointly owned by the City of Oakland and the Oakland Housing Authority known as Parcel F and Parcel A.

MidPen Housing Corporation (MidPen) was selected by the City and master developer Zarsion-OHP I, LLC (ZOHP), an entity managed by Signature Development Group, to be its affordable housing partner at Brooklyn Basin, a planned 3,100 unit development that will transform a 63-acre formerly-industrial site on the Oakland Estuary into a vibrant mixed-use neighborhood with many on-site amenities including public parks, trails, and waterfront access. MidPen's development plan includes four separate projects, with two phases at Parcel F and two phases at Parcel A.

When constructed, Foon Lok West will provide many on-site amenities that will help low-income families and formerly homeless households live comfortably and thrive. This includes a large multi-purpose community room and ample landscaped outdoor space at the podium level with views to the waterfront. The computer lab and learning center will host after school programs for kids of varying ages, as well as a variety of programs tailored to lower income workforce adults and individuals with supportive needs (i.e., computing classes, financial literacy, life skill classes, etc.) Adjacent to the learning center are dedicated service offices that will provide space for private meetings with case managers and service coordinators. This financing will create 129 units of new affordable housing for the City of Oakland for the next 55 years.

The City of Oakland:

The City of Oakland is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $19,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$ 62,000,000
Taxable Bond:	$ 8,096,208
City of Oakland:	$ 12,442,000
Alameda County Regional A1:	$ 9,648,100
FHLB AHF:	$ 1,290,000
Market Land Value/Deferred Dev Fee*:	$ 22,449,587
LIH Tax Credit Equity:	$ 5,469,572
Total Sources:	$ 121,395,467

Uses of Funds:

Land Acquisition:	$ 10,515,000
New Construction:	$ 78,299,899
Architectural & Engineering:	$ 2,748,240
Legal & Professional:	$ 263,000
Permits & Fees:	$ 7,502,027
Developer Fee:	$ 13,694,368
Reserves:	$ 2,093,550
Other Project Costs:	$ 5,897,630
Costs of Issuance:	$ 381,753
Total Uses:	$ 121,395,467

Terms of Transaction:

Amount:	$70,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2020

Public Benefit:

A total of 129 households will to be able to enjoy high quality, independent, affordable housing in the City of Oakland, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

20% (26 Units) restricted to 20% or less of area median income households and;
20% (26 Units) restricted to 30% or less of area median income households and;
29% (37 Units) restricted to 50% or less of area median income households and;
31% (40 Units) restricted to 50% or less of area median income households.
Unit Mix: Studio, 1-, 2- and 3-bedrooms
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb and Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $70,000,000 for Foon Lok West Apartments affordable housing facility located in the City of Oakland, Alameda County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

ANCORA PLACE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Satellite Affordable Housing Associates
Action:	Initial Resolution
Amount:	$40,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Satellite Affordable Housing Associates ("SAHA") provides quality affordable homes and services that empower people and strengthen neighborhoods.

SAHA began from the idea that every person deserves a home. Their work is inspired by a belief that quality homes and empowering services should be in reach for all of the Bay Area's community members and that despite the many obstacles to providing housing for people with low-incomes and special needs, this goal is possible.

SAHA's innovative properties provide more than 3,000 residents in seven counties in northern California with much-needed affordable housing and services. With a commitment to high-quality design and thoughtful, ongoing supportive services, they empower their residents to build better lives and create healthier, safer communities.

SAHA was created out of the strengths of two of the Bay Area's leaders in providing affordable housing for low-income and special needs populations. They want to advance the field of affordable housing, and guide their work in housing development, property management, and resident services by the following principles:

- They believe that every person deserves a home
- They commit to communities for the long term
- Their comprehensive housing services empower their residents to thrive
- High quality design inspires people and builds community
- Green building practices lead to a healthy, sustainable society
- Innovation and thoughtful risk-taking are part of how they pursue excellence

The Project:

The Ancora Place Apartments is a 77-unit new construction project serving low- and very low-income households to be located in the historic Rancho San Antonio neighborhood in Oakland (2227-2257 International Blvd.). The development will be an L-shaped building designed around a very large 15,000 square foot ground-level courtyard. Dedicated areas will be available for toddlers, children, teenagers and adults to provide organic gathering and play areas for all ages and activity experiences. The outdoor space affords programming for a tot lot, turf/play area, play structure for children ages 5-12, gardening beds, patio seating, walking path, and an outdoor covered pavilion offering shade in summer and rain covering in winter. The community room, laundry and bike room all face onto the open space creating that California indoor-outdoor living experience. All outdoor and community spaces will be programmed through property management and will also be available to neighborhood organizations free of charge for meetings and special events. The building is served by two elevators as well as two staircases. The targeted income levels will be 20% to 60% AMI. Sixteen units are dedicated to support chronically homeless households as defined through the funding award of No Place Like Home dollars from the State of California. Service agreements have been made with Alameda County Behavioral Health Services and Lifelong Medical to support this population. There will also be general resident service offerings to the general housing population. This financing will create 76 units of affordable housing for households in the City Oakland for 55 years.

The City of Oakland

The City of Oakland is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $15,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	35,014,358
Permanent Loan:	$	9,797,600
Alameda County:	$	5,370,606
City of Oakland:	$	8,341,000
No Place Like Home:	$	3,415,080
Deferred Developer Fee:	$	1,400,000
Equity:	$	1,408,204
Total Sources:	$	64,746,848

Uses of Funds:

Land Acquisition:	$	4,675,625
Construction Interest & Fees:	$	2,794,729
New Construction:	$	40,998,523
Architectural & Engineering:	$	1,746,183
Legal and Professional:	$	63,000
Permits & Fees:	$	2,085,000
Other Soft Costs*:	$	6,200,718
Soft Cost Contingency:	$	500,000
Developer Fee:	$	4,808,204
Costs of Issuance:	$	874,866
Total Uses:	$	64,746,848

Terms of Transaction:

Amount:	$40,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2020

Public Benefit:

A total of 76 low income households will be able to enjoy high quality, independent, affordable housing in the City of Oakland, California for the next 55 years. Sixteen units will be dedicated to support chronically homeless households.

Percent of Restricted Rental Units in the Project: 100%

26% (20 Units) restricted to 20% or less of area median income households; and
15% (11 Units) restricted to 30% or less of area median income households; and
30% (23 Units) restricted to 50% or less of area median income households; and
29% (22 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1-, 2- and 3-bedrooms

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $40,000,000 for Ancora Place Apartments affordable multi-family housing facility located in the City of Oakland, Alameda County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

HEALTHRIGHT 360
SUMMARY AND RECOMMENDATIONS

Applicant:	HealthRIGHT 360
Action:	Final Resolution
Amount:	$75,000,000
Purpose:	Finance and Refinance Healthcare Facilities Located in the Cities of Escondido, Pomona, San Francisco and San Mateo, Counties of San Diego, Los Angeles, San Francisco and San Mateo, California.
Activity:	Healthcare
Meeting:	October 4, 2019

Background:

HealthRIGHT 360 (the "Corporation") is a California nonprofit public benefit corporation headquartered in the City of San Francisco, California. The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Corporation provides integrated care that includes primary medical, mental health, substance use disorder treatment and re-entry services to clients in the San Francisco Bay Area, Southern California and the Central Valley of California. The Corporation is one of the largest safety net health care providers in California, providing vital health and social services to vulnerable and underserved communities (including low-income, unsheltered, and other safety net populations). The mission of the Corporation is to give hope, build health and change lives for people in need.

The Corporation serves more than 32,000 individuals per year in different programs at facilities within the following 13 California counties: Amador, Sacramento, Solano, Contra Costa, San Joaquin, San Francisco, San Mateo, Santa Clara, Ventura, Los Angeles, Orange, San Diego and Imperial. Approximately 90% of the Corporation's annual revenues are derived from its contracts with governmental entities (including federal, state and county payors), with approximately 65% of the Corporation's annual revenues derived from contracts with the California Department of Corrections, the City and County of San Francisco Department of Public Health and the County of Los Angeles.

The Project:

The proceeds of the bonds will be used to: (a) refund the portion of the outstanding California Health Facilities Financing Authority Insured Health Facility Revenue Bonds (Prototypes/Social Model), 2001 Series A, issued to make a loan to Prototypes, A Center for Innovation in Health, Mental Health and Social Services, a predecessor of the Corporation ("Prototypes"), to finance the purchase of approximately 3.2 acres of property located adjacent and immediately to the west of 845 East Arrow Highway in Pomona, California, and the construction thereon of an approximately 11,000 square foot building for an expanded outpatient and day treatment substance abuse recovery facility and allow for 23 beds for residential substance abuse treatment (the "2001 Bonds"), (b) refund the outstanding California Statewide Communities Development Authority Insured Health Facility Revenue Bonds (North County Serenity House, Inc.), 2003 Series A, issued to make a loan to North County Serenity House, Inc., a predecessor of the Corporation ("Serenity House"), to (i) refinance the cost of purchasing Serenity Center, an approximately 18,800 square foot, 54 room, former hotel, located at 1341 North Escondido Boulevard in Escondido, California, (ii) finance the cost of improvements to Serenity Center, including expansion of the kitchen and dining room, addition of meeting rooms, offices and a training room, and construction of a children's play area, (iii) finance the cost of purchasing Serenity Too, an approximately 3,100 square foot building, currently leased, located at 130 South Fig Street in Escondido, California, and (iv) refinance the cost of purchasing six properties located at 123 South Elm Street (Serenity House), 950 North Fig Street (Discovery Center), 117 North Elm Street (Child Care Center), 701 East Second Street (Women and Children), 834 East Second Street (Visions/1st Phase) and 842 East Second Street (Women and Children), all in Escondido, California (the "2003 Bonds"), (c) refund the outstanding California Statewide Communities Development Authority Insured Refunding Revenue Bonds (Walden House, Inc.), 2004 Series A, issued to make a loan to Walden House, Inc., a predecessor of the Corporation ("Walden House"), to refund bonds issued by the California Health Facilities Financing Authority in 1992 issued to (i) finance the acquisition of the real property (and improvements thereon) housing Walden House's 100-bed adult residential treatment facility located at 890 Hayes Street, San Francisco, California (the "Hayes Street Facility"), which Walden House previously leased; (ii) finance various capital improvements to the Hayes Street Facility, Walden House's adult residential treatment facility located at 815 Buena Vista West, San Francisco, California, and its adolescent residential facility located at 214 Haight Street, San Francisco, California; (iii) reimburse Walden House for certain expenditures previously made in connection with various capital improvement projects at Walden House's various facilities; and (iv) refinance certain existing indebtedness of Walden House (the "2004 Bonds"), (d) provide for the prepayment of a HELP II loan from the California Health Facilities Financing Authority in 2008 to Women's Recovery Association, a predecessor of the Corporation ("WRA"), to finance renovations and equipment, and a facility for the residential treatment of up to five women and up to six dependents located at 27-29 N Humboldt Street in San Mateo, California (the "WRA Help II Loan"), (e) provide for the prepayment of a HELP II loan from the California Health Facilities Financing Authority in 2008 to Serenity House to finance an outpatient services facility located at 130 South Fig Street in Escondido, California (the "Serenity House Help II Loan"), (f) provide for the prepayment of a loan from Bank of America, N.A. in 1991 to Prototypes, to finance renovations to the residential treatment facility for 164 women at located at 845 East Arrow Highway in Pomona, California (the "1991 B of A Loan"), (g) provide for the prepayment of a loan from Union Bank of California, N.A. in 2001 to WRA, to finance the acquisition of the real property for a residential treatment facility for up to 12 women located at 900 Laurel Avenue in San Mateo, California (the "2001 Union Bank Loan"), (h) provide for the prepayment of a loan from Bank of America, N.A. to the Corporation entered into in 2011, to finance a portion of the costs of the acquisition and renovation of 1563 Mission, and for capital expenditures that included elevator work, fire sprinkler work, and hot water boiler replacement to enable the continued provision of services located at 890 Hayes Street, 815 Buena Vista West Avenue, 1735 Mission Street, 154 Coleridge Street, and 214 Haight Street in San Francisco, California (the

“2011 B of A Loan”), (i) provide for the prepayment of a loan from Bank of America, N.A. in 2016 to the Corporation, to finance a portion of the costs of the acquisition and renovation of its headquarters building located at 1563 Mission Street in San Francisco (“1563 Mission”) (the “2016 B of A Loan”), (j) provide for the prepayment of a loan from the Nonprofit Finance Fund in 2016 to the Corporation, to finance a portion of the costs of the acquisition and renovation of 1563 Mission (the “2016 NFF Loan” and, with the WRA Help II Loan, the Serenity Help II Loan, the 1991 B of A Loan, the 2001 Union Bank Loan , the 2011 B of A Loan, and the 2016 B of A Loan, the “Prior Loans”), (k) finance renovations and equipment to a facility providing residential substance use disorder treatment services located at 1341 North Escondido Boulevard. in Escondido, California (the “2019 Escondido Project”), (l) finance renovations and equipment to facilities providing residential substance use disorder treatment located at 831 East Arrow Highway and 845 East Arrow Highway in Pomona, California (the “2019 Pomona Project”), (m) finance renovations and equipment to facilities providing residential substance use disorder treatment or outpatient services located at 890 Hayes Street, 214 Haight Street, 1563 Mission Street, 815 Buena Vista Avenue West, 152 Coleridge and 1735 Mission Street in San Francisco(the “2019 San Francisco Project”), and (n) finance renovations and equipment to facilities providing residential substance use disorder treatment services located at 27-29 North Humboldt Street, 202 East Bellevue Avenue, and 900 Laurel Avenue in San Mateo (the “2019 San Mateo Project” and, with the 2019 Escondido Project, the 2019 Pomona Project and the 2019 San Francisco Project, the “2019 Projects”).

The Cities of Escondido, Pomona, San Francisco and San Mateo:

The Cities of Escondido, Pomona, San Francisco and San Mateo are all members of the CMFA and have or are scheduled to hold TEFRA hearings. Upon closing, the cities are expected to share up to $17,500 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	
Tax-Exempt Bond Proceeds:	$ 65,000,000
Total Sources:	$ 65,000,000
Uses of Funds:	
Rehabilitation:	$ 1,800,000
Refunding/Prepaying debt	$ 49,200,000
Capitalized Interest:	$ 10,000,000
Bond Reserve Fund:	$ 3,000,000
Costs of Issuance:	$ 1,000,000
Total Uses:	$ 65,000,000

Terms of Transaction:

Amount:	$75,000,000
Maturity:	October 2049
Collateral:	Deed of Trust on property, Gross Revenue Pledge, DSR Fund
Bond Purchasers:	Limited Offering; Institutional and Sophisticated Investors
Rating:	Unrated
Estimated Closing:	October 2019

Public Benefit:

The Corporation has designated the Bonds as "Social Bonds" to allow investors to invest directly in bonds that provide the Corporation with funds to refinance and finance renovations and equipment that enable the Corporation to administer health and social services to its more than 32,000 individuals that it serves each year. The programs and services that the Corporation administers have become national models for community healthcare, substance use disorder treatment and mental health services. The Corporation has determined that the projects to be financed and refinanced with the proceeds of the Bonds are "Social Projects" based on the social benefits of addressing drug addiction and homelessness.

The designation of the Bonds as "Social Bonds" is intended to generally comport with The Social Bond Principles promulgated by the International Capital Market Association ("ICMA"), updated as of June 2018. The term "Social Bonds" is neither defined in nor related to provisions in the Indenture or the Loan Agreement. "Social Projects" and "Social Bonds" are entirely self-designating labels lacking any objective guidelines or criteria. ICMA is a European-based entity with some members from the United States.

Neither the Authority nor the Corporation nor the Underwriter assume any obligation to ensure that the projects financed and refinanced with proceeds of the Bonds comply with any legal or other standards or principles that may relate to "Social Projects" or that the Bonds comply with any legal or other standards or principles that may related to "Social Bonds." The designation of the Bonds as Social Bonds does not entitle the holders of such obligations to any special treatment under the Internal Revenue Code of 1986, as amended.

Finance Team:

Underwriter:	Barclays
Bond Counsel:	Quint & Thimmig LLP
Issuer Counsel:	Jones Hall, APLC
Underwriters Counsel:	Orrick, Herrington & Sutcliffe LLP
Borrower Counsel:	Goldfarb & Lipman LLP
Trustee/Escrow Bank:	U.S. Bank National Association
Trustee Counsel:	Dorsey & Whitney LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution authorizing the issuance of revenue bonds in an aggregate principal amount not to exceed $75,000,000 for the HealthRIGHT 360 project located in the cities of Escondido, Pomona, San Francisco and San Mateo, counties of San Diego, Los Angeles, San Francisco and San Mateo, California.

**The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.

LITERACY FIRST
PROJECT SUMMARY AND RECOMMENDATIONS

Applicant:	Literacy First Charter School Issuer, LLC
Action:	Final Resolution
Amount:	$14,000,000
Purpose:	Finance, Refinance or Reimburse the Acquisition, Construction, Improvement, Renovation and Equipping of Educational Facilities for the Benefit of Literacy First Charter Schools, located in the City of El Cajon, San Diego County, California.
Activity:	Educational Facilities
Meeting:	October 4, 2019

Background:

Literacy First Charter School Issuer, LLC (the "Borrower") is a California limited liability company. The sole member of the Borrower is Literacy First Charter Schools, a California nonprofit public benefit corporation (the "Corporation") designated as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") and authorized by the State of California (the "State") to operate the following four charter schools: (1) Primary Academy, located at 799 East Washington Avenue, El Cajon, California 92020 (the "Primary Campus"), serving grades kindergarten through 3; (2) Liberty Academy, located at 698 West Main Street, El Cajon, California 92020 (the "Liberty Campus"), serving grades kindergarten through 6; (3) Junior Academy, located at 1012 East Bradley Avenue, El Cajon, California 92021 (the "Junior Campus"), serving grades 4 through 8; and (4) Liberty Charter High School (the "Liberty Charter High Campus"), located at 8425 Palm Street, Lemon Grove, California 91945, serving grades 9 through 12 (collectively, the "Literacy First Charter Schools").

The Literacy First Charter Schools serve a diverse population of students from kindergarten to the 12th grade and are dedicated to helping children become literate, life-long learners and responsible citizens. The core of the Literacy First program is aligned with the California State Common Core Standards and includes a strong literacy focus emphasizing perceptive listening skills, articulate and fluent speaking skills, comprehensive and efficient reading skills, and convincing and powerful writing skills. Beyond a rigorous standards-based curriculum, the Literacy First Charter Schools teach technology and life skills and provide opportunities for community service, development of critical decision-making skills, and collaborative team building. The Literacy First program also includes literature-based, learning-based, and hands-on projects; a longer day and longer school year; and arts, technology, and physical education programs.

The Literacy First mission states that they exist to nurture the whole child from kindergarten through high school graduation by igniting a passion for comprehensive literacy and equipping students to wholeheartedly participate in their community. Literacy First views education as a process, not a product, which enables students to go from learning to read, to reading to learn.

<u>The Project:</u>

The proceeds of the Bonds will be used for: (1) financing up to $8,500,000 of the costs of the acquisition, construction, improvement, furnishing and equipping of certain charter school educational facilities located at 1012 East Bradley Avenue, El Cajon, California (the "Bradley Facility") operated as a charter school known as Literacy First Junior Academy serving grades 4 through 8; (2) reimbursing the Borrower for up to $2,000,000 of the costs of purchasing certain land adjacent to the Bradley Facility (the "Bradley Land"); (3) refinancing (through purchase and cancellation) the Issuer's Charter School Lease Revenue Bonds (Literacy First Project) Series 2010 outstanding in the aggregate principal amount of approximately $3,000,000, the proceeds of which were applied by the Borrower to finance the acquisition, renovating, improving and equipping of certain charter school facilities located at 698 West Main Street, El Cajon, California, operated as a charter school known as Liberty Academy serving grades K through 6 (the "Liberty Facility" and, collectively with the Bradley Facility and the Bradley Land, the "Facilities"); (4) reimbursing the Borrower for up to $3,000,000 capital expenditures made by the Borrower in connection with the Facilities; (5) funding capitalized interest and reserve funds, if necessary, with respect to the Bonds; and (6) paying certain expenses incurred in connection with the issuance of the Bonds, including any applicable credit enhancement costs for the Bonds (such purposes are referred to herein collectively as the "Project"). The Facilities will be owned by Borrower, and will be leased to the Corporation. The Corporation is the sole member of the Borrower. The Facilities are expected to be operated by the Corporation and used for the operation of California public charter schools.

<u>The County of San Diego:</u>

The County of San Diego is a member of the CMFA and is scheduled to hold a TEFRA hearing on October 15, 2019. Upon closing, the County is expected to receive up to $7,333 as part of the CMFA's sharing of Issuance Fees.

<u>Proposed Financing:</u>

Sources of Funds:		
Tax-Exempt Bonds:	$	12,700,000
Total Sources:	$	12,700,000
Uses of Funds:		
Land & Building Acquisition:	$	8,500,000
Debt Service Reserve Fund:	$	750,000
Refinance 2010 Bonds:	$	2,850,000
Cost of Issuance:	$	600,000
Total Uses:	$	12,700,000

Terms of Transaction:

Amount:	$14,000,000
Maturity:	September 2049
Collateral:	Deed of Trust
Bond Purchasers:	Limited Offering; Institutional and Sophisticated Investors
Closing:	November 2019
Rating:	Anticipated BBB-

Public Benefit:

It is the goal of Literacy First Charter Schools and the Corporation, to be able to meet the needs of students throughout San Diego County in innovative and resourceful ways that provide educational options to such students that they may otherwise not have without the Corporation's uniquely designed educational program.

Finance Team:

Underwriter:	B.C. Ziegler and Company
Bond Counsel:	Kutak Rock, LLP
Issuer's Counsel:	Jones Hall, APLC
Underwriter's Counsel:	Nixon Peabody, LLP
Borrower's Counsel:	Kutak Rock, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution authorizing the issuance of revenue bonds in an aggregate principal amount not to exceed $14,000,000 for the Literacy First Project, City of El Cajon, County of San Diego, California.

GOLDEN VALLEY HEALTH CENTERS
SUMMARY AND RECOMMENDATIONS

Applicant: Golden Valley Health Centers

Action: Final Resolution

Amount: $17,000,000

Purpose: Finance and Refinance Healthcare Facilities Located in the Cities of Merced and Modesto, Counties of Merced and Stanislaus California

Activity: Healthcare Facilities

Meeting: October 4, 2019

Background:

In September 1972, Golden Valley Health Centers ("GVHC") opened its doors as a County hospital-operated migrant health program. For the first two years, services were delivered part-time from space available at the hospital.

In 1973, a citizens group agreed to separate from the County and form a nonprofit corporation capable of receiving available migrant health funds. The new group would deliver services full-time from facilities owned by the new nonprofit Merced Farmworkers Health Project, Inc.

Land was purchased later that year and work started on the construction of a small medical and dental clinic. Completed in the summer of 1974, the clinics were ready for their first full-time medical doctor and dentist. Since that time, GVHC has grown from a migrant health program into a multifaceted corporation with 26 sites and 120 clinicians serving two counties. All in the span of just four decades.

The principles of GVHC set a clear focus for the work they perform and the services they provide. Their values define how they carry out the mission to serve anyone who comes in their doors. The GVHC vision demands that they consistently and effectively put compassion and quality in everything they do.

Golden Valley Health Centers will be known as a premier organization ensuring access to high quality, culturally responsive and comprehensive primary health care for all, especially the underserved.

The Project:

The proceeds of the bonds will be used to: (a) Finance improvements to an approximately 28,000 square foot, single story leased facility at 2401 East Orangeburg Avenue in Modesto, California. The improvements will include 9 exam rooms, 3 restorative therapy rooms, 8 adult day health center rooms, 14 admin rooms, 13 bathrooms, and 16 other rooms including the kitchen. The facility will employ 1 transportation coordinator, 2 registered nurses, 1 registered dietitian, 1 social worker, 2 therapists, 1 medical provider and 1 nurse practitioner. Some services offered are primary care, PT, OT, ST, recreational activities, transportation, meals, adult day health care, social work. The lease for the facility is from December 20, 2018 through December 20, 2029, with an option for the Corporation to extend the term for two additional periods of 5 years each. (b) Finance improvements to an approximately 11,000 square foot, leased floor of a 5-story facility at 1524 McHenry Avenue in Modesto, California. The improvements will include 18 exam rooms, 2 procedure rooms, 2 pre-test and 2 test rooms (optometry). The facility will employ 2 medical providers, 3 physician assistants/nurse practitioners, 1 optometrist, 1 podiatrist, and 1 licensed clinical social worker. Some services offered will be prompt care, optometry, podiatry, behavioral health, and medication assistant treatment. The lease for the facility is from March 1, 2019 thru June 30, 2031, with an option for the Corporation to extend the term for two additional 5-year periods. (c) Finance building improvements to, and acquire capital equipment for, the Corporation's owned facility, the Modesto Women's Health Center, at 1500 Florida Avenue, Modesto, CA 95350. The funds will be used for building improvements and new equipment to provide colposcopy services. (d) Finance the acquisition and installation of a practice management system (EPIC) at the Corporation's headquarters at 737 West Childs Avenue in Merced, California, to replace the Corporation's current practice management system (NextGen), including software and licenses. This system will be utilized at all of the Corporation's facilities.

Cities of Merced and Modesto:

The Cities of Merced and Modesto are both members of the CMFA and have been asked to hold TEFRA hearings on October 22, 2019 and October 21, 2019 respectively. Upon closing, the Cities are expected to receive a combined total of approximately $7,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	
Tax-Exempt Bond:	$ 15,000,000
Equity Contribution:	$ 1,414,400
Total Sources:	$ 16,414,400
Uses of Funds:	
New Construction/ Renovation:	$ 6,520,000
New Machinery/ Equipment:	$ 9,594,400
Cost of Issuance:	$ 300,000
Total Uses:	$ 16,414,400

Terms of Transaction:

Amount:	$17,000,000
Maturity:	March 2035
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	October 2019

Public Benefit:

The Golden Valley Health Centers financing will improve their capacity to provide life saving services to patients in the Central Valley. This financing will allow GVHC to pay for various capital improvement projects and update the current practice management system. These improvements help GVHC to better serve the community by helping to offer care for the medically underserved.

Finance Team:

Bond Purchasers:	JP Morgen Chase Bank, N.A.
Placement Agent:	Piper Jaffray & Co.
Bond Counsel:	Quint & Thimmig, LLP
Issuer Counsel:	Jones Hall, APLC
Counsel to Purchasers:	Squire Patton Boggs
Financial Advisor:	Wulf, Hansen & Co.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $17,000,000 for the Golden Valley Health Centers project located in the Cities of Merced and Modesto, Counties of Merced and Stanislaus, California.

*The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.

UNITED AIRLINES, INC.
SUMMARY AND RECOMMENDATIONS

Applicant:	United Airlines, Inc.
Action:	Final Resolution
Amount:	up to $375,000,000
Purpose:	Finance an Aircraft Maintenance and Ground Service Equipment Complex located at Los Angeles International Airport, City of Los Angeles, County of Los Angeles, California.
Activity:	Airport Facilities
Meeting:	October 4, 2019

Background:

United Airlines, Inc. (the "Borrower" or "United") is a Delaware corporation and the principal, wholly owned subsidiary of United Airlines Holdings, Inc. (together with its consolidated subsidiaries, "UAL" or the "Company"). The principal executive office of UAL is located in Chicago, Illinois.

The Company transports people and cargo throughout North America and to destinations in Asia, Europe, the Middle East and Latin America. UAL, through United and its regional carriers, operates more than 4,800 flights a day to 353 airports across five continents, with hubs at Newark Liberty International Airport, Chicago O'Hare International Airport, Denver International Airport, George Bush Intercontinental Airport, Los Angeles International Airport, A.B. Won Pat International Airport, San Francisco International Airport and Washington Dulles International Airport. All of the Company's domestic hubs are located in large business and population centers, contributing to a large amount of "origin and destination" traffic. The hub and spoke system allow UAL to transport passengers between a large number of destinations with substantially more frequent service than if each route were served directly. The hub system also allows UAL to add service to a new destination from a large number of cities using only one or a limited number of aircraft. United is a member of Star Alliance, the world's largest alliance network. For more information about United, visit www.united.com. The common stock of United's parent, UAL, is traded on the Nasdaq Stock Market LLC under the symbol "UAL".

The Project:

The proceeds of the California Municipal Finance Authority Special Facility Revenue Bonds (United Airlines, Inc. Los Angeles International Airport Project), Series 2019 (the "Bonds") are expected to be used for one or more of the following purposes: (i) to pay all or a portion of the costs of the Project (as described below) at and in Los Angeles International Airport ("LAX"), (ii) to pay the costs of issuing and insuring (if bond insurance is purchased) the Bonds, (iii) to fund capitalized interest the Bonds, and (iv) to fund necessary reserves (if any) for the Bonds.

The "Project" will generally consist of the design, acquisition, development, construction, demolition of existing facilities, reconstruction, expansion, improvement, equipping and/or modification, as appropriate, of certain facilities to support the operations of United at LAX, including an aircraft maintenance and ground service equipment complex and certain other improvements, all comprising airport facilities within the meaning of Section 142(a)(1) of the Internal Revenue Code. The Project, along with other facilities, will be located at and in LAX and specifically at 6000-6024 Avion Drive. The Department of Airports of the City of Los Angeles, California (the "Department") will be the owner of the Project. United will operate and maintain the Project pursuant to a lease of land and facilities, including the Project, to United from the Department.

City of Los Angeles:

The City of Los Angeles is a member of the CMFA and held a TEFRA hearing on September 19, 2019 and the certificate evidencing and approving the TEFRA hearing is awaiting the Mayor's signature. Upon closing, the City is expected to receive approximately $80,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing (subject to change):

Sources of Funds:	
Tax-Exempt Bonds:	$297,390,000.00
Premium:	$ 39,648,034.80
Total Sources:	$337,038,034.80
Uses of Funds:	
New Construction:	$302,297,433.00
Capitalized Interest:	$ 32,010,729.17
Costs of Issuance:	$ 2,729,872.63
Total Uses:	$337,038,034.80

Proposed Terms of Transaction (subject to change):

Amount:	up to $375,000,000
Maturity:	July 2029
Security:	Loan Agreement; Deed of Trust on United's Leasehold Interest in Premises
Bond Purchasers:	Public Offering: Institutional & Retail Investors
Anticipated Rating:	BB (S&P Global Ratings)
Estimated Closing:	November 2019

Public Benefit:

According to Airports Council International ("ACI") preliminary statistics, in calendar year 2018, the Airport ranked as the 4th busiest airport in the world and the 2nd busiest airport in North America in terms of total number of enplaned passengers, and 10th busiest airport in the world and 4th busiest airport in North America in terms of total cargo. According to the United States Department of Transportation Origins and Destinations Survey of Airline Passenger Traffic for Fiscal Year 2018, the Airport ranked 1st nationally in number of domestic origin and destination passengers. The Airport is classified by the FAA as a large hub airport. This project will allow United to better serve its customers at LAX.

The new facility is estimated to create more than 800 jobs during the construction process and upon competition of the project, more than 600 United employees will be employed here.

Finance Team:

Lead Underwriter:	Citigroup
Bond Counsel:	Nixon Peabody LLP
Issuer Counsel:	Jones Hall APLC
Underwriter Counsel:	O'Melveny & Myers LLP
Borrower Counsel:	United's Senior Managing Counsel – Commercial Transactions and Mayer Brown LLP
Trustee:	The Bank of New York Mellon Trust Company, N.A.
Trustee Counsel:	Nathan Sommers Jacobs LLP
Rating Agency:	S&P Global Ratings

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution authorizing the issuance of revenue bonds in an aggregate principal amount not to exceed $375,000,000 for the United Airlines, Inc. project located in the City of Los Angeles, County of Los Angeles, California.

*The information mandated by California Government Code Section 5852.1, including the true interest cost, finance charge, amount of proceeds received from the sale, and the total payment amount to final maturity is attached to this report.

California Municipal Finance Authority

DIAMOND CREEK COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Lennar Homes of California
Action:	Approval
Amount:	$5,000,000
Purpose:	Approve Resolutions Initiating Formation of CMFA Community Facilities District No. 2019-5 and the Intention to Incur Indebtedness (City of Roseville – Diamond Creek) Placer County, California
Activity:	BOLD/ Community Facilities District
Meeting:	October 4, 2019

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The City of Roseville (the "City") is a member of the CMFA and a participant in BOLD. Lennar Homes of California, Inc. (the "Developer") has submitted an application to the CMFA to use BOLD in relation to the Developer's proposed development of certain property located in the City of Roseville. The CMFA and the City of Roseville have accepted such application.

The applicant has requested formation of a community facilities district which will facilitate the future issuance of bonds by the CMFA under the program. Proceeds of bonds will primarily be used to finance public infrastructure facilities to be owned by the City.

As an initial step in using BOLD for the financing, the CMFA needs to form a community facilities district. The proposed community facilities district will be called California Municipal Finance Authority Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek) (the "CFD").

Under the Act, it is a requirement that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to form the CFD, stating the types of public facilities to be financed on behalf of the CFD, setting forth the rate and method of apportionment of a proposed special tax to be levied in the CFD, and establishing the boundary. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Establish California Municipal Finance Authority Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek), and to Levy a Special Tax to Finance the Acquisition and Construction of Certain Public Facilities and Certain Public Services in and for such Community Facilities District (the "Resolution of Intention to Form CFD").

It is also a requirement under the Act that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to issue bonds payable from the levy of a special tax within the CFD. A resolution meeting that requirement of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Incur a Bonded Indebtedness in and for the California Municipal Finance Authority Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek) to Finance the Acquisition and Construction of Certain Public Facilities (the "Resolution of Intention to Incur Bonded Indebtedness").

<u>The Project</u>:

The Diamond Creek project consists of approximately 4.29 acres anticipated to yield 57 single-family residential homes. Site development is currently ongoing with grading completed and model homes expected to commence development in September 2019. Production homes are expected to begin in October 2019 with the first production homes completed in January 2020. Lennar will sell all homes to homebuyers.

In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed $5,000,000 on behalf of the CFD and all improvement areas therein.

<u>Future Action</u>:

Under the Act, at a future meeting of the CMFA Board of Directors, the Board of Directors will need to hold a public hearing and adopt additional resolutions formally creating the CFD, authorizing the incurrence of bonded indebtedness for the CFD, levying the special tax within the CFD, and certain other related matters. Bonds payable from the special taxes are expected to be issued in multiple series, with each series subject to further resolution and approval at later dates undetermined at this time.

<u>Recommendation</u>:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Intention to Form CMFA Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek) and the Resolution of Intention to Incur Bonded Indebtedness.

EXHIBIT A

LIST OF AUTHORIZED FACILITIES

Authorized facilities and costs that may be funded through the Community Facilities District ("CFD") include the following development impact fees, prepayment of overlapping liens, and formation and administrative expenses.

Development Impact Fees

Authorized facilities include development impact fees paid and not otherwise reimbursed, whether City, County, or other agency fees levied at any time up to the issuance of a building permit or required as part of the DA for the property that are used to pay for facilities authorized by the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act"). The authorized facilities include, but are not limited to, facilities authorized by the Mello-Roos Act to be funded by the following fees:

City of Roseville
- Public Facilities Fee
- Drainage Fee
- Local Sewer Fee
- Water Connection Fee
- Traffic Mitigation Fee
- City-County Traffic Mitigation Fee
- Solid Waste Impact Fee
- City Park Fee
- Neighborhood Park Fee
- Refuse Fee
- Electric Backbone Fee

Roseville Union High School District
- School Impact Fees

Placer County
- Capital Facilities Fee

Highway 65 Joint Powers Authority (JPA) Fee
- Highway 65 JPA Fee

South Placer Wastewater Authority
- Regional Sewer Fee

South Placer Regional Transportation Authority
- South Placer Regional Transportation Authority (SPRTA) Fee

Prepayment of Overlapping Liens

The CFD may also pay in full all amounts necessary to eliminate any fixed special assessment liens or to pay, repay, or defease any obligation to pay or any indebtedness secured by any tax, fee, charge, or assessment levied within the area of the CFD or may pay debt service on that indebtedness.

Formation, Administrative, and Incidental Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Act, include these: the cost of planning, permitting, and designing the facilities (including the cost of environmental evaluation, orthophotography, and environmental remediation/mitigation); land acquisition and easement payments for authorized CFD facilities; project management; construction staking; engineering studies and preparation of an engineer's report; utility relocation and demolition costs incidental to construction of the public facilities cost associated with the creation of the CFD and issuance of bonds; determination of the amount of taxes and collection of taxes; payment of taxes; costs otherwise incurred to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities or planning purposes serving development in the CFD; and any other expenses incidental to the construction, completion, and inspection of the facilities.

Without limiting the foregoing, the CFD shall fund the direct and indirect expenses incurred by the California Municipal Finance Authority ("CMFA") and/or the City in carrying out its duties with respect to the CFD including, but not limited to:

1. The levy and collection of the special taxes

2. The fees and expenses of attorneys and consultants

3. Any fees related to the collection of special taxes

4. An allocable share of the salaries and benefits of any CMFA and City staff, or consultant fees, directly related thereto and a proportionate amount of CMFA's and the City's general administrative overhead related thereto

5. Any amounts paid by CMFA and the City with respect to the CFD
6. Expenses incurred in undertaking action to foreclose on properties for which the payment of special taxes is delinquent

7. Administrative fees of CMFA and the City and the bond trustee or fiscal agent related to the CFD and the bonds issued by or for the CFD

8. Costs related to the formation of the CFD

9. Reimbursement of costs related to the formation of the CFD advanced by CMFA and the City, the landowner(s) in the CFD or any party related to any of the foregoing, as well as reimbursement of any costs advanced by CMFA and the City, the landowner(s) in the CFD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD

10. Costs related to the issuance of bonds by or for the CFD, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, fees and

expenses of bond counsel, disclosure counsel, special tax consultant, municipal advisor and appraiser, bond remarketing costs, and all other incidental expenses

11. All other costs and expenses of CMFA or the City in any way related to the CFD.

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-5
(CITY OF ROSEVILLE– DIAMOND CREEK)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the California Municipal Finance Authority Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of CMFA in carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for CMFA and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of CMFA, the City, and the County in any way related to the establishment or administration of the CFD.

"Administrator" shall mean the person or firm designated by CMFA to administer the Special Tax according to this RMA.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel number.

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by the CFD.

"Base Special Tax" means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 of Section C, as may be adjusted pursuant to Section D.

"Board" means the Board of Directors of CMFA.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by the CFD to fund Authorized Facilities.

"Building Permit" means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"CFD" means the California Municipal Finance Authority Community Facilities District No. 2019-5 (City of Roseville – Diamond Creek).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD was adopted by the Board.

"City" means the City of Roseville.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Placer.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property or Taxable Public Property for which a Building Permit for new construction was issued prior to June 30 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property.

"Expected Land Uses" means the number of, and Special Tax Category assignment for, Residential Units and the Acreage of Other Property, expected within the CFD at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change.

"Expected Maximum Special Tax Revenues" means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Section D below.

"Final Map" means a final map, or portion thereof, approved by the City or County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. The term "Final Map" shall not include any large-lot subdivision map, Assessor's Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor's Parcels that are designated as remainder parcels.

"Final Map Property" means, in any Fiscal Year, all SFD Lots created within Final Maps that had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

"First Bond Sale" means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels in the CFD.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Improvement Fund" means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities or to pay eligible impact fees.

"Indenture" means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Category" means the categories of land use identified in Table 1 in Section C below.

"Land Use Change" means a proposed or approved change to the Expected Land Uses after CFD Formation.

"**Maximum Special Tax"** means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

"Other Property" means any Parcel of Taxable Property in the CFD that does not fit within the definition of Single Family Property, Taxable Owners Association Property, or Taxable Public Property.

"Owners Association" means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

"Owners Association Property" means any property within the boundaries of the CFD that is owned in fee or through easement by the Owners Association, not including any such property that is located directly under a residential structure.

“Proportionately” means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any property within the boundaries of the CFD that is owned by the City, federal government, State of California, or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Unit” means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFD Lot” means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

“SFD Unit” means a residential dwelling unit that does not share a common wall with another residential dwelling unit.

“Single Family Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for: (i) construction of an SFD Unit, or (ii) construction of a residential structure consisting of two or more Residential Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Residential Units are purchased and subsequently offered for rent by the owners of the Residential Units), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Category” means one of the two different categories of land uses for which a Special Tax amount is set forth in Table 1 in Section C below.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support, and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the

Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

"Taxable Owners Association Property" means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Property" means all of the Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Public Property" means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Tentative Map" means a tentative map or substantial conformance exhibit for property in the CFD, including any adjustments or amendments thereto.

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property, Developed Property, Taxable Public Property, or Taxable Owners Association Property, as defined herein.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single Family Property, or Other Property; (iii) for Other Property, determine the Acreage of each Parcel; and (iv) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum

Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D below.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for a Parcel of Developed Property is the greater of: (i) the Base Special Tax set forth in Table 1 below, or (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax
Developed Property

Land Use Category	Base Special Tax Fiscal Year 2019-20 *
Single Family Property	$2,435 per Residential Unit
Other Property	$40,250 per Acre

*** On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.**

2. Final Map Property

The Maximum Special Tax for Final Map Property is $40,250 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

3. Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is $40,250 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. <u>CHANGES TO THE MAXIMUM SPECIAL TAX</u>

1. Land Use Changes

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 below must be applied:

Step 1: By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in the CFD after the Land Use Change based on application of the Base Special Taxes from Table 1.

Step 3: If the revenues calculated in Step 2 are (i) <u>higher</u> than those determined in Step 1 or (ii) <u>less</u> than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are <u>less</u> than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the

Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there <u>is</u> a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by <u>multiple</u> landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Partial Prepayments

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for the CFD. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. *Conversion of a Parcel of Public Property to Private Use*

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.

Step 2: If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.

Step 3: If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.

Step 4: If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that CMFA may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2060-61. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

(1) Public Property, except Taxable Public Property.

(2) Owners Association Property, except Taxable Owners Association Property.

(3) Parcels that are owned by a public utility for an unmanned facility.

(4) Parcels that are subject to an easement that precludes any other use on the Parcel.

(5) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

"Outstanding Bonds" means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

"Previously Issued Bonds" means all Bonds that have been issued prior to the date of prepayment.

"Public Facilities Requirements" means either $2.4 million in 2019 dollars, which shall increase on January 1, 2020, and on each January 1 thereafter by 2% of the amount in effect in the prior year, or such other number as shall be determined by CMFA as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

"Remaining Facilities Costs" means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity, and any other source of funding.

1. Full Prepayment

The Special Tax obligation applicable to a Parcel in the CFD may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide CMFA with written notice of intent to prepay. Within 30 days of receipt of such written notice, CMFA or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 60 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by CMFA by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.

Step 2. Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in the CFD, as shown in Attachment 2 and as adjusted by the Administrator after prepayments or Land Use Changes.

Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the "**Bond Redemption Amount"***).

Step 4. Compute the current Remaining Facilities Costs (if any).

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the "**Remaining Facilities Amount"***).

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the "**Redemption Premium"***).

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8, and 9 of this prepayment formula will not apply.

Step 8: Compute the amount of interest CMFA reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9: Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (the ***"Defeasance Requirement"***).

Step 10. The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds, and recording any notices to evidence the prepayment and the redemption (the "***Administrative Fees and Expenses"***).

Step 11. If and to the extent so provided in the Bond Indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit"***).

Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the "***Prepayment Amount"***).

Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel’s Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel’s obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. Partial Prepayment

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

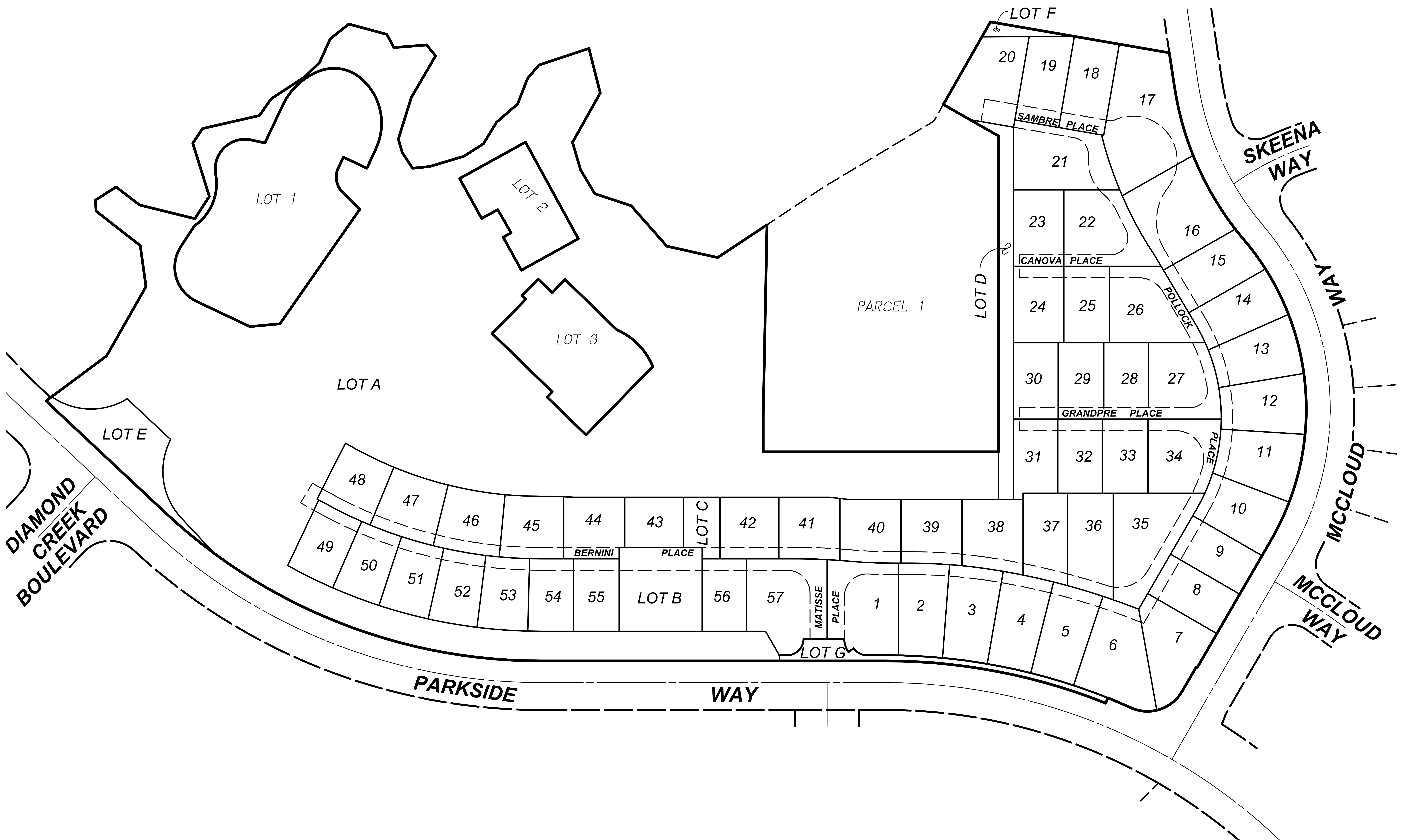
I. INTERPRETATION OF RMA

Interpretations may be made by Resolution of the Board to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. CMFA, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to CMFA, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

ATTACHMENT 1

California Municipal Finance Authority
Community Facilities District No. 2019-5
(City of Roseville - Diamond Creek)

Diamond Creek
Expected Lot Layout



Attachment 1

California Municipal Finance Authority
Community Facilities District No. 2019-5
(City of Roseville - Diamond Creek)

Expected Lot Layout

ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2019-5
(City of Roseville - Diamond Creek)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use Category	Expected Residential Units/ Acreage	Base Special Tax Fiscal Year 2019-20 *	Expected Maximum Special Tax Revenues *
Single Family Property	57 Residential Units	$2,435 per Residential Unit	$138,795
Other Property	0.0 Acres	$40,250 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)			**$138,795**

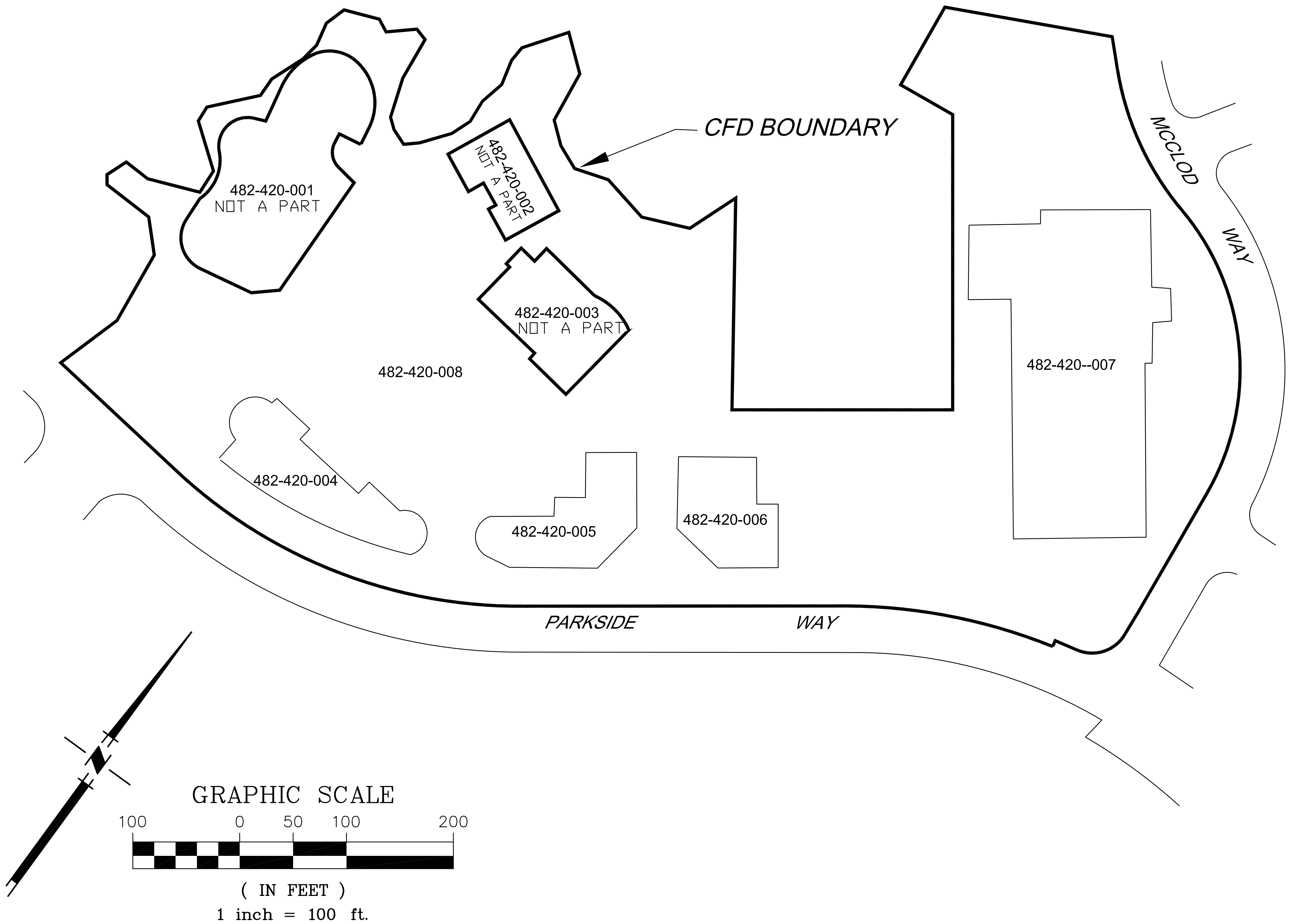
* On July 1, 2020, and each July 1 thereafter, all dollar amounts shown above shall be increased by 2% of the amount in effect in the prior Fiscal Year.

BOOK _______OF COMMUNITY FACILITIES DISTRICTS, PAGE _____

PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREAS OF

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-5
(CITY OF ROSEVILLE-DIAMOND CREEK)

PLACER COUNTY, STATE OF CALIFORNIA



CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS____________DAY OF ___________ 2019.

____
SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES AND THE FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-5 (CITY OF ROSEVILLE-DIAMOND CREEK), COUNTY OF PLACER, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFONIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE _______DAY OF _____________, 2019, BY ITS RESOLUTION NO. _________.

SECRETARY

____

RECORDER'S STATEMENT

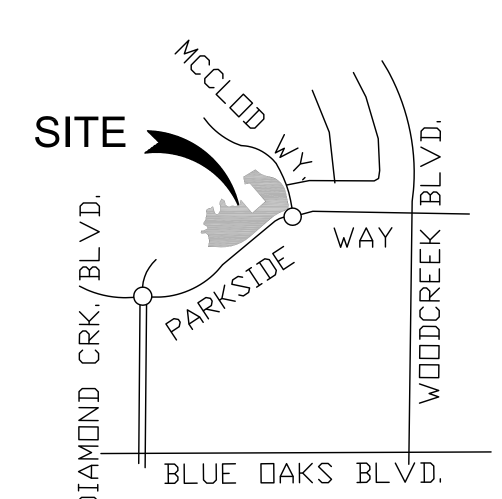
FILED THIS __________DAY OF _________________, 20______ AT THE HOUR OF ____________ O'CLOCK_______M, IN BOOK _________ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF PLACER, STATE OF CALIFORNIA.

FEE_____________________

FILE NO._________________

PLACER COUNTY RECORDER

____
DEPUTY



VICINITY MAP
N.T.S.

NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF PLACER FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

LEGEND

482-420-007	ASSESSOR'S PARCEL NUMBER
	ASSESSOR'S PARCEL LOT LINE
	COMMUNITY FACILITIES DISTRICT NO. 2019-5

GCG
GOODWIN CONSULTING GROUP

EUREKA AT GRANITE BAY COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Blue Mountain Communities
Action:	Approval
Amount:	$2,500,000
Purpose:	Approve Resolutions Initiating Formation of CMFA Community Facilities District No. 2019-6 and the Intention to Incur Indebtedness (County of Placer – Eureka at Granite Bay) Placer County, California
Activity:	BOLD/ Community Facilities District
Meeting:	October 4, 2019

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The County of Placer (the "County") is a member of the CMFA and a participant in BOLD. Blue Mountain Communities (the "Developer") has submitted an application to the CMFA to use BOLD in relation to the Developer's proposed development of certain property located in the County. The CMFA and the County have accepted such application.

The applicant has requested formation of a community facilities district which will facilitate the future issuance of bonds by the CMFA under the program. Proceeds of bonds will primarily be used to finance public infrastructure facilities to be owned by the County.

As an initial step in using BOLD for the financing, the CMFA needs to form a community facilities district. The proposed community facilities district will be called California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay) (the "CFD").

Under the Act, it is a requirement that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to form the CFD, stating the types of public facilities to be financed on behalf of the CFD, setting forth the rate and method of apportionment of a proposed special tax to be levied in the CFD, and establishing the boundary. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Establish California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay), and to Levy a Special Tax to Finance the Acquisition and Construction of Certain Public Facilities and Certain Public Services in and for such Community Facilities District (the "Resolution of Intention to Form CFD").

It is also a requirement under the Act that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to issue bonds payable from the levy of a special tax within the CFD. A resolution meeting that requirement of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring its Intention to Incur a Bonded Indebtedness in and for the California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay) to Finance the Acquisition and Construction of Certain Public Facilities (the "Resolution of Intention to Incur Bonded Indebtedness").

The Project:

The Eureka at Granite Bay project consists of approximately 3.5 gross acres anticipated to yield 28 single-family residential homes. Site development is currently ongoing and vertical construction is expected to begin in late 2019.

In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed $2,500,000 on behalf of the CFD and all improvement areas therein.

Future Action:

Under the Act, at a future meeting of the CMFA Board of Directors, the Board of Directors will need to hold a public hearing and adopt additional resolutions formally creating the CFD, authorizing the incurrence of bonded indebtedness for the CFD, levying the special tax within the CFD, and certain other related matters. Bonds payable from the special taxes are expected to be issued in multiple series, with each series subject to further resolution and approval at later dates undetermined at this time.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Intention to Form CMFA Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay) and the Resolution of Intention to Incur Bonded Indebtedness.

EXHIBIT A

List of Authorized Facilities

The California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay) (the "CFD") will finance, in whole or in part, the following facilities, which benefit the parcels within the CFD:

I. Authorized Facilities

The CFD may finance any fees payable to the County of Placer (the "County"), the Roseville Joint Union High School District ("High School District"), the South Placer Fire District ("Fire District") or the South Placer Regional Transportation Authority ("SPRTA"), the proceeds of which will be used to fund all or a portion of the cost of public facilities with a useful life of five (5) years or more for which the parcels within the CFD have a fair-share responsibility.

Potential fees may include but are not limited to the following:

- County Traffic Impact Fee
- County Capital Facilities Fee
- County Park Impact Fee
- High School District Fee
- Fire District Impact Fee
- SPRTA Impact Fee

II. Administrative and Incidental Expenses

In addition, the CFD shall fund the direct and indirect expenses incurred by the California Municipal Finance Authority ("CMFA") and/or the County in carrying out its duties with respect to the CFD including, but not limited to:

(i) the levy and collection of the special taxes;

(ii) the fees and expenses of attorneys and consultants;

(iii) any fees related to the collection of special taxes;

(iv) an allocable share of the salaries and benefits of any CMFA and County staff, or consultant fees, directly related thereto and a proportionate amount of CMFA's and the County's general administrative overhead related thereto;

(v) any amounts paid by CMFA and the County with respect to the CFD;

(vi) expenses incurred in undertaking action to foreclose on properties for which the payment of special taxes is delinquent;

(vii) administrative fees of CMFA and the County and the bond trustee or fiscal agent related to the CFD and the bonds issued by or for the CFD;

(viii) costs related to the formation of the CFD;

(ix) reimbursement of costs related to the formation of the CFD advanced by CMFA and the County, the landowner(s) in the CFD or any party related to any of the foregoing, as well as reimbursement of any costs advanced by CMFA and the County, the landowner(s) in the CFD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD;

(x) costs related to the issuance of bonds by or for the CFD, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, fees and expenses of bond counsel, disclosure counsel, special tax consultant, municipal advisor and appraiser, bond remarketing costs, and all other incidental expenses; and

(xi) all other costs and expenses of CMFA or the County in any way related to the CFD.

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-6
(COUNTY OF PLACER – EUREKA AT GRANITE BAY)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of CMFA in carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for CMFA and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of CMFA and the County in any way related to the establishment or administration of the CFD.

"Administrator" shall mean the person or firm designated by CMFA to administer the Special Tax according to this RMA.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel number.

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by the CFD.

"Base Special Tax" means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 of Section C, as may be adjusted pursuant to Section D.

"Board" means the Board of Directors of CMFA.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by the CFD to fund Authorized Facilities.

"Building Permit" means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"CFD" means the California Municipal Finance Authority Community Facilities District No. 2019-6 (County of Placer – Eureka at Granite Bay).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD was adopted by the Board.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Placer.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property or Taxable Public Property for which a Building Permit for new construction was issued prior to June 30 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property.

"Expected Land Uses" means the number of, and Square Footage Category assignment for, Residential Units, and the acreage of Other Property, expected within the CFD at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change.

"Expected Maximum Special Tax Revenues" means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Section D below.

"Final Map" means a final map, or portion thereof, approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. The term "Final Map" shall not include any large-lot subdivision map, Assessor's Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor's Parcels that are designated as remainder parcels.

"Final Map Property" means, in any Fiscal Year, all SFD Lots created within Final Maps that had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

"First Bond Sale" means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels of Taxable Property in the CFD.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Improvement Fund" means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities or to pay eligible impact fees.

"Indenture" means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Category" means the categories of land use identified in Table 1 in Section C below.

"Land Use Change" means a proposed or approved change to the Expected Land Uses after CFD Formation.

"**Maximum Special Tax"** means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

"Other Property" means any Parcel of Developed Property in the CFD that does not fit within the definition of Single Family Property.

"Owners Association" means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

"Owners Association Property" means any property within the boundaries of the CFD that is owned in fee or through easement by the Owners Association, not including any such property that is located directly under a residential structure.

"Proportionately" means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any property within the boundaries of the CFD that is owned by the County, federal government, State of California, or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Unit” means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFD Lot” means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

“SFD Unit” means a residential dwelling unit that does not share a common wall with another residential dwelling unit.

“Single Family Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for: (i) construction of an SFD Unit, or (ii) construction of a residential structure consisting of two or more Residential Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Residential Units are purchased and subsequently offered for rent by the owners of the Residential Units), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support, and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

"Square Footage Category" means one of the four different categories of Single Family Property for which a Special Tax amount is set forth in Table 1 in Section C below.

"Taxable Owners Association Property" means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Property" means all of the Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Public Property" means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Tentative Map" means a tentative map or substantial conformance exhibit for property in the CFD, including any adjustments or amendments thereto.

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property, Developed Property, Taxable Owners Association Property, or Taxable Public Property, as defined herein.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single Family Property or Other Property; (iii) for Single Family Property, determine the Square Footage Category for each Residential Unit; (iv) for Other Property, determine the Acreage of each Parcel; and (v) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D below.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for a Parcel of Developed Property is the greater of: (i) the Base Special Tax set forth in Table 1 below, or (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax
Developed Property

Land Use Category	Square Footage Category	Base Special Tax Fiscal Year 2019-20 *
Single Family Property	Greater than 2,600 square feet	$1,986 per Residential Unit
Single Family Property	2,401 to 2,600 square feet	$1,904 per Residential Unit
Single Family Property	2,201 to 2,400 square feet	$1,862 per Residential Unit
Single Family Property	Less than 2,201 square feet	$1,800 per Residential Unit
Other Property	N/A	$26,950 per Acre

*** On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.**

2. Final Map Property

The Maximum Special Tax for Final Map Property is $26,950 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

3. Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is $26,950 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. Land Use Changes

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 below must be applied:

Step 1: By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in the CFD after the Land Use Change based on application of the Base Special Taxes from Table 1.

Step 3: If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the

Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Partial Prepayments

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for the CFD. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. Conversion of a Parcel of Public Property to Private Use

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.

Step 2: If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.

Step 3: If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.

Step 4: If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that CMFA may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2060-61. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

(1) Public Property, except Taxable Public Property.

(2) Owners Association Property, except Taxable Owners Association Property.

(3) Parcels that are owned by a public utility for an unmanned facility.

(4) Parcels that are subject to an easement that precludes any other use on the Parcel.

(5) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

"Outstanding Bonds" means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

"Previously Issued Bonds" means all Bonds that have been issued prior to the date of prepayment.

"Public Facilities Requirements" means either $815,000 in 2019 dollars, which shall increase on January 1, 2020, and on each January 1 thereafter by 2% of the amount in effect in the prior year, or such other number as shall be determined by CMFA as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change or prepayment; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

"Remaining Facilities Costs" means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity, and any other source of funding.

1. Full Prepayment

The Special Tax obligation applicable to a Parcel in the CFD may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide CMFA with written notice of intent to prepay. Within 30 days of receipt of such written notice, CMFA or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 60 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by CMFA by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.

Step 2. Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in the CFD, as shown in Attachment 2 and as adjusted by the Administrator after prepayments or Land Use Changes.

Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the "**Bond Redemption Amount**"*).

Step 4. Compute the current Remaining Facilities Costs (if any).

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the "**Remaining Facilities Amount**"*).

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the "**Redemption Premium**"*).

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8, and 9 of this prepayment formula will not apply.

Step 8: Compute the amount of interest CMFA reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9: Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (the ***"Defeasance Requirement"***).

Step 10. The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds, and recording any notices to evidence the prepayment and the redemption (the "***Administrative Fees and Expenses"***).

Step 11. If and to the extent so provided in the Bond Indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit"***).

Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the "***Prepayment Amount"***).

Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel's Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel's obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. Partial Prepayment

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

I. INTERPRETATION OF RMA

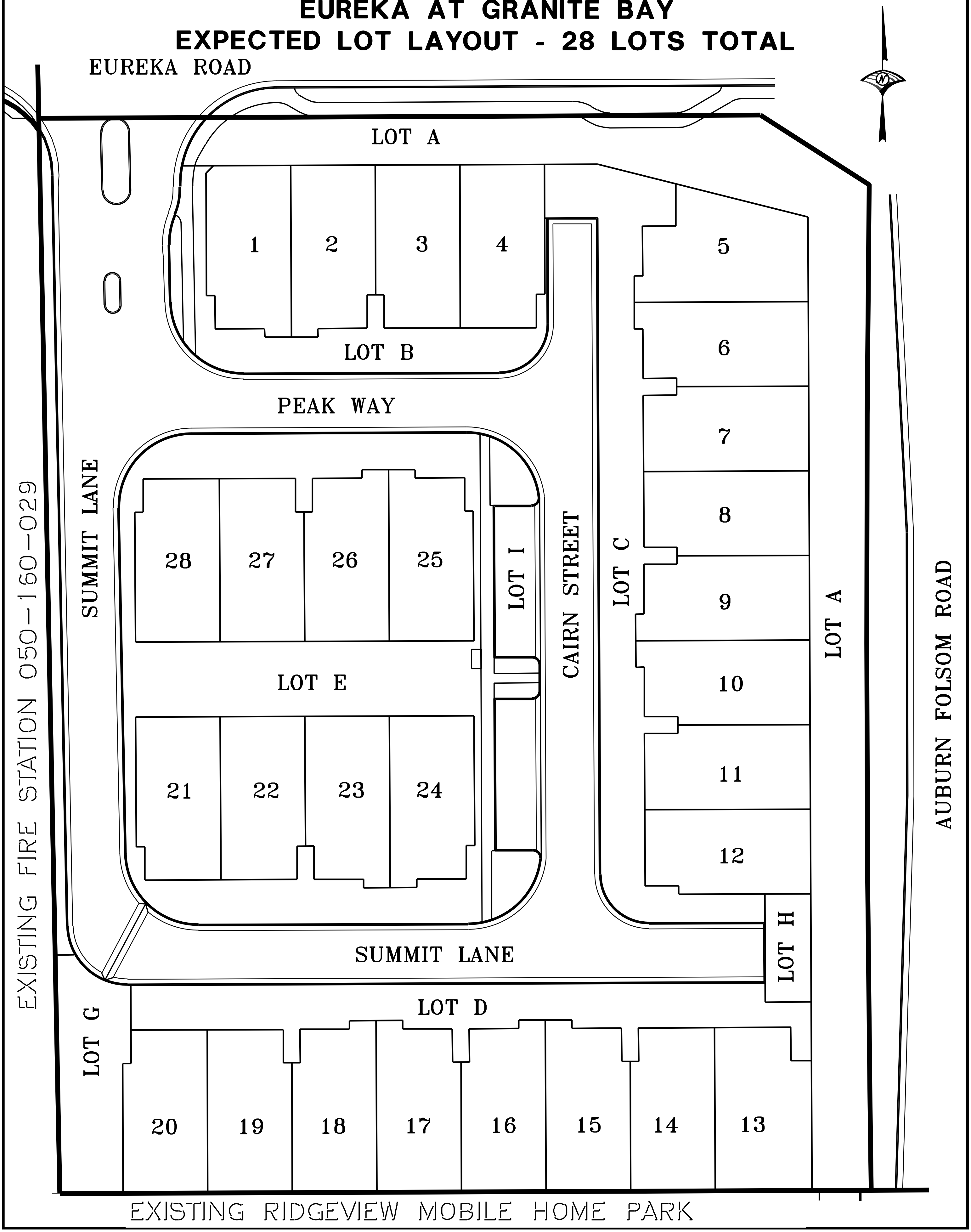
Interpretations may be made by Resolution of the Board to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. CMFA, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to CMFA, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

ATTACHMENT 1

California Municipal Finance Authority
Community Facilities District No. 2019-6
(County of Placer – Eureka at Granite Bay)

Eureka at Granite Bay
Expected Lot Layout

ATTACHMENT 1
EUREKA AT GRANITE BAY
EXPECTED LOT LAYOUT - 28 LOTS TOTAL



ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2019-6
(County of Placer – Eureka at Granite Bay)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use Category	Square Footage Category	Expected Residential Units/ Acreage	Base Special Tax Fiscal Year 2019-20 *	Expected Maximum Special Tax Revenues *
Single Family Property	Greater than 2,600 square feet	7 Residential Units	$1,986 per Residential Unit	$13,902
Single Family Property	2,401 to 2,600 square feet	11 Residential Units	$1,904 per Residential Unit	$20,944
Single Family Property	2,201 to 2,400 square feet	7 Residential Units	$1,862 per Residential Unit	$13,034
Single Family Property	Less than 2,201 square feet	3 Residential Units	$1,800 per Residential Unit	$5,400
Other Property	N/A	0.0 Acres	$26,950 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)				**$53,280**

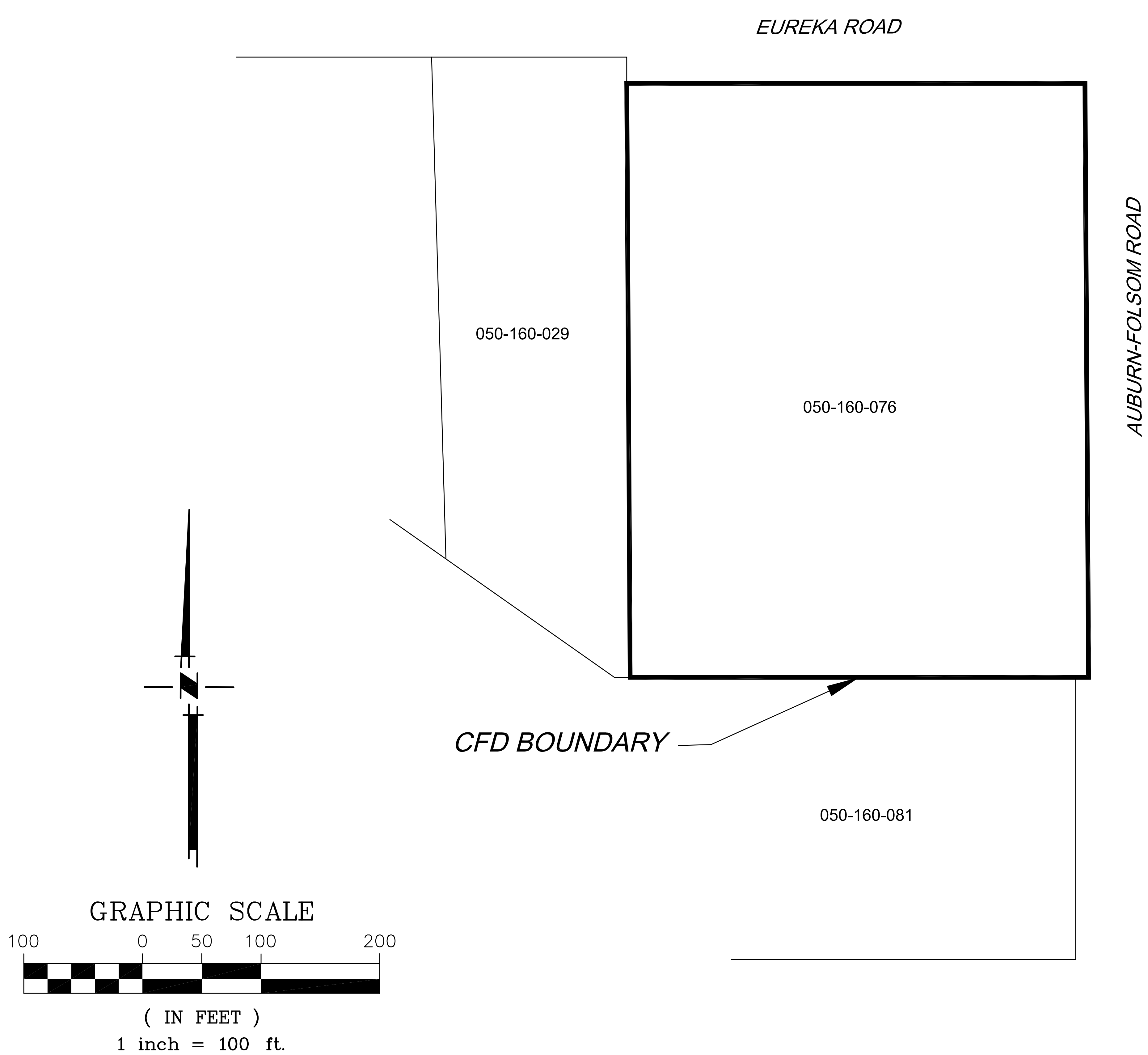
* On July 1, 2020, and each July 1 thereafter, all dollar amounts shown above shall be increased by 2% of the amount in effect in the prior Fiscal Year.

BOOK _______OF COMMUNITY FACILITIES DISTRICTS, PAGE _____

PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREAS OF

CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-6 (COUNTY OF PLACER-EUREKA AT GRANITE BAY)

PLACER COUNTY, STATE OF CALIFORNIA



CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS___________DAY OF __________ 2019.

____
SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES AND THE FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-6 (COUNTY OF PLACER-EUREKA AT GRANITE BAY), COUNTY OF PLACER, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFONIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE _______DAY OF _____________, 2019, BY ITS RESOLUTION NO. _________.

____
SECRETARY

RECORDER'S STATEMENT

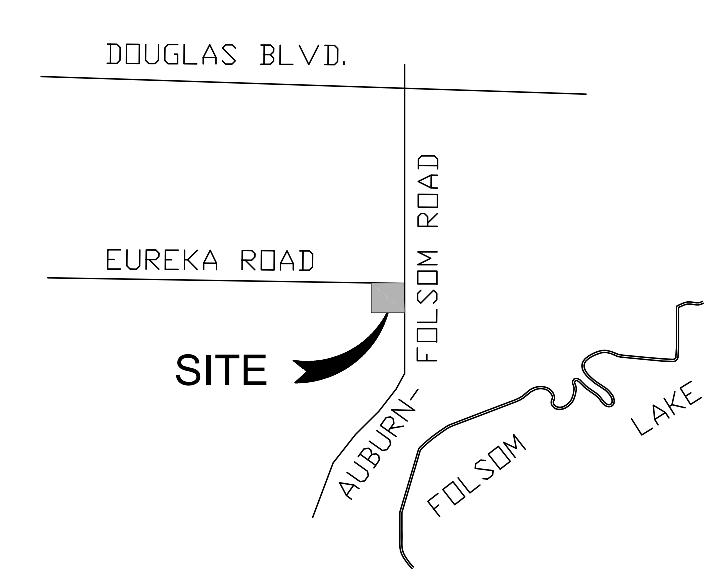
FILED THIS __________DAY OF _________________, 20______ AT THE HOUR OF ____________ O'CLOCK_______M, IN BOOK _________ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF PLACER, STATE OF CALIFORNIA.

FEE_____________________

FILE NO._________________

PLACER COUNTY RECORDER

____
DEPUTY



VICINITY MAP
N.T.S.

NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF PLACER FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

LEGEND

050-160-076	ASSESSOR'S PARCEL NUMBER
——— (thin line)	ASSESSOR'S PARCEL LOT LINE
——— (heavy line)	COMMUNITY FACILITIES DISTRICT NO. 2019-6

GCG
GOODWIN CONSULTING GROUP

MILESTONE COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant:	Taylor Morrison of California
Action:	Hold the Public Hearing and Approve Various Resolutions Forming the CMFA Community Facilities District
Amount:	$5,000,000
Purpose:	Approve Resolutions Forming CMFA Community Facilities District No. 2019-3 (City of Elk Grove - Milestone), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election
Activity:	BOLD/ Community Facilities District
Meeting:	October 4, 2019

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The City of Elk Grove (the "City") is a member of CMFA and a participant in BOLD. Taylor Morrison of California, LLC, (the "Developer") previously submitted an application to the CMFA to use BOLD in relation to the Developer's proposed development of certain property located in the City. The CMFA and the City previously accepted such application, and on August 30, 2019, the Board of Directors of the CMFA took the initial steps toward formation of a community facilities district for the project under the Act. The resolutions being considered by the Board on October 4, 2019 will complete the formation of the community facilities district and authorize the levying of special taxes and incurrence of bonded indebtedness for the community facilities district.

As an initial step in using BOLD for the financing of public infrastructure to be owned by a local agency such as the City, the CMFA needs to form a community facilities district. On August 30, 2019, the CMFA adopted a resolution stating its intention to form a proposed community facilities district (the "Resolution of Intention to Form CFD") to be called California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) (the "CFD"), and a resolution stating its intention to incur bonded indebtedness for such CFD (the "Resolution of Intention to Incur Bonded Indebtedness").

Under the Act, the process of completing the formation of the CFD requires a noticed public hearing, the adoption of a resolution forming the CFD, the holding of a landowner election, and the adoption of an ordinance levying the special taxes. To form the CFD, the Board of Directors of CMFA will first hold a public hearing on the formation of the CFD and the incurrence of bonded indebtedness for the CFD and consider any public comments received. After such public hearing, if there is no majority protest received, the Board of Directors of the CMFA can then proceed to adopt the resolution of formation for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone).

Next, the Board of Directors of the CMFA can adopt a resolution authorizing the issuance of debt for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Determining Necessity to Incur Bonded Indebtedness and Other Debt in and for California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) (the "Resolution Determining Necessity").

In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed $5,000,000 on behalf of the CFD and all improvement areas therein.

After adoption of the Resolution Determining Necessity, the Board of Directors of the CMFA can proceed to adopt a resolution calling for a special landowner election of the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Calling Special Election in and for California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) (the "Resolution Calling Election"). The election is allowed to be held as part of this meeting since timing waivers from 100% of the landowner voters have been received by the CMFA. The Secretary will canvass the results of the landowner election. These ballots have already been received by the Secretary.

The Board of Directors of the CMFA can then proceed to adopt a resolution declaring the results of the landowner election for the CFD and directing filing of the Notice of the Special Tax Lien with the County Recorder for Sacramento County. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) (the "Resolution Declaring Election Results"). The special tax lien puts the rate and method of apportionment on record for all parcels within the applicable Community Facilities District.

The final legislative act is the introduction of an ordinance levying special taxes on the land in the CFD. Assuming its introduction on October 4, 2019, the ordinance can be adopted at a subsequent Board meeting.

The Project:

The Milestone project is expected to include construction of 121 residential units within the City of Elk Grove. The boundary of the CFD comprises 25.8 net acres, and no further annexation is anticipated. At the time of developer application, all discretionary entitlements were in place and subdivision improvements were substantially complete. Models were open and sales had commenced, with the 1st closing expected to be completed by the end of the year.

Future Action:

The Ordinance Levying Special Taxes will need to be finally adopted at a meeting of the CMFA to be held at a later date. Bonds payable from the special taxes are expected to be issued in multiple series, with each series subject to further resolution and approval at later dates undetermined at this time.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Formation, the Resolution Determining Necessity, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance levying special taxes for CMFA Community Facilities District No. 2019-3 (City of Elk Grove - Milestone).

EXHIBIT A

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-3
(CITY OF ELK GROVE – MILESTONE)

LIST OF AUTHORIZED FACILITIES

Authorized facilities and costs that may be funded through the Community Facilities District (CFD) include the following development impact fees, public improvements, and formation and administrative expenses. It is not expected that revenues available from the adopted maximum special tax rates will be sufficient to fund all of the items listed below.

Development Impact Fees

Authorized facilities include development impact fees paid and not otherwise reimbursed, whether standard City, County, or other agency fees levied at the time of the issuance of a building permit or required as part of the DA for the property. The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

City of Elk Grove

- Roadway Fee Program
- Capital Facilities Fee
- Affordable Housing Fee
- I-5 Subregional Corridor Mitigation Fee

Cosumnes Community Services District

- Fire Fee
- Eastern Elk Grove Park Fee

Sacramento County

- Sacramento Area Sewer District Fee
- Regional SAN Sewer Fee

Elk Grove Unified School District

- School Impact Fee

Public Improvements

Transportation Improvements

Public roadway improvements, including but not limited to:

Wyland Drive Bridge Crossing

Eligible roadway improvements include the following items: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete or pavers; power pole relocations; joint trenches, underground utilities, and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including on- and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; bus shelters; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and non-potable water, sanitary sewer, and storm drainage system improvements.

Wastewater System Improvements

Authorized facilities include any and all on- and off-site backbone wastewater facilities. These facilities include pipelines and all appurtenances thereto; manholes; tie-in to existing main line; force mains; lift stations; odor-control facilities; sewer treatment plant improvements and permitting related thereto; and related sewer system improvements.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site backbone water facilities. These facilities include potable and non-potable mains, valves, services, and appurtenances; wells; and water treatment and storage facilities, and related improvements, including but not limited to: site clearing, grading, and paving; curbs and gutters; recycled water storage tanks, booster pump stations, and all appurtenances thereto; wells; water treatment; stand-by generator; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all on- and off-site backbone drainage and storm drainage improvements. These facilities include mains, pipelines and appurtenances, outfalls and water quality measures, temporary drainage facilities, detention/retention basins, and drainage pretreatment facilities; drainage ways/channels, pump stations, landscaping, and irrigation; access roads, gates, fencing, and striping and signage.

Landscaping and Open Space Improvements

Authorized facilities include any and all open space improvements, including, but not limited to: grading; turf and irrigation; trees and shrubs; sidewalks, pathways, and trails; masonry soundwalls; entry monumentation and signage; and other related hard-and soft-scape improvements along roadways and adjacent to or in parks, open space, drainage channels, and detention basins.

Park, Parkways, and Trails

Authorized facilities include any and all park, parkway, and trail improvements. These facilities include, but are not limited to: grading, turf and irrigation, trees and shrubs, sports fields/courts, playground equipment, signage, and other related hard-and soft-scape improvements within parks, parkways, and trails.

Other Public Facilities

Authorized facilities also include a community center, recreation center, sports (including aquatics) facilities, cultural arts facilities, museum, equestrian-related improvements, library and any other public facilities.

Formation, Administrative, and Incidental Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, include these: the cost of planning, permitting, and designing the facilities (including the cost of environmental evaluation, orthophotography, and environmental remediation/mitigation); land acquisition and easement payments for authorized CFD facilities; project management; construction staking; engineering studies and preparation of an engineer's report; utility relocation and demolition costs incidental to construction of the public facilities cost associated with the creation of the CFD and issuance of bonds; determination of the amount of taxes and collection of taxes; payment of taxes; costs otherwise incurred to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities or planning purposes serving development in the CFD; and any other expenses incidental to the construction, completion, and inspection of the facilities.

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-3
(CITY OF ELK GROVE – MILESTONE)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of CMFA in carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for CMFA and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of CMFA, the City, and the County in any way related to the establishment or administration of the CFD.

"Administrator" shall mean the person or firm designated by CMFA to administer the Special Tax according to this RMA.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel number.

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by the CFD.

"Base Special Tax" means, for any Special Tax Category, the applicable Special Tax initially identified in Table 1 of Section C, as may be adjusted pursuant to Section D.

"Board" means the Board of Directors of CMFA.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by the CFD to fund Authorized Facilities.

"Building Permit" means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"CFD" means the California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD was adopted by the Board.

"City" means the City of Elk Grove.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Sacramento.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property or Taxable Public Property for which a Building Permit for new construction was issued prior to June 30 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property.

"Expected Land Uses" means the number of, and Special Tax Category assignment for, Residential Units, and the acreage of Other Property, expected within the CFD at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change. Such update shall be maintained internally by the Administrator and shall not require recordation of an amended RMA.

“Expected Maximum Special Tax Revenues” means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Section D below.

“Final Map” means a final map, or portion thereof, approved by the City or County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. The term “Final Map” shall not include any large-lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor’s Parcels that are designated as remainder parcels.

“Final Map Property” means, in any Fiscal Year, all SFD Lots created within Final Maps that had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels in the CFD.

“Fiscal Year” means the period starting July 1 and ending on the following June 30.

“Improvement Fund” means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities or to pay or reimburse eligible impact fees.

“Indenture” means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Change” means a proposed or approved change to the Expected Land Uses after CFD Formation.

“**Maximum Special Tax”** means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

“Other Property” means any Parcel of Taxable Property in the CFD that does not fit within the definition of Single Family Detached Property or Single Family Attached Property.

“Owners Association” means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

“Owners Association Property” means any property within the boundaries of the CFD that is owned in fee or through easement by the Owners Association, not including any such property that is located directly under a residential structure.

“Proportionately” means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any property within the boundaries of the CFD that is owned by the City, federal government, State of California, the Elk Grove Unified School District, or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Property” means, collectively, Single Family Detached Property and Single Family Attached Property..

“Residential Unit” means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFD Lot” means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

“SFD Unit” means a residential dwelling unit that does not share a common wall with another residential dwelling unit.

“Single Family Attached Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for construction of a residential structure consisting of two or more Residential Units that share common walls, have separate Assessor’s Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor’s Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Residential Units are purchased and subsequently offered for rent by the owners of the Residential Units), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

“Single Family Detached Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for construction of an SFD Unit.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Category” means one of the three categories of land uses for which a Special Tax amount is set forth in Table 1 of Section C below.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year;

(ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support, and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

"Taxable Owners Association Property" means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Property" means all of the Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Public Property" means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Tentative Map" means a tentative map or substantial conformance exhibit for property in the CFD, including any adjustments or amendments thereto.

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property or Developed Property, as defined herein.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single Family Detached Property, Single Family Attached Property, or Other Property; (iii) for Single Family Attached Property, determine the Acreage of each Parcel; (iv) for Other Property, determine the Acreage of each Parcel; and (v) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D below.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for a Parcel of Developed Property is the greater of: (i) the Base Special Tax set forth in Table 1 below, or (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax
Developed Property

Special Tax Category	Base Special Tax Fiscal Year 2019-20 *
Single Family Detached Property	$1,750 per Residential Unit
Single Family Attached Property	$12,347 per Acre
Other Property	$12,347 per Acre

*** On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.**

2. Final Map Property

The Maximum Special Tax for Final Map Property is $12,347 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

3. Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is $12,347 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. Land Use Changes

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 below must be applied:

Step 1: By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in the CFD after the Land Use Change based on application of the Base Special Taxes from Table 1.

Step 3: If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Partial Prepayments

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for the CFD. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. Conversion of a Parcel of Public Property to Private Use

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.

Step 2: If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.

Step 3: If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.

Step 4: If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the

Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that CMFA may: (i) directly bill the Special Tax, (ii) collect Special Taxes at a different time or in a different manner, (iii) strip delinquent Special Taxes off the tax roll to pursue collection, and (iv) may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2060-61. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

(1) Public Property, except Taxable Public Property.

(2) Owners Association Property, except Taxable Owners Association Property.

(3) Parcels that are owned by a public utility for an unmanned facility.

(4) Parcels that are subject to an easement that precludes any other use on the Parcel.

(5) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

"Outstanding Bonds" means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

"Previously Issued Bonds" means all Bonds that have been issued prior to the date of prepayment.

"Public Facilities Requirements" means either $3.25 million in 2019 dollars, which shall increase on January 1, 2020, and on each January 1 thereafter by 2% of the amount in effect in the prior year, or such other number as shall be determined by CMFA as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

"Remaining Facilities Costs" means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity, and any other source of funding.

1. Full Prepayment

The Special Tax obligation applicable to a Parcel in the CFD may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide CMFA with written notice of intent to prepay. Within 30 days of receipt of such written notice, CMFA or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 60 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by CMFA by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed

Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.

Step 2. Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in the CFD, as shown in Attachment 2 and as adjusted by the Administrator after prepayments or Land Use Changes.

Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the* "***Bond Redemption Amount"***).

Step 4. Compute the current Remaining Facilities Costs (if any).

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the* "***Remaining Facilities Amount"***).

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the* "***Redemption Premium"***).

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8, and 9 of this prepayment formula will not apply.

Step 8: Compute the amount of interest CMFA reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9: Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (the ***"Defeasance Requirement"***).

Step 10. The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds, and recording any notices to evidence the prepayment and the redemption (the "***Administrative Fees and Expenses"***).

Step 11. If and to the extent so provided in the Bond Indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit***").

Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the "***Prepayment Amount***").

Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel's Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel's obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. Partial Prepayment

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

I. INTERPRETATION OF RMA

Interpretations may be made by Resolution of the Board to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. CMFA, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to CMFA, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

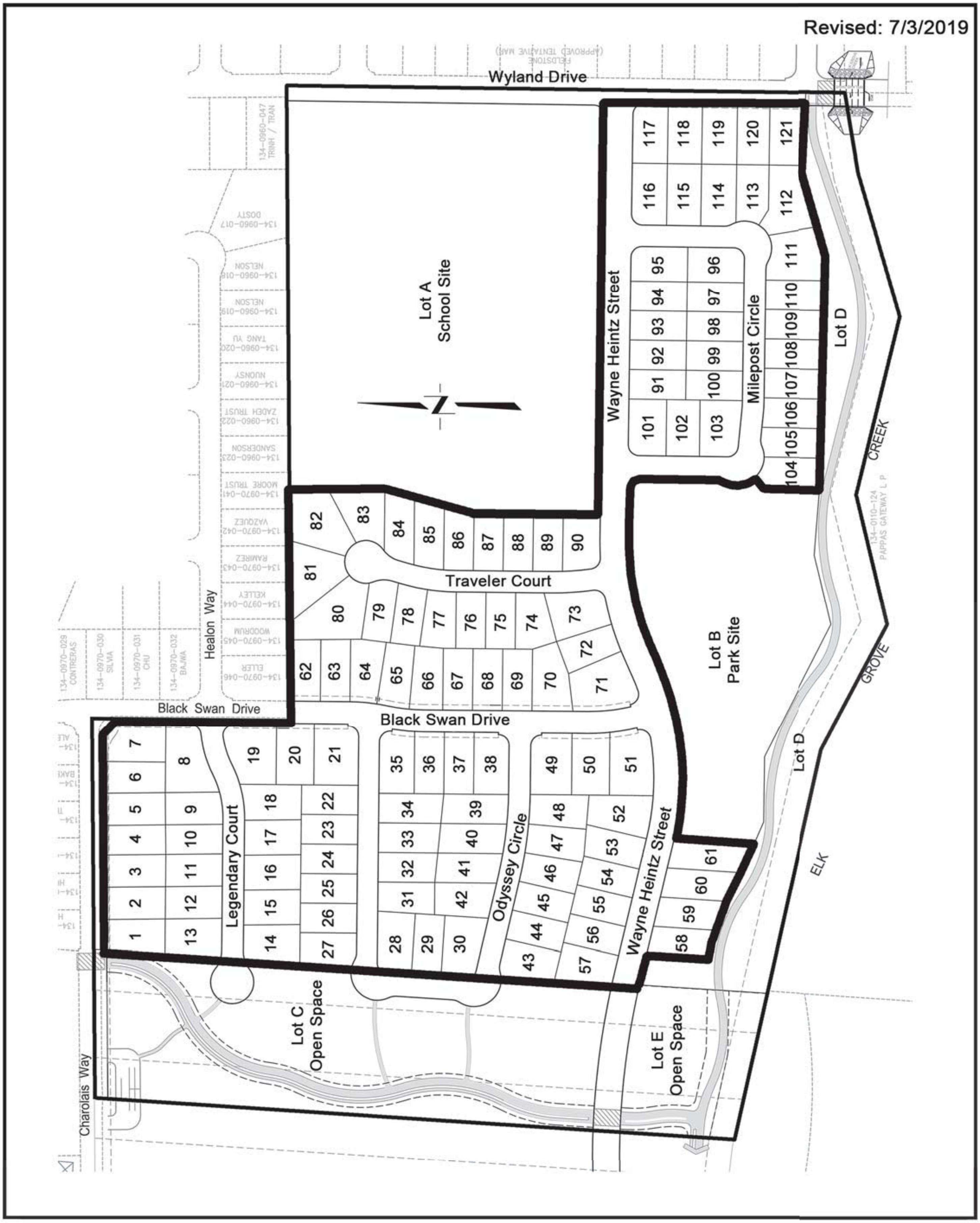
ATTACHMENT 1

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-3
(CITY OF ELK GROVE – MILESTONE)

Milestone Subdivision
Expected Lot Layout

Attachment 1
Milestone
Expected Lot Layout

121 Lots Total



ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2019-3
(City of Elk Grove – Milestone)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use	Expected Units / Acres	Base Special Tax (FY 2019-20) *	Expected Maximum Special Tax Revenues (FY 2019-20) *
Single Family Detached Property	121 Residential Units	$1,750 per Residential Unit	$211,750
Single Family Attached Property	0 Residential Units	$12,347 per Acre	$0
Other Property	0 Acres	$12,347 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)			**$211,750**

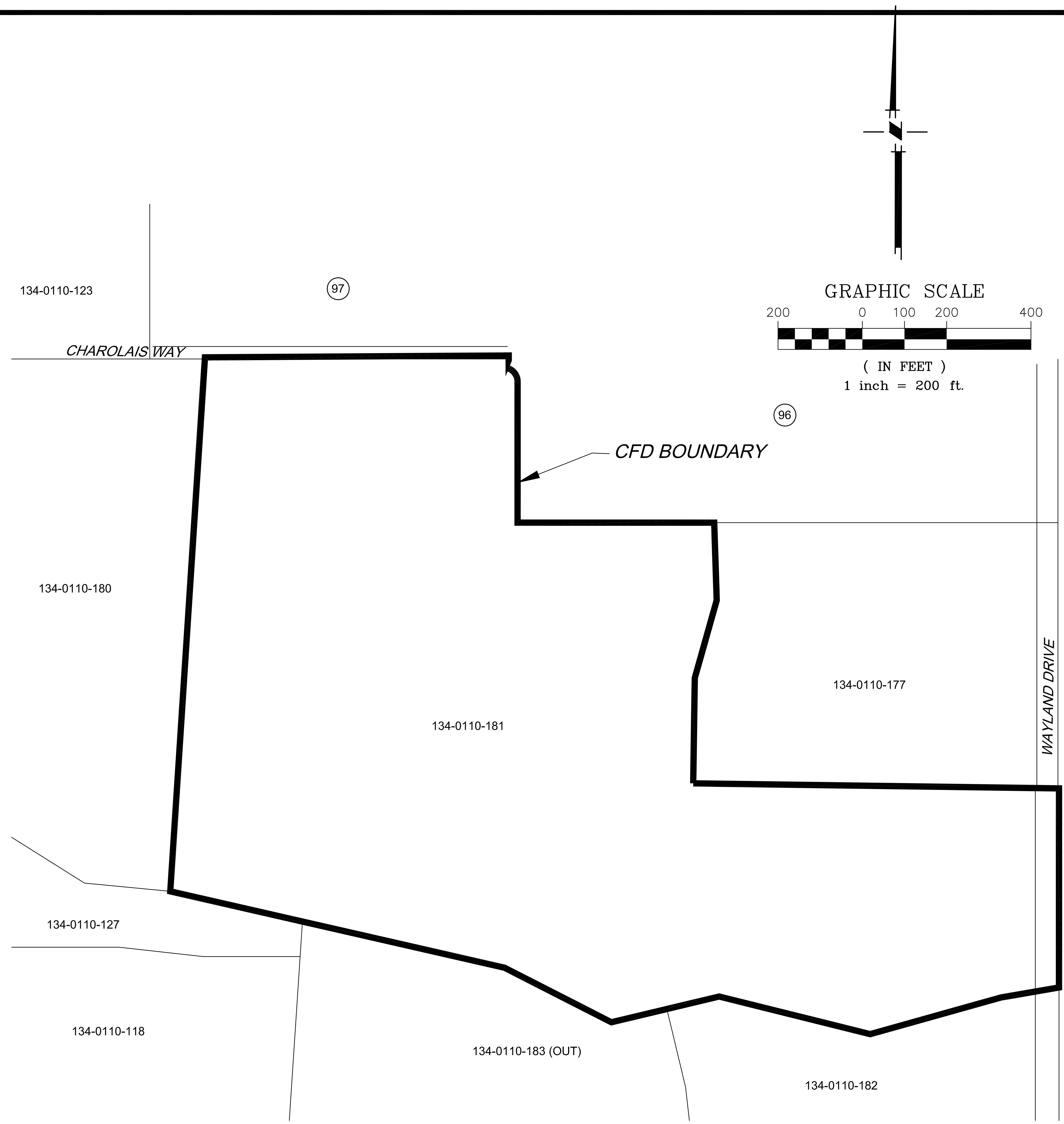
* On July 1, 2020, and each July 1 thereafter, all dollar amounts shown above shall be increased by 2% of the amount in effect in the prior Fiscal Year.

BOOK _______OF COMMUNITY FACILITIES DISTRICTS, PAGE _____

PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREAS OF

CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-3 (CITY OF ELK GROVE-MILESTONE)

SACRAMENTO COUNTY, STATE OF CALIFORNIA



CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS____________DAY OF ___________ 2019.

____
SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES AND THE FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-3 (CITY OF ELK GROVE-MILSESTONE), COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFONIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE _______DAY OF _____________, 2019, BY ITS RESOLUTION NO. _________.

____
SECRETARY

RECORDER'S STATEMENT

FILED THIS __________DAY OF _________________, 20______ AT THE HOUR OF ____________ O'CLOCK_______M, IN BOOK _________ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

FEE_____________________

FILE NO._________________
RECORDER

SACRAMENTO COUNTY

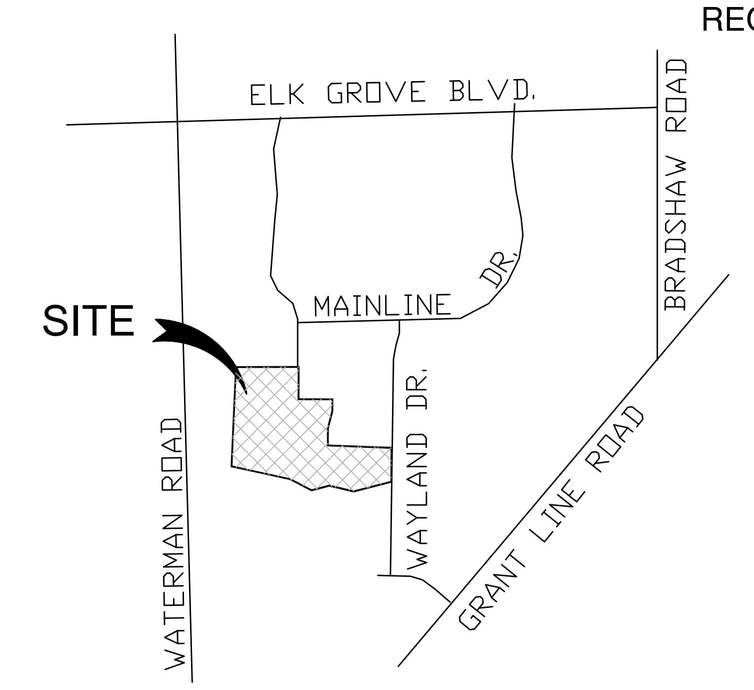
____
DEPUTY

NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF SACRAMENTO FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

LEGEND

134-0110-181	ASSESSOR'S PARCEL NUMBER
(line)	ASSESSOR'S PARCEL LOT LINE
(96)	ASSESSORS PARCEL BOOK NUMBER
(heavy line)	COMMUNITY FACILITIES DISTRICT NO. 2019-3



VICINITY MAP
N.T.S.

GCG
GOODWIN CONSULTING GROUP

LIBERTY VILLAGE COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Taylor Morrison of California
Action:	Hold the Public Hearing and Approve Various Resolutions Forming the CMFA Community Facilities District
Amount:	$2,600,000
Purpose:	Approve Resolutions Forming CMFA Community Facilities District No. 2019-4 (City of Roseville – Liberty Village), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election
Activity:	BOLD/ Community Facilities District
Meeting:	October 4, 2019

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The City of Roseville (the "City") is a member of the CMFA and a participant in BOLD. Taylor Morrison of California, LLC, (the "Developer") previously submitted an application to the CMFA to use BOLD in relation to the Developer's proposed development of certain property located in the City. The CMFA and the City previously accepted such application, and on August 30, 2019, the Board of Directors of the CMFA took the initial steps toward formation of a community facilities district for the project under the Act. The resolutions being considered by the Board on October 4, 2019 will complete the formation of the community facilities district and authorize the levying of special taxes and incurrence of bonded indebtedness for the community facilities district.

As an initial step in using BOLD for the financing of public infrastructure to be owned by a local agency such as the City, the CMFA needs to form a community facilities district. On August 30, 2019, the CMFA adopted a resolution stating its intention to form a proposed community facilities district (the "Resolution of Intention to Form CFD") to be called California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) (the "CFD"), and a resolution stating its intention to incur bonded indebtedness for such CFD (the "Resolution of Intention to Incur Bonded Indebtedness").

Under the Act, the process of completing the formation of the CFD requires a noticed public hearing, the adoption of a resolution forming the CFD, the holding of a landowner election, and the adoption of an ordinance levying the special taxes. To form the CFD, the Board of Directors of the CMFA will first hold a public hearing on the formation of the CFD and the incurrence of bonded indebtedness for the CFD and consider any public comments received. After such public hearing, if there is no majority protest received, the Board of Directors of the CMFA can then proceed to adopt the resolution of formation for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village).

Next, the Board of Directors of the CMFA can adopt a resolution authorizing the issuance of debt for the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Determining Necessity to Incur Bonded Indebtedness and Other Debt in and for California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) (the "Resolution Determining Necessity").

In order to finance the costs of the Facilities it is necessary to incur bonded indebtedness and other debt (as defined in the Act) in one or more series in the aggregate amount of not to exceed $2,600,000 on behalf of the CFD and all improvement areas therein.

After adoption of the Resolution Determining Necessity, the Board of Directors of the CMFA can proceed to adopt a resolution calling for a special landowner election of the CFD. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Calling Special Election in and for California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) (the "Resolution Calling Election"). The election is allowed to be held as part of this meeting since timing waivers from 100% of the landowner voters have been received by the CMFA. The Secretary will canvass the results of the landowner election. These ballots have already been received by the Secretary.

The Board of Directors of the CMFA can then proceed to adopt a resolution declaring the results of the landowner election for the CFD and directing filing of the Notice of the Special Tax Lien with the County Recorder for Placer County. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) (the "Resolution Declaring Election Results"). The special tax lien puts the rate and method of apportionment on record for all parcels within the applicable Community Facilities District.

The final legislative act is the introduction of an ordinance levying special taxes on the land in the CFD. Assuming its introduction on October 4, 2019, the ordinance can be adopted at a subsequent Board meeting.

The Project:

The Liberty Village project is an attached housing product type that is expected to include construction of 53 residential units within the City of Roseville. The boundary of the CFD comprises 6.62 acres including HOA owned streets and landscaped common areas. No further annexations are anticipated for this district. At the time of developer application, all discretionary entitlements were in place and site development was substantially complete. First closings are expected in the 4th quarter of 2019.

Future Action:

The Ordinance Levying Special Taxes will need to be adopted by the CMFA to be held at a later date. Bonds payable from the special taxes are expected to be issued in multiple series, with each series subject to further resolution and approval at later dates undetermined at this time.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Formation, the Resolution Determining Necessity, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance levying special taxes for CMFA Community Facilities District No. 2019-4 (City of Roseville – Liberty Village).

EXHIBIT A

CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-4 (CITY OF ROSEVILLE – LIBERTY VILLAGE)

LIST OF AUTHORIZED FACILITIES

Authorized facilities and costs that may be funded through the Community Facilities District (CFD) include the following development impact fees and formation and administrative expenses.

A. Development Impact Fees

Authorized facilities include development impact fees paid and not otherwise reimbursed, whether standard City, County, or other agency fees levied at any time up to the issuance of a building permit or required as part of the DA for the property. The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

City of Roseville

- Drainage Fee (Pleasant Grove Water Shed)
- Local Sewer Connection Fee
- Water Connection Fee
- Public Facilities Fee
- City Traffic Mitigation Fee (Northwest)
- South Placer Regional Transportation Authority (SPRTA) Fee
- City-County Traffic Mitigation Fee
- Solid Waste Impact Fee
- Citywide Park Fee
- Neighborhood Park Fee

Roseville Unified School District and Dry Creek Elementary

- School Impact Fees

Placer County

- Capital Facilities Fee

B. Formation, Administrative, and Incidental Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, include these: the cost of planning, permitting, and designing the facilities (including the cost of environmental evaluation, orthophotography, and environmental remediation/mitigation); land acquisition and easement payments for authorized CFD facilities; project management; construction staking; engineering studies and preparation of an engineer’s report; utility relocation and demolition costs incidental to construction of the public facilities cost associated with the creation of the CFD and issuance of bonds; determination of the amount of taxes and collection of taxes; payment of taxes; costs otherwise incurred to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities or planning purposes serving development in the CFD; and any other expenses incidental to the construction, completion, and inspection of the facilities.

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-4
(CITY OF ROSEVILLE– LIBERTY VILLAGE)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre" or **"Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other parcel map recorded at the County Recorder's Office.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Part 1, Division 2, of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of CMFA in carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for CMFA and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of CMFA, the City, and the County in any way related to the establishment or administration of the CFD.

"Administrator" shall mean the person or firm designated by CMFA to administer the Special Tax according to this RMA.

"Affordable Unit" means any Residential Unit built on lots 10, 25, 28, 34, or 53, as identified in Attachment 1 hereto.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel number.

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by the CFD.

"Base Special Tax" means, for any Special Tax Category, the applicable Special Tax initially identified in Table 1 of Section C, as may be adjusted pursuant to Section D.

"Board" means the Board of Directors of CMFA.

"Bonds" means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by the CFD to fund Authorized Facilities.

"Building Permit" means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

"Capitalized Interest" means funds in any capitalized interest account available to pay debt service on Bonds.

"CFD" means the California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD was adopted by the Board.

"City" means the City of Roseville.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Placer.

"Developed Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property or Taxable Public Property for which a Building Permit for new construction was issued prior to June 30 of the preceding Fiscal Year.

"Development Class" means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property.

"Expected Land Uses" means the number of, and Special Tax Category assignment for, Residential Units, and the acreage of Other Property, expected within the CFD at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change.

"Expected Maximum Special Tax Revenues" means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Section D below.

"Final Map" means a final map, or portion thereof, approved by the City or County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. The term "Final Map" shall not include any large-lot subdivision map, Assessor's Parcel Map, or subdivision map or portion thereof, that does not create SFD Lots, including Assessor's Parcels that are designated as remainder parcels.

"Final Map Property" means, in any Fiscal Year, all SFD Lots created within Final Maps that had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

"First Bond Sale" means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels in the CFD.

"Fiscal Year" means the period starting July 1 and ending on the following June 30.

"Improvement Fund" means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities or to pay eligible impact fees.

"Indenture" means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

"Land Use Change" means a proposed or approved change to the Expected Land Uses after CFD Formation.

"**Market Rate Unit"** means any Residential Unit in the CFD that is not an Affordable Unit, as defined herein.

"**Maximum Special Tax"** means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

"Other Property" means any Parcel of Taxable Property in the CFD that does not fit within the definition of Single Family Detached Property or Single Family Attached Property.

"Owners Association" means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

"Owners Association Property" means any property within the boundaries of the CFD that is owned in fee or through easement by the Owners Association, not including any such property that is located directly under a residential structure.

"Proportionately" means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

"Public Property" means any property within the boundaries of the CFD that is owned by the City, federal government, State of California, or other public agency.

"Required Coverage" means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

"Residential Property" means, collectively, Single Family Detached Property and Single Family Attached Property..

"Residential Unit" means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

"RMA" means this Rate and Method of Apportionment of Special Tax.

"SFD Lot" means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

"SFD Unit" means a residential dwelling unit that does not share a common wall with another residential dwelling unit.

"Single Family Attached Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for construction of a residential structure consisting of two or more Residential Units that share common walls, have separate Assessor's Parcel numbers assigned to them (except for a duplex unit, which may share an Assessor's Parcel with another duplex unit), and may be purchased by individual homebuyers (which shall still be the case even if the Residential Units are purchased and subsequently offered for rent by the owners of the Residential Units), including such residential structures that meet the statutory definition of a condominium contained in Civil Code Section 1351.

"Single Family Detached Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was or is expected to be issued for construction of an SFD Unit.

"Special Tax" means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

"Special Tax Category" means one of the four categories for which a Special Tax amount is set forth in Table 1 of Section C below.

"Special Tax Requirement" means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support, and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

"Taxable Owners Association Property" means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Taxable Property" means all of the Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or Section G below.

"Taxable Public Property" means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale; (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator; and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

"Tentative Map" means a tentative map or substantial conformance exhibit for property in the CFD, including any adjustments or amendments thereto.

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property or Developed Property, as defined herein.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class; (ii) for Developed Property, categorize each Parcel as Single

Family Detached Property, Single Family Attached Property, or Other Property; (iii) for Single Family Attached Property, determine the number of Residential Units on the each Parcel; (iv) for Other Property, determine the Acreage of each Parcel; and (v) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor the Tentative Map, Final Maps, and Building Permits to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D below.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property

The Maximum Special Tax for a Parcel of Developed Property is the greater of: (i) the Base Special Tax set forth in Table 1 below, or (ii) the Maximum Special Tax determined pursuant to Section D.

Table 1
Base Special Tax
Developed Property

Special Tax Category	Base Special Tax Fiscal Year 2019-20 *
Single Family Detached Property Market Rate Units Affordable Units	 $1,500 per Residential Unit $1,125 per Residential Unit
Single Family Attached Property Market Rate Units Affordable Units	 $1,500 per Residential Unit $1,125 per Residential Unit
Other Property	$30,325 per Acre

*** On July 1, 2020, and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.**

2. Final Map Property

The Maximum Special Tax for Final Map Property is $30,325 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

3. Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is $30,325 per Acre for Fiscal Year 2019-20, which amount shall increase on July 1, 2020, and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. Land Use Changes

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 below must be applied:

Step 1: By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in the CFD after the Land Use Change based on application of the Base Special Taxes from Table 1.

Step 3: If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are <u>less</u> than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the "Requesting Landowner") may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there <u>is</u> a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by <u>multiple</u> landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. Partial Prepayments

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for the CFD. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. Conversion of a Parcel of Public Property to Private Use

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

Step 1: The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.

Step 2: If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.

Step 3: If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.

Step 4: If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.

Step 5: If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that CMFA may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2060-61. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

(1) Public Property, except Taxable Public Property.

(2) Owners Association Property, except Taxable Owners Association Property.

(3) Parcels that are owned by a public utility for an unmanned facility.

(4) Parcels that are subject to an easement that precludes any other use on the Parcel.

(5) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

"Outstanding Bonds" means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor's Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

"Previously Issued Bonds" means all Bonds that have been issued prior to the date of prepayment.

"Public Facilities Requirements" means either $1.2 million in 2019 dollars, which shall increase on January 1, 2020, and on each January 1 thereafter by 2% of the amount in effect in the prior year, or such other number as shall be determined by CMFA as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

"Remaining Facilities Costs" means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity, and any other source of funding.

1. Full Prepayment

The Special Tax obligation applicable to a Parcel in the CFD may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide CMFA with written notice of intent to prepay. Within 30 days of receipt of such written notice, CMFA or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 60 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes. The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by CMFA by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed

Land Use Change would reduce Expected Maximum Special Tax Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.

Step 2. Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in the CFD, as shown in Attachment 2 and as adjusted by the Administrator after prepayments or Land Use Changes.

Step 3. Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the* "***Bond Redemption Amount***").

Step 4. Compute the current Remaining Facilities Costs (if any).

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the* "***Remaining Facilities Amount***").

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the* "***Redemption Premium***").

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8, and 9 of this prepayment formula will not apply.

Step 8: Compute the amount of interest CMFA reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.

Step 9: Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (the ***"Defeasance Requirement"***).

Step 10. The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds, and recording any notices to evidence the prepayment and the redemption (the "***Administrative Fees and Expenses***").

Step 11. If and to the extent so provided in the Bond Indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit***").

Step 12. The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11 (the "***Prepayment Amount***").

Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel's Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel's obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. Partial Prepayment

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

I. INTERPRETATION OF RMA

Interpretations may be made by Resolution of the Board to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. CMFA, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to CMFA, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

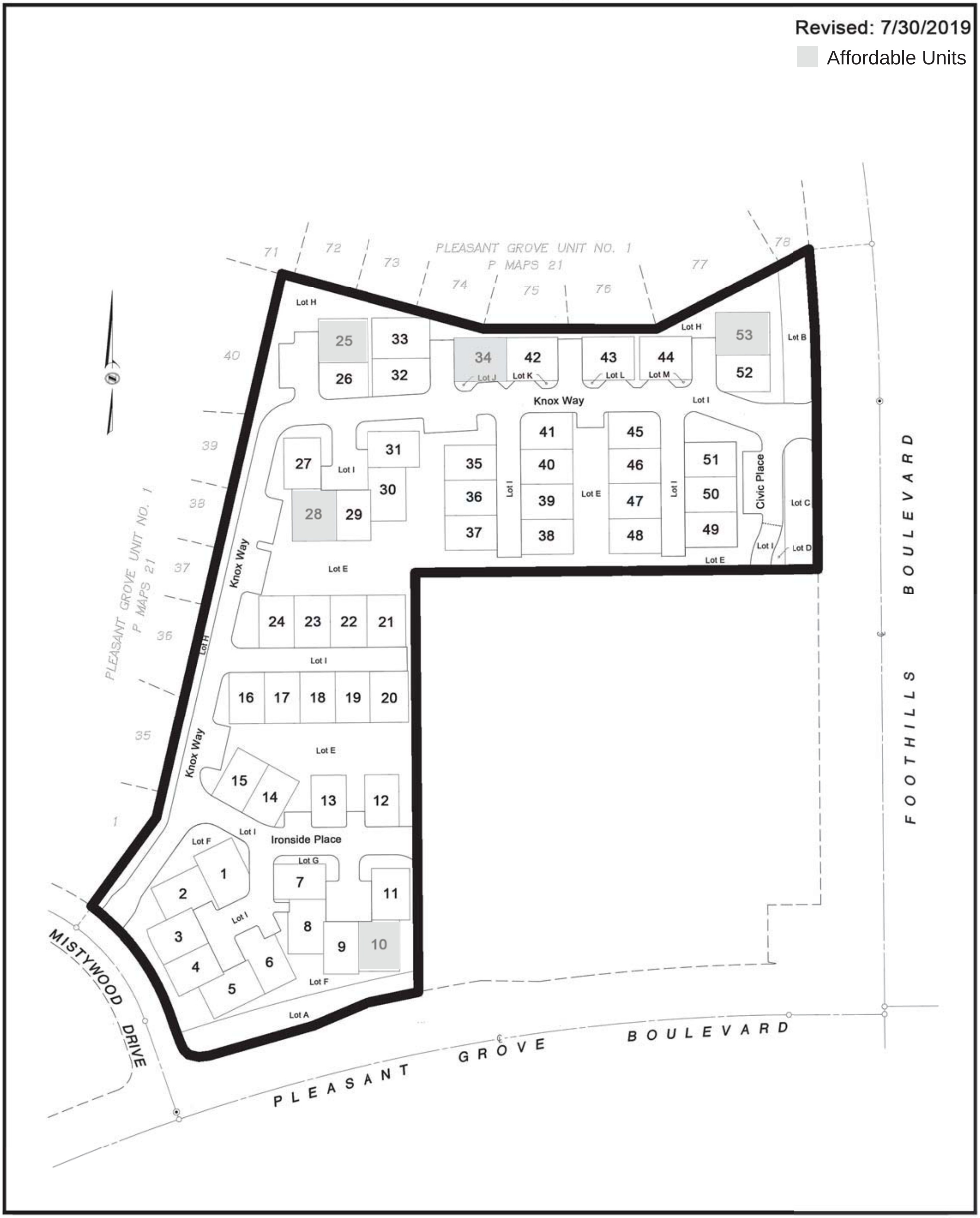
ATTACHMENT 1

California Municipal Finance Authority
Community Facilities District No. 2019-4
(City of Roseville – Liberty Village)

Liberty Village
Expected Lot Layout

Attachment 1
Liberty Village
Expected Lot Layout

53 Lots Total



ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2019-4
(City of Roseville – Liberty Village)

Expected Land Uses and Expected Maximum Special Tax Revenues

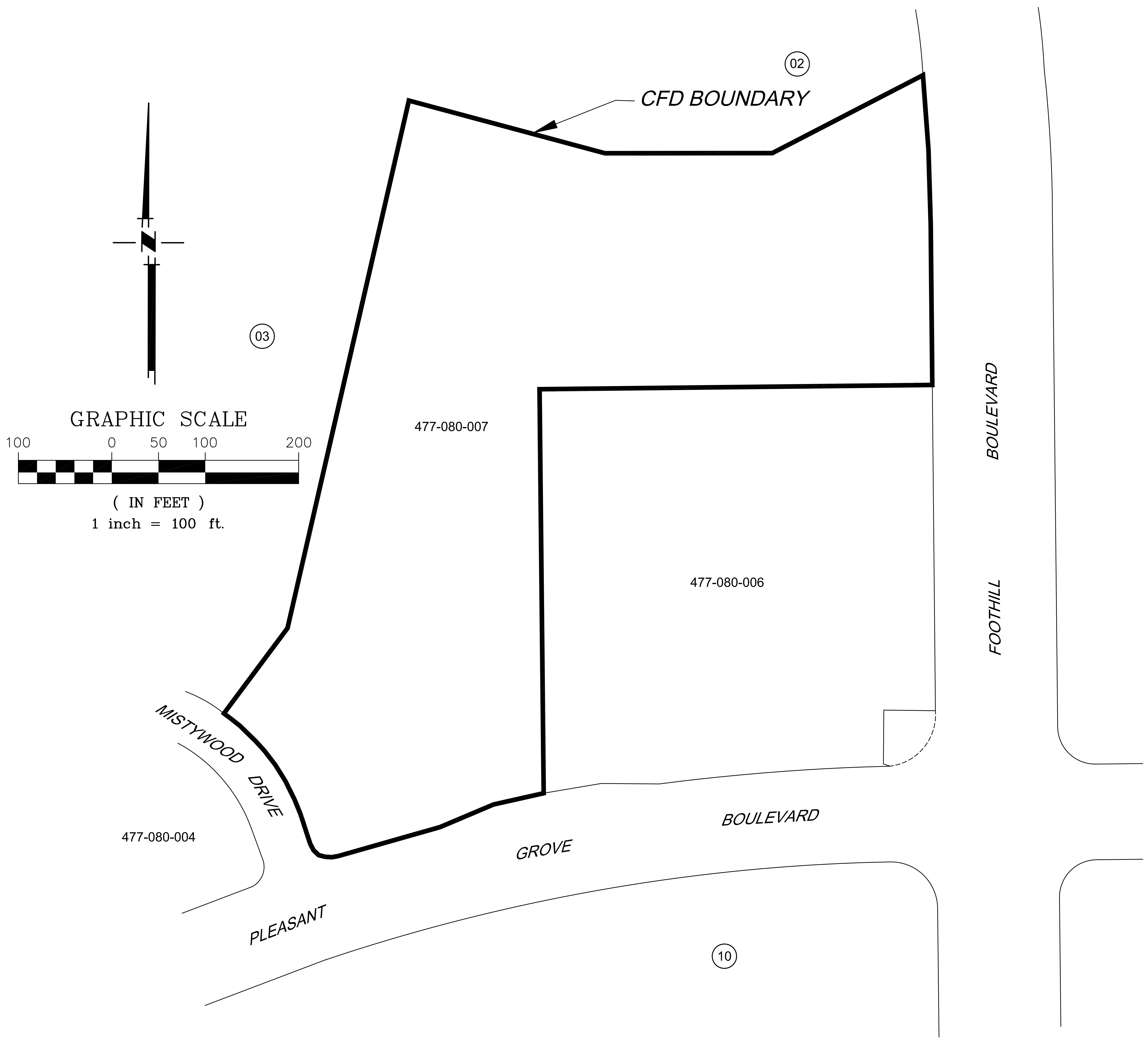
Land Use	**Expected Units / Acres**	**Base Special Tax (FY 2019-20) ***	**Expected Maximum Special Tax Revenues (FY 2019-20) ***
Single Family Detached Property			
Market Rate Units	48 Residential Units	$1,500 per Residential Unit	$72,000
Affordable Units	5 Residential Units	$1,125 per Residential Unit	$ 5,625
Single Family Attached Property			
Market Rate Units	0 Residential Units	$1,500 per Residential Unit	$0
Affordable Units	0 Residential Units	$1,125 per Residential Unit	$0
Other Property	0 Acres	$30,325 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)			**$77,625**

* On July 1, 2020, and each July 1 thereafter, all dollar amounts shown above shall be increased by 2% of the amount in effect in the prior Fiscal Year.

PROPOSED BOUNDARIES OF
AND FUTURE ANNEXATION AREAS OF

CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-4 (CITY OF ROSEVILLE-LIBERTY VILLAGE)

PLACER COUNTY, STATE OF CALIFORNIA



CLERK'S MAP FILING STATEMENT

FILED IN THE OFFICE OF THE SECRETARY OF THE BOARD OF DIRECTORS OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY THIS___________DAY OF __________ 2019.

SECRETARY

CLERK'S MAP CERTIFICATE

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES AND THE FUTURE ANNEXATION AREA OF CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-4 (CITY OF ROSEVILLE-LIBERTY VILLAGE), COUNTY OF PLACER, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF DIRECTORS OF THE CALIFONIA MUNICIPAL FINANCE AUTHORITY, AT A REGULAR MEETING THEREOF, HELD ON THE _______DAY OF _____________, 2019, BY ITS RESOLUTION NO. _________.

SECRETARY

RECORDER'S STATEMENT

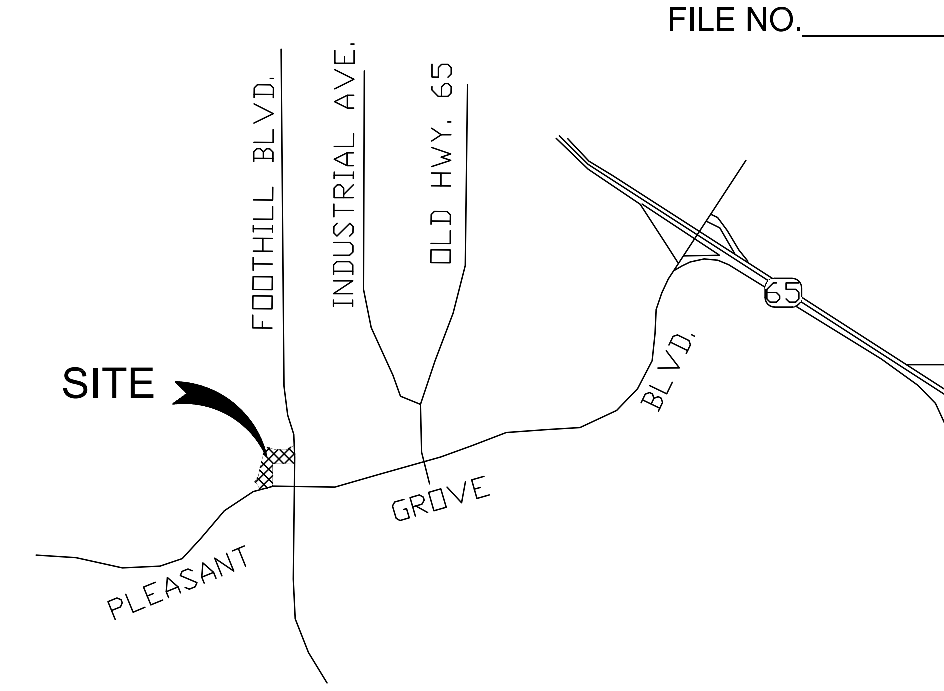
FILED THIS _________DAY OF _________________, 20______ AT THE HOUR OF ____________ O'CLOCK_______M, IN BOOK ________ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ THEREOF IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF PLACER, STATE OF CALIFORNIA.

FEE____________________

FILE NO.________________

PLACER COUNTY RECORDER

DEPUTY



VICINITY MAP

N.T.S.

NOTE:

REFERENCE IS HEREBY MADE TO THE MAPS AND DEEDS OF RECORD IN THE OFFICE OF THE ASSESSOR OF THE COUNTY OF PLACER FOR THE DETAILED DESCRIPTION OF THE LINES AND DIMENSIONS OF ANY PARCELS SHOWN HEREON.

LEGEND

477-080-007	ASSESSOR'S PARCEL NUMBER
	ASSESSOR'S PARCEL LOT LINE
03	ASSESSORS PARCEL BOOK 447 PAGE 03
	COMMUNITY FACILITIES DISTRICT NO. 2019-4

GCG
GOODWIN CONSULTING GROUP

California Municipal Finance Authority
Statement of Income and Expense vs. Budget
July 2019 through September 2019

	Jul - Sep 19	Budget	$ Over Budget
Income			
Annual Fee Income	1,134,592	900,000	234,592
Application Fee Income	0	2,500	-2,500
Issuance Fees	631,852	640,000	-8,148
Other Income - PACE	175,000	0	175,000
Total Income	1,941,444	1,542,500	398,944
Expense			
Bank Service Charges	1,739	800	939
Charitable Grants - Restricted	14,406	25,000	-10,594
Charitable Grants -Unrestricted	268,424	469,060	-200,636
Insurance	20,803	25,000	-4,197
JPA Member Distributions	113,170	160,000	-46,830
Marketing	15,400	12,000	3,400
Outside Services	2,145	1,000	1,145
Professional Fees	1,124,449	834,240	290,209
Travel & Entertainment	4,033	4,500	-467
Total Expense	1,564,569	1,531,600	32,969
Net Ordinary Income	376,875	10,900	365,975
Interest Income	370	0	370
Other Income	0	100	-100
Total Other Income	370	100	270
Other Expense	0	1,000	-1,000
Net Other Income	370	-900	1,270
Net Income	**377,245**	**10,000**	**367,245**

California Municipal Finance Authority
Statement of Income and Expense
July 2019 through September 2019

	Jul - Sep 19	Jul - Sep 18	$ Change
Income			
Annual Fee Income	1,134,592	905,524	229,068
Application Fee Income	0	35,000	-35,000
Issuance Fees	631,852	392,178	239,674
Other Income - PACE	175,000	0	175,000
Total Income	1,941,444	1,332,702	608,742
Expense			
Bank Service Charges	1,739	712	1,027
Charitable Grants - Restricted	14,406	23,400	-8,994
Charitable Grants -Unrestricted	268,424	301,365	-32,941
Insurance	20,803	22,687	-1,884
JPA Member Distributions	113,170	101,036	12,134
Marketing	15,400	4,500	10,900
Outside Services	2,145	0	2,145
Professional Fees	1,124,449	709,437	415,012
Travel & Entertainment	4,033	3,255	778
Total Expense	1,564,569	1,166,392	398,177
Net Ordinary Income	376,875	166,310	210,565
Interest Income	370	113	257
Net Income	**377,245**	**166,423**	**210,822**

California Municipal Finance Authority

Statement of Financial Position

As of September 30, 2019

	Sep 30, 19	Sep 30, 18	$ Change
ASSETS			
Checking/Savings			
Wells CDLAC (#8131)	2,703,502	2,722,133	-18,631
Wells Checking (#4713)	1,293,901	777,809	516,092
Total Checking/Savings	3,997,403	3,499,942	497,461
Accounts Receivable	29,336	103,647	-74,311
Prepaid Expenses	66,087	75,854	-9,767
TOTAL ASSETS	**4,092,826**	**3,679,443**	**413,383**
LIABILITIES & EQUITY			
Accounts Payable	126,704	65,509	61,195
Accrued Expenses	267,006	254,856	12,150
Refundable Deposits	2,703,502	2,722,133	-18,631
Total Liabilities	3,097,212	3,042,498	54,714
Equity			
Retained Earnings	618,370	470,522	147,848
Net Income	377,244	166,423	210,821
Total Equity	995,614	636,945	358,669
TOTAL LIABILITIES & EQUITY	**4,092,826**	**3,679,443**	**413,383**

INFORMATIONAL ITEMS FOR THE CMFA
SUMMARY AND RECOMMENDATIONS

Item: Administrative Issues; A., B., C., D., E., F., G., H., I.

Action: Each meeting, the board has the opportunity to discuss, without taking any formal actions on items;

A. Executive Director Report
B. Marketing Update
C. Membership Update
D. Transaction Update
E. Legislative Update
F. Internal Policies and Procedures
G. Legal Update
H. Audits Update
I. PACE Update

PROCEDURAL ITEMS FOR THE CMFA
SUMMARY AND RECOMMENDATIONS

Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CMFA, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

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53 COLTON APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Strada Investment Group
Action:	Initial Resolution
Amount:	$42,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Francisco, San Francisco County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Headquartered in San Francisco, Strada is a vertically-integrated real estate investment company with a proven track record of producing outsized opportunistic returns. Its business is devoted exclusively to real estate investment, development, and advisory services. The firm was founded in 2010 by the founding Principals, Jesse Blout, Michael Cohen and Scott Stafford, a team of executives with a unique mix of public and private sector real estate experience. They are supported by a team of real estate professionals with expertise in research, acquisitions, asset management, construction and development.

Since its founding, Strada has managed more than $1 billion of real estate assets with top-tier institutional capital partners, and currently has more than 2 million square feet in the development pipeline.

Strada seeks to invest in markets well-positioned to outperform the national pace of employment and output growth. The firm targets metropolitan areas where the local economy has a concentration of industries with a better than average growth outlook and identifies specific submarkets and property types that are especially attractive to those industry users.

The Project:

The 53 Colton Apartments is the new construction of a supportive affordable multifamily housing development. The proposed project will be composed of 96 high-quality apartment units for extremely low-income and formerly homeless residents. The project will have community space and on-site supportive services. 53 Colton is also part of a larger mixed-use, transit-oriented redevelopment area that includes market-rate residential, inclusionary affordable units, labor union offices and collective bargaining space, and a centerpiece publicly accessible open space that includes improvement of above-ground BART facilities. This financing will create 96 units of affordable housing in the City of San Francisco for the next 55 years.

The City and County of San Francisco:

The City and County of San Francisco is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City and County is expected to receive approximately $15,031 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

	Construction
Sources of Funds:	
Tax-Exempt Bond Proceeds:	$ 35,191,509
LIH Tax Credit Equity:	$ 2,621,489
GP Equity:	$ 10,000,000
Deferred Developer Fee:	$ 2,798,744
Total Sources:	$ 50,611,742
Uses of Funds:	
Acquisition/Land Purchase:	$ 35,000
New Construction:	$ 34,798,659
Architectural & Engineering:	$ 3,715,237
Legal & Professional:	$ 255,000
Fees & Permits:	$ 1,199,336
Reserves:	$ 395,222
Other Soft Costs*:	$ 4,590,383
Developer Costs:	$ 4,981,980
Costs of Issuance:	$ 640,925
Total Uses:	$ 50,611,742

Terms of Transaction:

Amount:	$42,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	October 2020

Public Benefit:

The construction of this project will create 96 units of high-quality affordable housing in the City of San Francisco for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

- 10% (10 Units) restricted to 20% or less of area median income households;
- 21% (20 Units) restricted to 25% or less of area median income households;
- 48% (46 Units) restricted to 30% or less of area median income households;
- 16% (15 Units) restricted to 35% or less of area median income households;
- 3% (3 Units) restricted to 50% or less of area median income households; and
- 2% (2 Units) restricted to 60% or less of area median income households.
- Unit Mix: Studio units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Gubb & Barshay
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $42,000,000 for the 53 Colton Apartments affordable housing facility located in the City of San Francisco, San Francisco County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

COUNTRYSIDE II APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Chelsea Investment Corporation
Action:	Initial Resolution
Amount:	$14,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of El Centro, Imperial County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

Chelsea Investment Corporation ("CIC") is a real estate company focused on the financing and development of affordable housing. CIC provides financial engineering, development, asset management and property management services, as well as legal and non-profit experience to its development and investment partners and clients. Considered experts in the affordable housing sector, they have a strong and experienced team of professionals who identify and implement timely and cost-effective solutions to the many challenges of this market niche.

The CMFA has participated in over ten CIC projects.

The Project:

Countryside II Apartments is the new construction of a 56-unit development in El Centro, CA on an approximately 2.39-acre site. The building construction type will be type V, 2 story walk up, with surface parking. There will be a mix of 8 one-bedroom units, 32 two-bedroom units, and 16 three-bedroom units for low and very low-income families earning less than 60% of area median income. There will be 1,178 sq. ft. of community accessible space along with 114 parking spaces.

This financing will provide 55 units of affordable housing for the City of El Centro for 55 years.

The City of El Centro:

The City of El Centro is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive $8,750 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$ 11,932,157
LIHTC Equity:	$ 1,900,780
Solar Equity:	$ 17,095
IIG:	$ 1,000,000
HOME:	$ 4,500,000
Total Sources:	$ 19,350,032

Uses of Funds:

New Construction:	$ 14,869,430
Land Acquisition:	$ 650,000
Architectural & Engineering:	$ 100,000
Contingency:	$ 1,000,000
Construction Period Expenses:	$ 1,000,000
Legal & Professional:	$ 50,000
Other Costs*:	$ 1,680,602
Total Uses:	$ 19,350,032

Terms of Transaction:

Amount:	$14,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	July 2020

Public Benefit:

A total of 55 low-income households will be able to enjoy high quality, independent, affordable housing in the City of El Centro for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

35% (19 Units) restricted to 30% or less of area median income households; and
9% (5 Units) restricted to 50% or less of area median income households; and
56% (31 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2- & 3-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Odu & Associates, PC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $14,000,000 for the Countryside II Apartments affordable multi-family housing facility located in the City of El Centro, Imperial County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees

COLLEGE AVENUE HOUSING FIRST APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Danco Group
Action:	Initial Resolution
Amount:	$21,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Santa Rosa, Sonoma County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The College Avenue Housing First Apartments is the new construction of an affordable multifamily housing project. The proposed building is a single 3-story 36,000 sq. ft. wood framed structure with major frontage along downtown College Avenue. The building forms an internal private garden courtyard which faces South and will contain community gardens, benches, trees and covered walkways. There will be a covered bike shelter in the courtyard which will contain 56 bicycles and a bicycle repair station. There is a centrally located elevator which serves all floors. There will be 53 studio apartments with air conditioning, private bathrooms and a full kitchen. There will be a one-bedroom unit for the Resident Manager. All the apartments are located along a wide continuous balcony and the units have been clustered into 3 groupings that center around amenity spaces. These amenity spaces include a fitness room on each floor, a lounge on each floor and a common laundry/lounge. On the first floor there will be a 24/7 security office that is visually connected to the entry and the courtyard. The first floor also includes offices, meeting rooms, a decontamination room with a separate bathroom and a large meeting room with an open kitchen for instructional purposes. This financing will create 53 units of affordable housing in the City of Santa Rosa for the next 55 years.

The City of Santa Rosa

The City of Santa Rosa is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $10,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction
Tax-Exempt Bond Proceeds:	$ 15,800,000
PHP:	$ 500,000
LIH Tax Credit Equity:	$ 2,309,476
County Requested Funds:	$ 2,000,000
Solar Tax Credit Equity:	$ 25,920
Deferred Developer Fee:	$ 1,356,662
Total Sources:	$ 21,992,058

Uses of Funds:	
Acquisition/Land Purchase:	$ 2,100,000
New Construction:	$ 11,882,859
Architectural:	$ 1,367,398
Construction Interest & Fees:	$ 1,402,229
Permanent Financing:	$ 50,000
Legal Fees:	$ 100,000
Reserves:	$ 772,972
Appraisal:	$ 7,500
Other Soft Costs:	$ 1,826,020
Developer Costs:	$ 2,483,080
Total Uses:	$ 21,992,058

Terms of Transaction:

Amount:	$21,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

The construction of this project will create 53 units of high-quality affordable housing in the City of Santa Rosa for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

49% (26 Unit) restricted to 30% or less of area median income households; and
51% (27 Units) restricted to 40% or less of area median income households
Unit Mix: Studio units

Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $21,000,000 for the College Avenue Housing First Apartments affordable housing facility located in the City of Santa Rosa, Sonoma County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

BOYD STREET APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Danco Group
Action:	Initial Resolution
Amount:	$20,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Santa Rosa, Sonoma County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The Boyd Street Apartments is the new construction of an affordable multifamily housing project. Composed of 2 total buildings, the project entry and driveway are marked by the Community Building at the parcel's east boundary. Landscaped accessible pathways lead to a covered porch at the Community Building and to semiprivate spaces and the residential entryways along the apartment building's open exit corridors. Residents park their cars on both sides of the driveway, which terminates in an emergency vehicle hammerhead-shaped turnaround and also functions as a sport court for teens. Landscaped open space at the south side of the site consists of drought-tolerant planting and a community garden area. At least 2,760 square feet of this recreational landscaped open area will be designated as a growing area for a fruit and vegetable garden. This is a residential infill development that is 100% affordable and meets the goals of cities like Santa Rosa to increase density and to reform land use patterns in Priority Development Areas without losing their identity as family-oriented communities. This financing will create 45 units of affordable housing in the City of Santa Rosa for the next 55 years.

The City of Santa Rosa:

The City of Santa Rosa is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $9,968 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction
Tax-Exempt Bond Proceeds:	$ 15,950,000
County Funds:	$ 1,500,000
City of Santa Rosa:	$ 200,000
LIH Tax Credit Equity:	$ 2,554,822
Solar Tax Credit Equity:	$ 22,140
Deferred Developer Fee:	$ 2,583,740
Total Sources:	$ 22,810,702

Uses of Funds:	
Acquisition/Land Purchase:	$ 1,450,000
New Construction:	$ 14,850,079
Architectural:	$ 850,000
Construction Interest & Fees:	$ 764,958
Permanent Financing:	$ 184,664
Legal Fees:	$ 120,000
Reserves:	$ 173,916
Appraisal:	$ 10,000
Other Soft Costs:	$ 1,678,669
Developer Costs:	$ 2,728,416
Total Uses:	$ 22,810,702

Terms of Transaction:

Amount:	$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

The construction of this project will create 45 units of high-quality affordable housing in the City of Santa Rosa for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

13% (6 Unit) restricted to 50% or less of area median income households; and
87% (39 Units) restricted to 60% or less of area median income households
Unit Mix: 2- & 3-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $20,000,000 for the Boyd Street Apartments affordable housing facility located in the City of Santa Rosa, Sonoma County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

BRENTWOOD CROSSING APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Danco Group
Action:	Initial Resolution
Amount:	$22,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Bakersfield, Kern County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The Brentwood Crossing project is the new construction of 58 total homes, composed of 30 two-bedroom units, 20 three-bedroom units, and 8 four-bedroom units. Each unit is a single-family-style dwelling with front, back and side yards. Each home will have a one-car garage and a two-car driveway. One of the 3-bedroom units will serve as the on-site manager's unit. The homes are organized around typical streets, except the sidewalks are set back from the curb with a landscaped parkway. The homes will be located on an 11.18-acre parcel in the middle of a developing area of Bakersfield. Existing neighborhoods and commercial businesses border the property to the east, west and south, while to the north lies land slated for residential development. There is an elementary school and a middle school right next door to the east, a bus line that passes every half hour weekdays between 6 AM and 10 PM, and many other services close by. Located at the center of the property is the Common Building, with a community gathering room, manager's office, community kitchen, fitness center, computer lab, and laundry room. The community room spills out onto shaded patios and into the surrounding playgrounds and playfields. The playground is outdoors, has an accessible entrance point, and is over 600 sq. ft. It will be surfaced with natural or synthetic protective material and has an array of diverse play equipment. This financing will create 57 units of affordable housing in the City of Bakersfield for the next 55 years.

The City of Bakersfield:

The City of Bakersfield is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $11,812 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond Proceeds:	$ 18,900,000
LIH Tax Credit Equity:	$ 2,440,118
HOME Funds, City of Bakersfield:	$ 1,100,000
Solar Tax Credit Equity:	$ 32,645
Deferred Developer Fee:	$ 2,283,608
Other Deferred Costs:	$ 866,667
Total Sources:	$ 25,623,038

Uses of Funds:	
Acquisition/Land Purchase:	$ 1,200,000
New Construction:	$ 16,833,945
Architectural:	$ 350,000
Construction Interest & Fees:	$ 1,362,561
Permanent Financing:	$ 45,000
Legal Fees:	$ 100,000
Reserves:	$ 289,352
Appraisal:	$ 25,000
Other Project Costs:	$ 2,283,608
Developer Costs:	$ 3,133,572
Total Uses:	$ 25,623,038

Terms of Transaction:

Amount:	$22,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2020

Public Benefit:

The construction of this project will create 57 units of high-quality affordable housing in the City of Bakersfield for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

18% (10 Units) restricted to 30% or less of area median income households;
40% (23 Unit) restricted to 40% or less of area median income households; and
42% (24 Units) restricted to 50% or less of area median income households
Unit Mix: 2-, 3- & 4-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $22,000,000 for the Brentwood Crossing Apartments affordable housing facility located in the City of Bakersfield, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as “Other Costs” they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

7th & MYRTLE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Danco Group
Action:	Initial Resolution
Amount:	$9,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Eureka, Humboldt County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The 7th & Myrtle Apartments is the new construction of a single new building with three stories and 36 apartment units total. The building is served by an elevator and is accessed by a "V" shaped central corridor circulation system. There are 2 studio units, 27 one-bedroom units, 6 two-bedroom units, and one two-bedroom manager's unit. The ground floor level contains 7 one-bedroom units and 2 two-bedroom units. The ground floor also includes common spaces including an entry lobby, mail box area, a sitting room for social gatherings, a fitness room, single accommodation restroom, laundry room with accessible washer and dryer, as well as circulation and mechanical space. The second and third floor levels include 13 dwelling units including 1 studio unit, 10 one-bedroom units, and 2 two-bedroom units. Common spaces on the second floor include a sitting room located near the elevator, with large view windows, as well as a laundry room with accessible washer and dryer. The design for having various types of common spaces distributed throughout all three floor levels is specifically intended to serve the targeted senior population. The building also encloses a south facing courtyard that will include landscaping and seating areas and provide access to the series of trails and recreation available in adjoining Cooper Gulch Park. This financing will create 35 units of senior affordable housing in the City of Eureka for the next 55 years.

The City of Eureka:

The City of Eureka is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $4,125 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction
Tax-Exempt Bond Proceeds:	$ 6,600,000
LIH Tax Credit Equity:	$ 1,235,716
IIG:	$ 1,251,000
City Land Donation:	$ 800,000
City of Eureka Soft Loan:	$ 250,000
Solar Tax Credit Equity:	$ 28,958
Deferred Developer Fee:	$ 1,302,670
Total Sources:	$ 11,468,344

Uses of Funds:	
Acquisition/Land Purchase:	$ 800,000
New Construction:	$ 7,091,207
Architectural:	$ 904,354
Construction Interest & Fees:	$ 465,167
Permanent Financing:	$ 194,185
Legal Fees:	$ 100,000
Reserves:	$ 110,517
Appraisal:	$ 7,500
Other Soft Costs:	$ 446,384
Developer Costs:	$ 1,349,030
Total Uses:	$ 11,468,343

Terms of Transaction:

Amount:	$9,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

The construction of this project will create 35 units of high quality affordable senior living in the City of Eureka for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

11% (4 Units) restricted to 30% or less of area median income households;
20% (7 Units) restricted to 40% or less of area median income households;
3% (1 Unit) restricted to 45% or less of area median income households; and
66% (23 Units) restricted to 50% or less of area median income households
Unit Mix: Studio, 1- & 2-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $9,000,000 for the 7th & Myrtle Apartments affordable housing facility located in the City of Eureka, Humboldt County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

California
Municipal Finance Authority

THE PLATEAU APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Danco Group
Action:	Initial Resolution
Amount:	$22,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Fort Bragg, Mendocino County, California
Activity:	Affordable Housing
Meeting:	October 4, 2019

<u>Background:</u>

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The Plateau Apartments is the new construction of an affordable multifamily housing project. The project includes three primary components: development of Permanent Supportive Housing (PSH), affordable Senior housing, and Family/Workforce housing units. The balance of the site is set aside for market rate housing. The PSH component consist of 20 permanent supportive residential cottages ranging from 616 to 830 square feet, a 3,000 square foot common building, walkways and a full-size basketball court. The Senior housing component consist of 25 single-story affordable senior residential cottages ranging from 616 to 848 square feet, 1,200 square foot commons building, a 440 square foot common utility building, a manager's unit, walkways and 29 parking spaces and associated driveway. The Family/Workforce housing component consist of 23 two-story, residential duplex units, ranging from 1,000 to 1,200 square feet (2- and 3-bedroom units), landscaping, playground and 36 covered parking spaces along with driveways. This financing will create 67 units of affordable housing in the City of Fort Bragg for the next 55 years.

The City of Fort Bragg:

The City of Fort Bragg is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $11,156 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction
Tax-Exempt Bond Proceeds:	$ 17,850,000
City of Fort Bragg:	$ 250,000
HEAP:	$ 3,000,000
LIH Tax Credit Equity:	$ 2,888,430
Solar Tax Credit Equity:	$ 44,880
Deferred Developer Fee:	$ 3,072,662
Total Sources:	$ 27,105,972

Uses of Funds:	
Acquisition/Land Purchase:	$ 2,760,000
New Construction:	$ 17,637,926
Architectural:	$ 700,000
Construction Interest & Fees:	$ 1,151,825
Permanent Financing:	$ 224,841
Legal Fees:	$ 100,000
Reserves:	$ 116,604
Appraisal:	$ 7,500
Other Soft Costs:	$ 1,281,424
Developer Costs:	$ 3,125,852
Total Uses:	$ 27,105,972

Terms of Transaction:

Amount:	$22,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

The construction of this project will create 67 units of high-quality affordable housing in the City of Fort Bragg for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
15% (10 Units) restricted to 30% or less of area median income households;
15% (10 Units) restricted to 40% or less of area median income households;
10% (7 Unit) restricted to 45% or less of area median income households; and
60% (40 Units) restricted to 50% or less of area median income households
Unit Mix: 1-, 2- & 3-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $22,000,000 for the Plateau Apartments affordable housing facility located in the City of Fort Bragg, Mendocino County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

*Other Costs: These are costs that are categorized by CDLAC as "Other Costs" they may include the following; Accounting/Reimbursable, Appraisals, Audit Costs, Capital Needs Assessment, Contingency, Demolition & Environmental Remediation, Environmental Audit, Furnishings, Inspections, Insurance, Investor Due Diligence, Local Development Impact Fees, Marketing, Market Study, Operating Reserves, Permit Processing Fees, Prevailing Wage Monitoring, Relocation, Seismic, Syndication Consultants, TCAC App/Allocation/Monitoring Fees.

PROCEDURAL ITEMS FOR THE CFSC
SUMMARY AND RECOMMENDATIONS

Items:	A1, A2, A3
Action:	Pursuant to the by-laws and procedures of CFSC, each meeting starts with the call to order and roll call (A1) and proceeds to a review and approval of the minutes from the prior meeting (A2). After the minutes have been reviewed and approved, time is set aside to allow for comments from the public (A3).

Index of Charities

Name	Nominated	Page #
Caterina's Club	10/04/2019	3
Contra Costa Kops For Kids	10/04/2019	6
Futures Explored, Inc.	10/04/2019	8
Manteca CAPS Corporation aka Valley CAPS	10/04/2019	9
Manteca Police Chief's Foundation	10/04/2019	10
Second Harvest Food Bank of San Joaquin and Stanislaus Counti	10/04/2019	14
Operation Safe House, Inc.	08/30/2019	12
Bay Area Community Resources	08/09/2019	1
East Bay Agency for Children	08/09/2019	7
Marine Raider Foundation (perviously MARSOC Foundation)	08/09/2019	11
Project Angel Food	08/09/2019	13
Upwardly Global	08/09/2019	16
California Association of Food Banks	07/19/2019	2
Coachella Valley Rescue Mission	07/19/2019	5
Table of Plenty	07/19/2019	15
Women's Empowerment	07/19/2019	17
Claddagh Fund Charities Inc.	06/29/2018	4

Bay Area Community Resources

171 Carlos Drive

San Rafael , CA 949032005 County Marin

www.bacr.org

FEIN 94-2346815 Founded: 1980

Previous Donation: ○ Yes ◉ No List Date 8/9/2019

Mission:

BACR's Mission Is To Promote The Healthy Development Of Individuals And Families, Encourage Service And Volunteerism, And Help Build Community.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	$33,968,436	90.0%	
Contributions	3,739,284	9.9%	
Other	35,466	0.1%	
Total Revenue:	$37,743,186	100.0%	
Expenses:			
Program	$32,465,743	86.5%	
Administration	4,882,437	13.0%	
Fund Raising	164,946	0.4%	
Total Expenses:	$37,513,126	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$230,060		
Net Assets:	$3,343,630		

BOD: Lissa Franklin; Rob NessBud Travers; Robert Davisson; Monica Baughan; Bryan Breckenridge; Sinclair Wu; Nancy McEvers Anderson; Moses Omolade

California Association of Food Banks

1624 Franklin Street, Suite 722

Oakland , CA 94612 County Alameda

www.cafoodbanks.org

FEIN 68-0392816 Founded: 1985

Previous Donation: (•) Yes ( ) No 20,000 6/7/2019 List Date 7/19/2019

Mission:

California Association of Food Banks (CAFB) is a membership organization of 41 food banks from throughout the state with a shared mission to build a well-nourished California and a firm commitment to providing cutting-edge leadership in the anti-hunger community.

Our major programs include Farm to Family, which works with growers and packers to provide fresh produce to food banks; statewide programs for food stamp outreach and enrollment; robust state and federal advocacy efforts; produce education; and member services that offer assistance with special projects as well as technical support.

Impact:

A donation would assist the organization in their mission of ending hunger in California

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%
Government/Earned	$23,967,874	94.4%
Contributions	1,428,189	5.6%
Other	2,387	0.0%
Total Revenue:	$25,398,450	100.0%
Expenses:		
Program	$23,667,655	95.7%
Administration	937,930	3.8%
Fund Raising	116,750	0.5%
Total Expenses:	$24,722,335	100.0%
Excess/(Deficit) of Revenues Over Expenses:	$676,115	
Net Assets:	$4,055,169	

Notes

Please see the attached listing of individual food banks that are a member of this coalition. If you wish to donate to one of them specifically, Please indicate in your resolution.

BOD: Andy Souza; Nicole Suydam; Lisa Houston; James Floros; Kathy Jackson; David Goodman; Anne Holcomb; Michael Flood; Larry Sly; Dave Martinez; Tom Tenorio; Shirley King; Mark Lowry; Kevin Sanchez; Al Brislain; Sara Griffen; Patricia L. Nickols-Butler;

Caterina's Club

341 E. Center Street

Anaheim , CA 92805 County Orange

caterinasclub.org

FEIN 30-0751934 Founded: 2013

Previous Donation: (●) Yes ( ) No 20,000 1/11/2013 List Date 10/4/2019

Mission:

Harness the power of pasta! The vision of Caterina's Club to end global hunger begins with pasta. We believe that this sustainable food is the answer to provide the world with the energy we need. We are taking over hunger one city at a time! The Feeding the Children program first launched in 2005 and began with one warm meal. Chef Bruno gave hot pasta to an at-risk youth then, and now serves over 25,025 fresh, nutritionally balanced meals to underprivileged children every week. Caterina's Club identifies food insecure children who are at high-risk of malnutrition and are extremely underprivileged in our communities. We ensure these children have access to warm nutritional meals nightly by delivering the meals to their after-school programs. Our dedication knows no bounds as we are serving in 29 different cities at 89 different locations spread throughout Orange, Los Angeles, and San Diego counties. We are proud to be making a difference in the lives of these children, their families, and hope to only expand even further.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	1,616,888	100.0%	
Other			
Total Revenue:	$1,616,888	100.0%	
Expenses:			
Program	$1,255,686	81.7%	
Administration	96,374	6.3%	
Fund Raising	184,649	12.0%	
Total Expenses:	$1,536,709	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$80,179		
Net Assets:	$1,650,945		

BOD: Bruno Serato; Sylvano Ibay; Barbara Stovall; David Pryor; Jordan Steinberg; Rod Baker; Ashley Aitken; Carolyn Zarate-Ramsey; Philip Moreau; Liz Dunster; Sandra Day; Tyler D. Kring; Heikki Veharanta; Robert Starr; Robert A. Freeman

Claddagh Fund Charities Inc.

71 Commercial St.

Boston, MA , CA 02109 County NA

www.claddaghfund.org

FEIN 27-1420421 Founded: 2010

Previous Donation: (●) Yes ( ) No 20,000 6/29/2018 List Date 6/29/2018

Mission:

Our Mission is to raise money for the most underfunded non-profit organizations that support the vulnerable populations in our communities.

The hands in the Claddagh ring represent friendship. We believe FRIENDSHIP is the crux of a community and have dedicated our cause to helping the local vulnerable populations in need.

The Claddagh Fund is partnering with California's developers to act as the nonprofit partner. Claddagh Fund will focus on Veterans Housing and provide a safe place for the veterans assimilate bank into society. The Claddagh Fund will provide services and amenities at the affordable housing projects.

Impact:

A donation would assist the organization in providing services to veterans who live in affordable housing projects. This includes job placement, drug recovery programs, clothing and mentoring.

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned			Funds would be restricted to California services. They are an active charity but not registered as a charity in California.
Contributions	367,308	100.0%	
Other			
Total Revenue:	$367,308	100.0%	
Expenses:			
Program	$246,732	86.8%	
Administration	37,527	13.2%	
Fund Raising			
Total Expenses:	$284,259	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$83,049		
Net Assets:	$239,149		

BOD: Kenneth Casey; Brian O'Donnell; David Hughes; Lee Kennedy Jr.; Lee Kennedy Sr.; Gary Murad; Shawn Thornton; Wayne Gay; Matthew McKenzie; Jamie Bissonnette; Gerry Curtin; Shannon Emerson Finks; David Greany; Decian Mehigan; David Sprows

Coachella Valley Rescue Mission

PO Box 10660

Indio , CA 92202 County Riverside

www.cvrm.org

FEIN 95-2684844 Founded: 1972

Previous Donation: ○ Yes ◉ No List Date 7/19/2019

Mission:

Meeting basic needs for those in need. We provide 30,000+ meals each month. We shelter 300+ men, women and children in our Coachella Valley shelter each night. Since 2017, we've seen a 47% increase of individuals and families experiencing a housing crisis and in need of emergency services. Many women are escaping violence and abuse at home with young children; here, they find a safe refuge with plenty of room for their children too.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	$1,452,922	19.9%	
Contributions	5,589,004	76.6%	
Other	254,022	3.5%	
Total Revenue:	$7,295,948	100.0%	
Expenses:			
Program	$6,015,788	82.7%	
Administration	690,153	9.5%	
Fund Raising	564,051	7.8%	
Total Expenses:	$7,269,992	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$25,956		
Net Assets:	$12,660,844		

BOD: Joseph Hayes; Jim Parrish; Richard Twiss; Jeffishbein; Ernesto Rosales; Diane Busch; Matthew List; Connie Dorst; Jim Snellenberger; Larry Rogers

Contra Costa Kops For Kids

1430 Willow Pass Road, Suite 130

Concord , CA 94520 County Contra Costa

contracostakopsforkids.org

FEIN 68-0379365 Founded: 1995

Previous Donation: (●) Yes ( ) No 20,000 10/5/2018 List Date 10/4/2019

Mission:

Our Mission is to help prevent drug abuse, gangs, violence and juvenile delinquency in Contra Costa County by providing athletic, educational, and other programs for at-risk youth.
The Kops For Kids Youth Mentoring Program is the fulfillment of our promise to the sponsors of the Police Games to provide a program to allow law enforcement officers to mentor at-risk youth in Contra Costa County. Since inception we'ver awarded more than $100,000 in grants to active and retired law enforcement officers who were mentoring at-risk youth.
Our Positive Mental Attitudes Seminars & Sports Clinics for middle and high school age young people reaches more than 2,000 students each year. This program is offered,free of charge, to schools and youth groups in Contra Costa County.

Impact:

A donation would assist the organization in the furtherance of their program

Financial Information: IRS Form 990-EZ for FY 2018

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	77,576	97.9%	
Other	1,669	2.1%	
Total Revenue:	$79,245	100.0%	
Expenses:			
Program	$93,058	100.0%	
Administration			
Fund Raising			
Total Expenses:	$93,058	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($13,813)		
Net Assets:	$5,887		

BOD: Beri Kasper; arry Olson; Chuck Blazer; Wayne Butler; Dave Cutaia; Lance Haight; Daniel Huovinen; Dan Lawrence; Larry Lewis; Gordon MacDonald; Jim Nunes; Neil Stratton; Bruce Woods; Jason Barnes; Eric Ghisletta; Chris Blakely

East Bay Agency for Children

303 Van Buren Ave.

Oakland , CA 94610 County Alameda

www.ebac.org

FEIN 94-1358309 Founded: 1953

Previous Donation: ○ Yes ● No List Date 8/9/2019

Mission:

Children have seemingly magical ability to overcome exposure to adversity if they and their families are given guidance and tools to build resilience and aid in recovery. At East Bay Agency for Children, we work every day so children impacted by trauma can ultimately reach their full potential. Despite the overall wealth of the Bay Area, 1 in 5 of its residents lives in poverty. Children have vastly different prospects and opportunity dependent upon the zip code in which they live. An African American child born in West Oakland can expect to die almost fifteen years earlier than a white child born in the Oakland Hills. These social determinants of health combined with adverse childhood experiences such as abuse, neglect, household dysfunction create toxic stress and chronic exposure to trauma for many children. To address these needs, East Bay Agency for Children delivers a comprehensive continuum of services based on the strategies of building resilience, aiding in recovery and prevention.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	$11,434,570	90.2%	
Contributions	1,238,535	9.8%	
Other	9,066	0.1%	
Total Revenue:	$12,682,171	100.0%	
Expenses:			
Program	$10,182,660	83.8%	
Administration	1,789,524	14.7%	
Fund Raising	174,049	1.4%	
Total Expenses:	$12,146,233	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$535,938		
Net Assets:	$3,836,329		

BOD: Mimi Park; Leah Hughes; Mary Colby; Tim Sommer; Tess Singha; Gary Cox; Joanne Karchmer; Rhonda Morris; Matthew Nelson; Nate Oubre; Patrick Piette; Jackie Lynn Ray; Madelyn Roderigues; Daniel Shulman

Futures Explored, Inc.

2380 Salvio St., No 302

Concord , CA 94520 County Contra Costa

www.futures-explored.org

FEIN 94-1567161 Founded: 1964

Previous Donation: (•) Yes ( ) No 10,000 10/5/2018 List Date 10/4/2019

Mission:

The mission of Futures Explored, Inc. is to provide life skills and work-related training to adults with developmental disabilities. We support our consumers in reaching their optimum level of individual potential by delivering a broad range of resources and ongoing guidance.

They have a variety of programs including Futures Explored; ALIVE; GARDEN; and, Vocational Training and Employment in Lafayette, Antioch, Concord, Brentwood, Livermore, Davis, and Sacramento.

Impact:

A donation would assist in the continuance of their mission.

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$11,477,961	93.4%	
Contributions	797,690	6.5%	
Other	19,049	0.2%	
Total Revenue:	$12,294,700	100.0%	
Expenses:			
Program	$10,956,758	88.8%	
Administration	1,352,758	11.0%	
Fund Raising	28,805	0.2%	
Total Expenses:	$12,338,321	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($43,621)		
Net Assets:	$584,540		

BOD: William Sanford; Robert Bass; Carole Kay Lynn; Gary Lewis; Dan Denis; Ray Fortney; Audrua Sysum; Jake Trolan

Manteca CAPS Corporation aka Valley CAPS

178 S. Austin Road

Manteca , CA 95336 County San Joaquin

www.valleycaps.org

FEIN 94-2399162 Founded: 1976

Previous Donation: (●) Yes ( ) No 10,000 10/5/2018 List Date 10/4/2019

Mission:

Our Mission Statement: To be a leading Day Program for Adults with Developmental Disabilities, by providing consumer-centered services, empowering them to achieve their full potential and beyond, maximizing their quality of life according to their choices.

Impact:

A donation would assist the program to provide services.

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$4,142,254	99.3%	
Contributions	38,158	0.9%	
Other	(8,168)	-0.2%	
Total Revenue:	$4,172,244	100.0%	
Expenses:			
Program	$4,275,362	88.8%	
Administration	541,247	11.2%	
Fund Raising			
Total Expenses:	$4,816,609	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($644,365)		
Net Assets:	$5,265,039		

BOD: Karen McLaughlin; Diane Givens; Donna Shanon; Carol Bone; Carolyne Claybaugh; Ben Cantu; Mike Dillman; Lantz Ray; Bob Moore; Elaine Thompson; Dave Cox; Mary Macias

Manteca Police Chief's Foundation

1001 W. Center Street

Manteca , CA 95337 County San Joaquin

www.mantecapolicechiefsfoundation.org

FEIN 26-3693298 Founded: 2009

Previous Donation: (●) Yes ( ) No 10,000 11/17/2017 List Date 10/4/2019

Mission:

The most significant crime issue facing America's youth today is drug related gang violence. We in Law Enforcement know that gangs are as much about lifestyle and environment as about crime. We cannot arrest away this problem. The Manteca Police Chief's Foundation focuses on changing the environment for at-risk youth by providing them with the power of a choice. Through mentor-ship, citizenship, leadership, vocational training, and recreation programs we provide positive alternatives to the gang and drug lifestyle.

The Chief's Foundation is staffed by Police Officers, Police Department staff members, and concerned and dedicated members of our community. All of our staff members volunteer their time and efforts which allows the Foundation to dedicate 100% of all funds raised directly to programs that benefit at risk youth.

Impact:

A donation would assist the organization in furthering their program.

Financial Information: CA DOJ website for 2018

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	22,217	100.0%	
Other			
Total Revenue:	$22,217	100.0%	
Expenses:			
Program	$22,217	100.0%	
Administration			
Fund Raising			
Total Expenses:	$22,217	100.0%	
Excess/(Deficit) of Revenues Over Expenses:			
Net Assets:			

BOD: Nick Obligacion, Dave Bricker; Charlie Goeken; Deanna Thornton; Stephen Schluer; Mike Kelly; Jason Hensley

Marine Raider Foundation (perviously MARSOC Foundation)

PO Box 2018

Temecula , CA 925932018 County Riverside

www.marineraiderfoundation.org

FEIN 45-2913544 Founded: 2011

Previous Donation: (●) Yes ( ) No 25,000 4/11/2014 List Date 8/9/2019

Mission:

As a 501(c)(3) non-profit, the MARSOC Foundation provides benevolent support to the U. S. Marine Corps Forces Special Operations Command (MARSOC). The Foundation supports active duty and medically retired MARSOC personnel and their families, as well as the families of Marines who have lost their lives in service to our Nation. MARSOC Foundation services are those unmet by the government or other organizationsAssist

MARSOC personnel who are injured or wounded in combat, contingency operations, or training with special needs receive:

Advanced rehabilitation programs and equipment

Operational health & performance programs and equipment

Advanced vocational training

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	1,601,190	98.3%	
Other	27,393	1.7%	
Total Revenue:	$1,628,583	100.0%	
Expenses:			
Program	$1,281,540	82.8%	
Administration	48,442	3.1%	
Fund Raising	217,946	14.1%	
Total Expenses:	$1,547,928	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$80,655		
Net Assets:	$1,330,321		

BOD: Derek Herrera; Peter Vermette; Michael Dastugue; Ambrose Fisher; Chuck Meacham; Jesse Pletts; Lorelei Gaus; Kathryn Tappen

Operation Safe House, Inc.

9685 Hayes Street

Riverside , CA 92503 County Riverside

operationsafehouse.org

FEIN 33-0326090 Founded: 1989

Previous Donation: (•) Yes ( ) No 10,000 7/19/2013 List Date 8/30/2019

Mission:

Operation SafeHouse is a 24-hour emergency shelter whose mission is to serve runaway, homeless, and at-risk youth ages 11 – 17 in Riverside County. Services include up to three-weeks of emergency shelter, nutritious meals, counseling, attempts at family reunification, on-site education program, aftercare and a 24- hour toll-free crisis line. Operation SafeHouse has been providing the Street Outreach program to entrenched street youth since 1997. Our team is in the community seven days a week at locations where runaway and homeless youth are known to congregate. They are given referrals, hygiene products, gift cards, and transportation to our shelters or transitional living programs if they would like to move from the streets into a safe and stable environment. Youth can also access our program through our 30 Safe Place partner sites, including the RTA and the SunLine bus systems who provide “mobile” Safe Places throughout the county.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned	$3,096,791	75.1%	
Contributions	962,102	23.3%	
Other	63,203	1.5%	
Total Revenue:	$4,122,096	100.0%	
Expenses:			
Program	$3,918,409	85.8%	
Administration	598,909	13.1%	
Fund Raising	48,195	1.1%	
Total Expenses:	$4,565,513	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($443,417)		
Net Assets:	$1,877,056		

BOD: Amy Harrison; David Austin; Eric Charrette; Sarah Clapp; Lachelle Crivello; Lee Fiorina; Valerie Hill; Carla Lidner; Misty Reynolds; Tina Robinson; Don Schroeder; ?Catherine Schwartz; Enrique Solis; Coby Webb

Project Angel Food

922 Vine Street

Los Angeles , CA 90038 County Los Angeles

www.angelfood.org

FEIN 95-4115863 Founded: 1989

Previous Donation: (●) Yes ( ) No 30,000 11/18/2016 List Date 8/9/2019

Mission:

Project Angel Food's mission is to nourish people debilitated by critical illnesses. We believe they should not also suffer the ravages of hunger and malnutrition, which can lead to catastrophic deterioration in their already fragile health.
We operate with the knowledge that food is medicine so we medically tailor our recipes and design our freshly-cooked meals to offer optimum benefits: overall improved health, efficacy of vital medications, prevention of secondary illnesses, optimum body weight and more.
Our client services and nutrition services teams assist clients in accessing other health resources and help them better understand the positive impact of healthy eating in their fight against disease and their overall life. We also provide a friendly ear during one of the most challenging experiences possible.

Impact:

A donation would assist in the furtherance of their mission

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	$635,906	15.5%	
Contributions	3,315,676	80.7%	
Other	156,506	3.8%	
Total Revenue:	$4,108,088	100.0%	
Expenses:			
Program	$3,223,369	79.5%	
Administration	370,807	9.1%	
Fund Raising	460,718	11.4%	
Total Expenses:	$4,054,894	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$53,194		
Net Assets:	$3,546,595		

BOD: Joe Mannis; Robert Bauer; Bobby Ralston; Peter Helenek; David Couper; Andre Dawson; Bert Edwards; Wayne Elias; Adam Ma; Ardis Moe; Faye Moseley; Pauley Perrette; Filippo Puglisi-Alibrandi; Tim Robinson; Richard Ayoub

Second Harvest Food Bank of San Joaquin and Stanislaus Counties

1220 Vanderbilt Circle

Manteca , CA 95337 County San Joaquin

www.localfoodbank.org

FEIN 68-0376587 Founded: 1976

Previous Donation: (•) Yes ( ) No 25,000 10/5/2018 List Date 10/4/2019

Mission:

Second Harvest Food Bank helps over 35,000 individuals in need each month throughout San Joaquin and Stanislaus Counties. We accomplish this through our three programs; Food Assistance, Food 4 Thought, and Senior Brown Bag. We partner with over 200 non-profit agencies, various community centers and many schools to help us distribute out approximately 1 million pounds of food each month. Our History - Second Harvest Food Bank acquires and stores donated and purchased food and effectively organizes and delivers it to our partner agencies and program sites, where it is then prepared and distributed out to those in need. Second Harvest Food Bank is committed to not just providing food, but to providing nutrition and true sustenance to the hungry. We strive to provide fresh produce, important staples, and protein to the individuals we serve through our programs. We believe that focusing on nutrition is a vital piece in the fight against hunger and to alleviating the pain that it brings.

Impact:

A donation would be used to further their program

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$1,061,479	3.2%	
Contributions	32,259,030	96.8%	
Other	7,783	0.0%	
Total Revenue:	$33,328,292	100.0%	
Expenses:			
Program	$31,793,621	98.9%	
Administration	227,425	0.7%	
Fund Raising	117,007	0.4%	
Total Expenses:	$32,138,053	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$1,190,239		
Net Assets:	$4,241,040		

BOD: Jason Duffy; Wendy Burth; Nick Obligacion; Shirley Perreira; Steve Debrum; Charla Giles; Liz Aspray; Joe Sarinana; Oscar Cabello; Paul Vander Veen; Michele Bava; Ike Mmeje; Chuck Crutchfield; Scott Blevins; Gabe Sandoval; Tamra Spade; Rachelle Vandepol

Table of Plenty

PO Box 22

Beaumont , CA 92223 County Riverside

www.tableofplenty.org

FEIN 45-2936011 Founded: 2011

Previous Donation: ○ Yes ◉ No List Date 7/19/2019

Mission:

We believe that hunger shouldn't be a way of life. At Table of Plenty, we rely on the helping hands of our volunteers to give back to those that are struggling with hunger in and around our community.

Table of Plenty serves hot meals Tuesdays and Fridays from 11:30 a.m. to 1 p.m. at the Beaumont Women's Club and on Wednesdays from 11:30 a.m. to 1 p.m. at the Beaumont Presbyterian Church.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	304,244	100.0%	
Other			
Total Revenue:	$304,244	100.0%	
Expenses:			
Program	$282,595	94.8%	
Administration	15,589	5.2%	
Fund Raising			
Total Expenses:	$298,184	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$6,060		
Net Assets:	$9,960		

BOD: Darryl Smith; Rebecca Johnson; Ludwig Cibelli; Jason Smith; Art Welch; Onoalyse Lyons

Upwardly Global

582 Market St., Ste 1207

San Francisco , CA 94104 County San Francisco

www.upwardlyglobal.org

FEIN 94-3346127 Founded: 2000

Previous Donation: ○ Yes ◉ No List Date 8/9/2019

Mission:

Upwardly Global's mission is to eliminate employment barriers for skilled immigrants and refugees, and integrate this population into the professional U.S. workforce.

There are about 2 million immigrants and refugees currently in the U.S. who have college degrees from their home countries but are unemployed or working far below their skill level. Upwardly Global is the first and longest-serving organization that helps these men and women integrate into the professional American workforce.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned	$544,753	10.6%	
Contributions	4,559,250	89.1%	
Other	11,277	0.2%	
Total Revenue:	$5,115,280	100.0%	
Expenses:			
Program	$3,900,035	67.3%	
Administration	602,443	10.4%	
Fund Raising	1,295,292	22.3%	
Total Expenses:	$5,797,770	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($682,490)		
Net Assets:	$2,458,691		

BOD: Alex Lipman; Amy Henry; Ana Kreacic; Bassem Moussa; Ganesh Betanabhatle; Jane Leu; Justin Thornton; Kathy Taylor; Martha Gallo; Nikki Cicerani; Philipp Schumacher; Pranav S. Ramanathan; Rosalyn Chen; Scott Mauvais; Todd A. Harding; Winita Lau

Women's Empowerment

1590 North A Street

Sacramento , CA 95811 County Sacramento

www.womens-empowerment.org/

FEIN 03-0520643 Founded: 2001

Previous Donation: ○ Yes ◉ No List Date 7/19/2019

Mission:

A HOLISTIC APPROACH - By the time a homeless woman turns to us for help, she has lost almost everything. Being homeless is traumatizing; being homeless while raising children, escaping domestic violence, looking for work, or struggling with addiction can shatter her spirit.
Through classes, counseling, career mentoring and peer support, she gains the tools to rebuild her life. On-site childcare in our Child Development Center and other supportive services are offered in a safe, nurturing environment where each woman and her family are treated with respect.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: IRS Form 990 for FY 2016

Revenues:	Amount	%	Notes
Government/Earned Contributions	1,095,932	96.3%	
Other	41,972	3.7%	
Total Revenue:	$1,137,904	100.0%	
Expenses:			
Program	$707,310	74.2%	
Administration	111,539	11.7%	
Fund Raising	134,860	14.1%	
Total Expenses:	$953,709	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$184,195		
Net Assets:	$883,644		

BOD: Paula Clarkson; Kellie England; Myel Jenkins; Susan Gower; Jonathan Kaufman; Bob Erlenbusch; Jessica Cook; Hedy Govenar; Jessica Leeson; Suzanne Dizon; Marisa Sharkey; Frank Apgar; Nikky Mohanna; Fimy Sahaida; Jonathan Kaufman; + 2

California Foundation For Stronger Communities

Statement of Income and Expense vs. Budget

July 2019 through September 2019

	Jul - Sep 19	Budget	$ Over Budget
Ordinary Income/Expense			
CMFA Restricted Grants	14,406	25,000	-10,594
CFPF Unrestricted Grants	0	450	-450
CMFA Operations Grants	3,424	3,865	-441
CMFA Unrestricted Grants	265,000	465,195	-200,195
Total Income	282,830	494,510	-211,680
Expense			
Restricted Charity Payments	14,406	25,000	-10,594
Unrestricted Charity Payments	265,000	465,645	-200,645
Total Charitable Payments	279,406	490,645	-211,239
Miscellaneous	0	500	-500
Accounting Fees	3,424	3,365	59
Total Expense	282,830	494,510	-211,680
Net Ordinary Income	0	0	0
Interest Income	29	5	24
Net Income	**29**	**5**	**24**

California Foundation For Stronger Communities

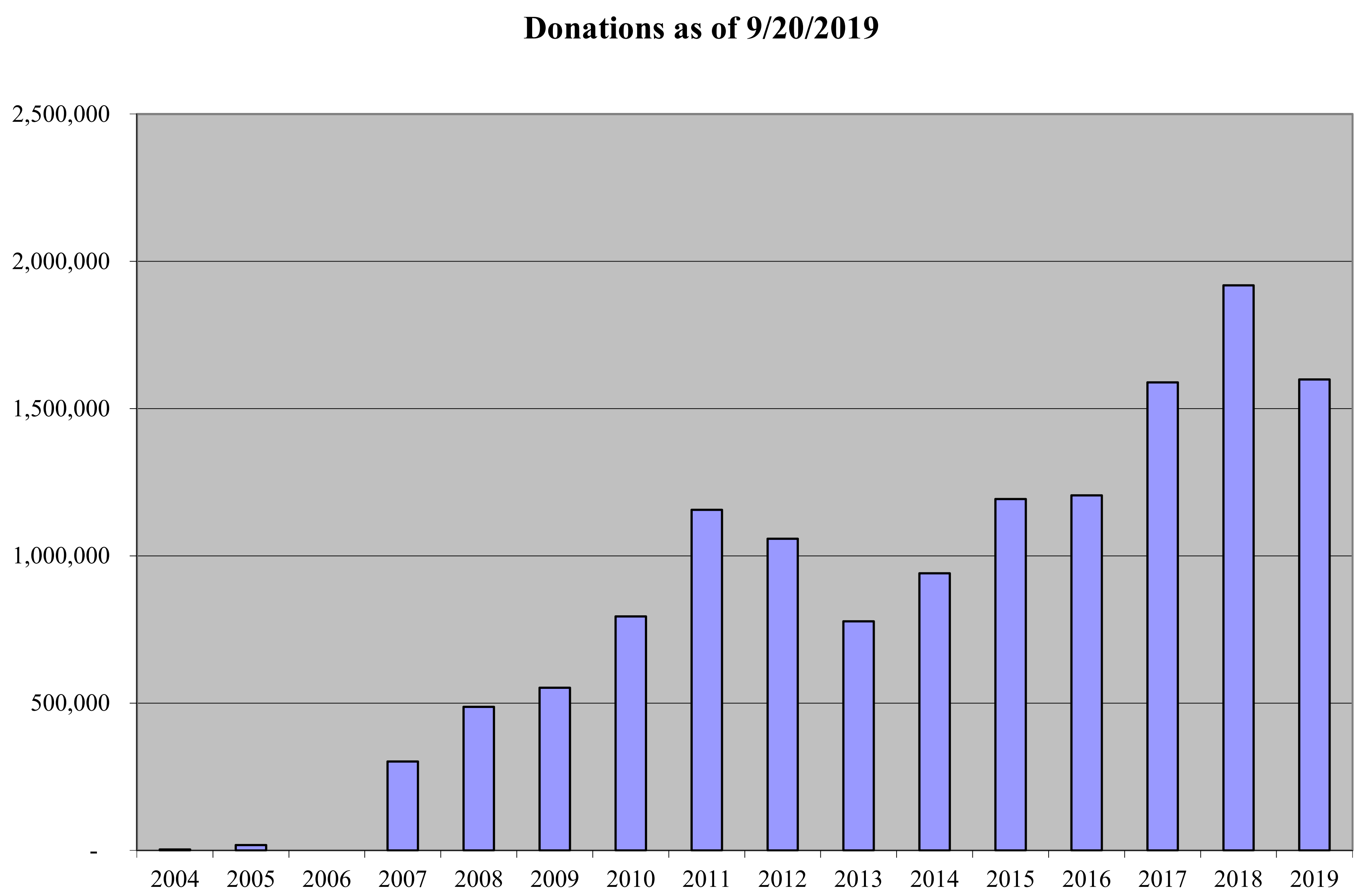
Statement of Income and Expense

July 2019 through September 2019

	Jul - Sep 19	Jul - Sep 18	$ Change
Ordinary Income/Expense			
CMFA Restricted Grants	14,406	23,400	-8,994
Unrestricted Income			
CMFA Operations Grants	3,424	3,844	-420
CMFA Unrestricted Grants	265,000	298,000	-33,000
Total Income	282,830	325,244	-42,414
Expense			
Charitable Payments			
Restricted Charity Payments	14,406	23,400	-8,994
Unrestricted Charity Payments	265,000	298,000	-33,000
Total Charitable Payments	279,406	321,400	-41,994
Office Supplies	0	479	-479
Accounting Fees	3,424	3,365	59
Total Expense	282,830	325,244	-42,414
Net Ordinary Income	0	0	0
Interest Income	29	16	13
Net Income	**29**	**16**	**13**

California Foundation For Stronger Communities
Statement of Financial Position
As of September 30, 2019

	Sep 30, 19	Sep 30, 18	$ Change
ASSETS			
Wells Fargo Checking (#4721)	5,467	4,944	523
Accounts Receivable	31,291	186,395	-155,104
TOTAL ASSETS	**36,758**	**191,339**	**-154,581**
LIABILITIES & EQUITY			
Accrued Expenses	31,291	185,916	-154,625
Total Liabilities	**31,291**	**185,916**	**-154,625**
Equity			
Retained Earnings	5,438	5,407	31
Net Income	29	16	13
Total Equity	5,467	5,423	44
TOTAL LIABILITIES & EQUITY	**36,758**	**191,339**	**-154,581**


Donations as of 9/20/2019
2,500,000
2,000,000
1,500,000
1,000,000
500,000
-
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019