



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).



2017 CMFA/ CFSC/ CFPF Regular Meeting Schedule

Meetings will begin at 11:00 am at City Hall, 200 S. Anaheim Blvd, 6th Floor, Anaheim, CA 92805 unless noted with an *.

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

February '17						
Su	M	Tu	W	Th	F	Sa
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26	27	28				

March '17						
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April '17						
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30						

May '17						
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28	29	30	31			

June '17						
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July '17						
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30	31					

August '17						
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27	28	29	30	31		

September '17						
Su	M	Tu	W	Th	F	Sa
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October '17						
Su	M	Tu	W	Th	F	Sa
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November '17						
Su	M	Tu	W	Th	F	Sa
		1	2	3	4	
5	6	7	8	9	10	11
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December '17						
Su	M	Tu	W	Th	F	Sa
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CMFA Meetings
 Holidays

* Please refer to posted agenda for correct time and addresses of meeting.



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

Action:	Approve Resolution Defining Review Process Under California Environmental Quality Act (“CEQA”) for the CMFA PACE Program
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	June 23, 2017

PACE Indenture Discussion:

During the January 16, 2015 board meeting, the CMFA approved a PACE Resolution No. 15-011. This Resolution states the CMFA PACE Program is not a Project under CEQA Guidelines Section 15378(b)(4) because it is a governmental funding mechanism or other government fiscal activity that does not involve any commitment to any specific project that may result in a potentially significant impact on the environment.

Although the CMFA PACE Program is not subject to CEQA, individual commercial PACE projects financed through the Program may be subject to CEQA review. CEQA requires that a public agency consider the environmental impacts of a “project” (for purposes of CEQA) for which it issues a discretionary approval, and the approval (“CEQA Approval”) may consist of (i) a determination that the project is exempt or otherwise not subject to CEQA, (ii) a determination of no significant impact (a negative declaration), (iii) a determination of no significant impact based upon mitigation measures (a mitigated negative declaration), or (iv) the review and approval of the findings of an environmental impact report that assesses and approves environmental impacts, but may include limitations and requirements applicable to the project.

The proposed Resolution Defining Review Process Under California Environmental Quality Act (“CEQA”) for the CMFA PACE Program outlines the CEQA review process for commercial PACE projects.

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 served by the CMFA by creating and retaining jobs.

Recommendation:

The Executive Director recommends the CMFA Board of Directors approve the Resolution Defining Review Process Under California Environmental Quality Act (“CEQA”) For The CMFA PACE Program.



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

Action:	A Resolution Approving and Directing the Execution and Delivery of a First Supplemental Indenture, Related to the Authority’s PACE Limited Obligation Improvement Bonds Energy Efficient Equity Residential Program (Phase 1), and Providing for the Exchanging of Bonds Pursuant Thereto, and Approving Related Matters
Purpose:	Property Assessed Clean Energy (“PACE”)
Activity:	PACE Financing and Refinancing of Energy Efficiency, Water Efficiency, Renewable Energy Generation and Seismic Improvements
Meeting:	June 23, 2017

PACE First Supplemental Indenture Discussion:

In order to finance or refinance energy efficient improvements, the California Municipal Finance Authority (the “Authority”) determined to issue its California Municipal Finance Authority PACE Limited Obligation Improvement Bonds, Energy Efficient Equity Residential Program (Phase 1) (the “Bonds”), in multiple series from time to time, as provided in and pursuant to a Master Indenture, dated as of September 1, 2016 (the “Master Indenture”). There have been two issuances of Bonds pursuant to the Master Indenture and two separate Issuance Certificates.

The Program Administrator (Energy Efficient Equity, Inc.) would like to exchange each of the Bonds previously issued for multiple series of Bonds Subsequent to such issuances. The Program Administrator desires to exchange each of the Bonds previously issued for multiple series of Bonds that would each be structured in a way that more closely correspond to the related assessments irrespective of whether prepayments are made on such assessments. To provide for such exchanging of Bonds and related matters, the Authority will need to enter into a First Supplemental Indenture to amend the Master Indenture to amend the existing Issuance Certificates.

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 served by the CMFA by creating and retaining jobs.

Recommendation:

The Executive Director recommends the CMFA Board of Directors approve the Resolution Approving and Directing the Execution and Delivery of a First Supplemental Indenture, Related to the Authority's PACE Limited Obligation Improvement Bonds Energy Efficient Equity Residential Program (Phase 1), and Providing for the Exchanging of Bonds Pursuant Thereto, and Approving Related Matters.



PARKSIDE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	National Community Renaissance
Action:	Initial Resolution
Amount:	\$10,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Diego, San Diego County, California
Activity:	Affordable Housing
Meeting:	June 23, 2017

Background:

Great feats are seldom the work of one, but the endeavor of many. National Community Renaissance (“National CORE”) understands that affecting prosperity, security, revitalization, and growth requires a concerted collaboration and is the result of shared ambitions. Part of that process is a commitment to go beyond bricks and mortar; to create healthy communities that thrive and prosper for many generations to come.

National CORE is a nonprofit affordable housing developer that builds and manages affordable housing communities. They enrich their rental properties with services proven to make a positive impact such as senior wellness initiatives, afterschool programs, and low-cost/free preschool.

At National CORE they support families and seniors by providing housing communities that are affordable, safe and good quality. They enhance neighborhood stability through long-term management and maintenance, as well as services such as senior wellness, afterschool programs and preschool.

National CORE created the Hope Through Housing Foundation (“Hope”) in order to provide high quality services for seniors and children. Hope strives to meet or exceed nationally recognized benchmarks and best practices for senior and youth programs. It evaluates its program delivery and publishes the results on its website, www.hthf.org, every year.

National CORE has participated in approximately 100 projects, totaling over 8,000 units.

The Project:

The Parkside Apartments project is an acquisition/rehabilitation multi-family housing development located at 4035 Park Haven Ct., San Diego, CA. The existing affordable housing complex consists of 40 income restricted apartment units and one unit set aside as a manager's unit. The building is comprised of one, two and three-bedroom units. Targeted residents will have a household income between 50% and 60% of AMI. The planned renovations will improve the aesthetics and sustainability of the property by addressing all urgent building issues, completing comprehensive interior and exterior renovations and creating a more sustainable property. Improvements will also be made to insure tenant safety and security. This financing will preserve 39 units of affordable housing in the City of San Diego for the next 55 years.

County of San Diego:

The County of San Diego is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive up to \$3,125 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 5,000,000
Seller Loan:	\$ 2,250,000
City Loan:	\$ 1,418,838
DDF:	\$ 70,164
Capitalized Interest:	\$ 190,216
Equity:	<u>\$ 443,284</u>
Total Sources:	\$ 9,372,502

Uses of Funds:

Land Acquisition:	\$ 958,205
Building Acquisition:	\$ 1,072,000
Rehabilitation:	\$ 1,844,000
Architectural & Engineering:	\$ 125,000
Legal & Professional:	\$ 150,000
Construction Costs & 3 rd Party Reports:	\$ 440,160
Lender Fees:	\$ 288,674
Other Soft Costs*:	\$ 4,391,613
Costs of Issuance:	<u>\$ 102,850</u>
Total Uses:	\$ 9,372,502

Terms of Transaction:

Amount:	\$10,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December, 2017

Public Benefit:

The project will offer after school services. The acquisition and rehabilitation of this project will continue to provide affordable living for 39 households in the City of San Diego for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
56% (22 Units) restricted to 50% or less of area median income households; and
44% (17 Units) restricted to 60% or less of area median income households.
Unit Mix: 1-, 2- & 3-bedrooms
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: Law Office of Edward A. Hopson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$10,000,000 for the Parkside Apartments affordable housing project located in the City of San Diego, San Diego 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.



SIERRA VISTA APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	National Community Renaissance
Action:	Initial Resolution
Amount:	\$30,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Marcos, San Diego County, California
Activity:	Affordable Housing
Meeting:	June 23, 2017

Background:

Great feats are seldom the work of one, but the endeavor of many. National Community Renaissance (“National CORE”) understands that affecting prosperity, security, revitalization, and growth requires a concerted collaboration and is the result of shared ambitions. Part of that process is a commitment to go beyond bricks and mortar; to create healthy communities that thrive and prosper for many generations to come.

National CORE is a nonprofit affordable housing developer that builds and manages affordable housing communities. They enrich their rental properties with services proven to make a positive impact such as senior wellness initiatives, afterschool programs, and low-cost/free preschool.

At National CORE, they support families and seniors by providing housing communities that are affordable, safe and good quality. They enhance neighborhood stability through long-term management and maintenance, as well as services such as senior wellness, afterschool programs and preschool.

National CORE created the Hope Through Housing Foundation (“Hope”) in order to provide high quality services for seniors and children. Hope strives to meet or exceed nationally recognized benchmarks and best practices for senior and youth programs. It evaluates its program delivery and publishes the results on its website, www.hthf.org, every year.

National CORE has participated in approximately 100 projects, totaling over 8,000 units.

The Project:

The Sierra Vista Apartments project is an acquisition/rehabilitation multi-family housing development located at 422 Los Vallecitos Blvd., San Marcos, California. This existing affordable housing complex consists of 190 restricted units and two manager's units. Targeted residents will have a household income between 50% and 60% of AMI. The project's amenities include three laundry facilities, playground area, and a learning center with computers. The project will also pay for trash and utilities for tenants. The financing of this project will result in preserving affordable housing for 190 households in the City of San Marcos for an additional 55 years.

City of San Marcos:

The City of San Marcos will need to become a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive up to \$13,667 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 27,000,000
Seller Financing:	\$ 4,000,000
City of San Marcos Loan:	\$ 8,008,805
DDF:	\$ 5,570,773
Capitalized Interest:	\$ 1,504,194
Equity:	<u>\$ 2,567,823</u>
Total Sources:	\$ 48,651,595

Uses of Funds:

Land Acquisition:	\$ 3,258,353
Building Acquisition:	\$ 24,052,647
Rehabilitation:	\$ 10,612,224
Architectural & Engineering:	\$ 125,000
Legal & Professional:	\$ 200,000
Other/Indirect Costs*:	\$ 10,243,696
Costs of Issuance:	<u>\$ 159,675</u>
Total Uses:	\$ 48,651,595

Terms of Transaction:

Amount:	\$30,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 2017

Public Benefit:

Amenities at the complex will include a learning center, playground, and laundry facility. The project is located close to shopping, schools, and freeways. The acquisition and rehabilitation of this project will preserve high quality affordable housing for 190 families in the City of San Marcos for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
20% (38 Units) restricted to 50% or less of area median income households; and
80% (152 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: Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel: Jones Hall, APLC
Lender Counsel: TBD
Borrower Counsel: Law Office of Edward A. Hopson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$30,000,000 for the Sierra Vista Apartments affordable housing project located in the City of San Marcos, San Diego 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.



COBBLESTONE VILLAGE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	National Community Renaissance
Action:	Initial Resolution
Amount:	\$10,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Escondido, San Diego County, California
Activity:	Affordable Housing
Meeting:	June 23, 2017

Background:

Great feats are seldom the work of one, but the endeavor of many. National Community Renaissance (“National CORE”) understands that affecting prosperity, security, revitalization, and growth requires a concerted collaboration and is the result of shared ambitions. Part of that process is a commitment to go beyond bricks and mortar; to create healthy communities that thrive and prosper for many generations to come.

National CORE is a nonprofit affordable housing developer that builds and manages affordable housing communities. They enrich their rental properties with services proven to make a positive impact such as senior wellness initiatives, afterschool programs, and low-cost/free preschool.

At National CORE, they support families and seniors by providing housing communities that are affordable, safe and good quality. They enhance neighborhood stability through long-term management and maintenance, as well as services such as senior wellness, afterschool programs and preschool.

National CORE created the Hope Through Housing Foundation (“Hope”) in order to provide high quality services for seniors and children. Hope strives to meet or exceed nationally recognized benchmarks and best practices for senior and youth programs. It evaluates its program delivery and publishes the results on its website, www.hthf.org, every year.

National CORE has participated in approximately 100 projects, totaling over 8,000 units.

The Project:

The Cobblestone Village Apartments project is an acquisition/rehabilitation multi-family housing development located at 360 E. Washington Ave, Escondido, CA. The existing affordable housing complex consists of 43 income restricted apartment units and one unit set aside as a manager's unit. The building is comprised of three-bedroom units. Targeted residents will have a household income between 20% and 60% of AMI. The planned renovations will improve the aesthetics and sustainability of the property by addressing all urgent building issues, completing comprehensive interior and exterior renovations and creating a more sustainable property. Improvements will also be made to insure tenant safety and security. This financing will retain 43 units of affordable housing in the City of Escondido for the next 55 years.

City of Escondido:

The City of Escondido is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive up to \$3,437 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 5,500,000
HCD:	\$ 1,815,190
City Loan:	\$ 2,090,635
DDF:	\$ 1,155,703
Capitalized Interest:	\$ 150,903
Equity:	<u>\$ 478,392</u>
Total Sources:	\$ 11,190,823

Uses of Funds:

Land Acquisition:	\$ 524,690
Building Acquisition:	\$ 4,270,000
Rehabilitation:	\$ 3,453,300
Architectural & Engineering:	\$ 225,000
Legal & Professional:	\$ 250,000
Construction Costs & 3 rd Party Reports:	\$ 472,425
Lender Fees:	\$ 312,903
Other Soft Costs*:	\$ 1,474,505
Costs of Issuance:	<u>\$ 208,000</u>
Total Uses:	\$ 11,190,823

Terms of Transaction:

Amount:	\$10,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	December 2017

Public Benefit:

Services at the complex will include After School and Beyond, HOPE's signature afterschool program that helps youth in grades K-8 with homework and developing social skills. The acquisition and rehabilitation of this project will continue to provide affordable living for 43 households in the City of Escondido for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
12% (5 Units) restricted to 20% or less of area median income households; and
21% (9 Units) restricted to 30% or less of area median income households; and
67% (29 Units) restricted to 60% or less of area median income households.
Unit Mix: 3-bedrooms
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: Law Office of Edward A. Hopson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$10,000,000 for the Cobblestone Village Apartments affordable housing project located in the City of Escondido, San Diego 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.



PASEO DEL ORO 2 APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	National Community Renaissance
Action:	Initial Resolution
Amount:	\$16,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Marcos, San Diego County, California
Activity:	Affordable Housing
Meeting:	June 23, 2017

Background:

Great feats are seldom the work of one, but the endeavor of many. National Community Renaissance (“National CORE”) understands that affecting prosperity, security, revitalization, and growth requires a concerted collaboration and is the result of shared ambitions. Part of that process is a commitment to go beyond bricks and mortar; to create healthy communities that thrive and prosper for many generations to come.

National CORE is a nonprofit affordable housing developer that builds and manages affordable housing communities. They enrich their rental properties with services proven to make a positive impact such as senior wellness initiatives, afterschool programs, and low-cost/free preschool.

At National CORE, they support families and seniors by providing housing communities that are affordable, safe and good quality. They enhance neighborhood stability through long-term management and maintenance, as well as services such as senior wellness, afterschool programs and preschool.

National CORE created the Hope Through Housing Foundation (“Hope”) in order to provide high quality services for seniors and children. Hope strives to meet or exceed nationally recognized benchmarks and best practices for senior and youth programs. It evaluates its program delivery and publishes the results on its website, www.hthf.org, every year.

National CORE has participated in approximately 100 projects, totaling over 8,000 units.

The Project:

The Paseo Del Oro 2 Apartments project is an acquisition/rehabilitation multi-family housing development located at 432 W. Mission Road, San Marcos, CA. The existing affordable housing complex consists of 120 apartment units and one manager's unit. The complex consists of one, two, three and four-bedroom units. Targeted residents will have a household income between 30% and 50% of AMI. There is a market rate component to the current project that will carry through the tax-exempt financing process. The scope of the work will include upgrades to the plumbing fixtures, entry doors and frames, Energy Star appliances, low-E windows, roofing and roof membranes, HVAC condensers/heat pumps. The flooring, cabinets and countertops in each unit will be replaced. In addition, structural changes to the building will be made that will improve water drainage in the buildings and prevent future water intrusion or damage. Improvements will also be made to insure tenant safety and security. Improved interior and exterior lighting, wrought iron fencing around the complex and controlled access gates/doors will be added at all entrances. A pocket park with shade structure, BBQs and picnic benches will be available for the residents to enjoy. This financing will retain 95 units of affordable housing in the City of San Marcos for the next 55 years.

City of San Marcos:

The City of San Marcos will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing, the City is expected to receive up to \$8,097 as part of CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 12,956,687
County of San Diego DHCD:	\$ 3,582,987
City of San Marcos:	\$ 1,928,704
Equity:	<u>\$ 998,325</u>
Total Sources:	\$ 19,466,703

Uses of Funds:

Land Acquisition:	\$ 2,796,892
Building Acquisition:	\$ 6,526,081
Rehabilitation:	\$ 7,289,300
Other Soft Costs*:	\$ 1,831,443
Developer Fee:	<u>\$ 1,022,987</u>
Total Uses:	\$ 19,466,703

Terms of Transaction:

Amount:	\$16,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	September 2017

Public Benefit:

Services at the complex will include onsite services coordinator and many educational programs for children and adults. The acquisition and rehabilitation of this project will provide affordable living for 95 households in the City of San Marcos for an additional 55 years.

Percent of Restricted Rental Units in the Project: 80%
3% (3 Units) restricted to 30% or less of area median income households; and
46% (45 Units) restricted to 45% or less of area median income households; and
51% (49 Units) restricted to 50% 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: Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel: Jones Hall, APLC
Lender Counsel: TBD
Borrower Counsel: Law Office of Edward A. Hopson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$16,000,000 for the Paseo Del Oro 2 Apartments affordable housing project located in the City of San Marcos, San Diego 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.



VISTA DEL SOL 2 APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	National Community Renaissance
Action:	Initial Resolution
Amount:	\$20,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of National City, San Diego County, California
Activity:	Affordable Housing
Meeting:	June 23, 2016

Background:

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National CORE has participated in approximately 100 projects, totaling over 8,000 units.

The Project:

The Vista Del Sol 2 Apartments project is an acquisition/rehabilitation multi-family housing development located at 1545 “Q” Avenue, National City, California. This existing affordable housing complex consists of 130 restricted units and two manager’s units. Targeted residents will have a household income between 50% and 60% of AMI. The scope of the work will include upgrades to the plumbing fixtures, entry doors and frames, Energy Star appliances, low-E windows, roofing and roof membranes and updates to HVAC. The flooring, cabinets and countertops in each unit will be replaced. In addition, structural changes to the building will be made that will improve water drainage in the buildings and prevent future water intrusion or damage. Improvements will also be made to insure tenant safety and security and improve interior and exterior lighting. The project’s amenities include a swimming pool, community room, laundry facility, a playground and a learning center. The financing of this project will result in preserving affordable housing for 130 households in the City of National City for an additional 55 years.

County of San Diego:

The County of San Diego is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive up to \$8,778 as part of the CMFA’s sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 14,045,164
CDC of City of National City:	\$ 7,646,062
NCRC Seller Financing:	\$ 2,895,295
Equity:	<u>\$ 2,953,017</u>
Total Sources:	\$ 27,539,538

Uses of Funds:

Land Acquisition:	\$ 3,745,388
Building Acquisition:	\$ 8,739,238
Rehabilitation:	\$ 7,149,660
Soft Costs*:	\$ 5,466,361
Contractor & Developer Fees:	<u>\$ 2,438,891</u>
Total Uses:	\$ 27,539,538

Terms of Transaction:

Amount:	\$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2017

Public Benefit:

Services at the complex will include onsite services coordinator and many educational programs for children and adults. The acquisition and rehabilitation of this project will preserve high quality affordable housing for 130 families in the City of National City for an additional 55 years.

Percent of Restricted Rental Units in the Project: 100%
18% (23 Units) restricted to 50% or less of area median income households; and
82% (107 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:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Law Office of Edward A. Hopson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$20,000,000 for the Vista Del Sol 2 Apartments affordable housing project located in the City of National City, San Diego 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.



SAN PABLO HOTEL APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	East Bay Asian Local Development Corporation
Action:	Initial Resolution
Amount:	\$25,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda California
Activity:	Affordable Housing
Meeting:	June 23, 2017

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 San Pablo Hotel Apartments is an acquisition rehabilitation of a 144-unit senior multifamily affordable housing facility. The project is made up of 32 studio units and 112 SRO units. Two of the SRO units will be set aside as manager's units. The project is located at 1955 San Pablo Avenue in the City of Oakland, California. The project will be restricted to households making 30% or less of AMI. The planned renovations will improve the safety, aesthetics and sustainability of the property for residents and neighbors alike, by addressing all urgent building issues, completing comprehensive interior and exterior renovations and creating a more sustainable property. The project is centrally located to transportation and services. The financing of this project will result in continuing to provide affordable housing for 142 low-income senior households in the City of Oakland for another 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 \$12,543 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 20,256,864
HCD CALDAP Assumed Debt:	\$ 7,963,329
Oakland RDA Assumed Debt:	\$ 4,169,851
Deferred Costs:	\$ 3,117,706
Deferred Developer Fee:	\$ 1,200,000
Equity:	<u>\$ 1,809,136</u>
Total Sources:	\$ 38,516,886

Uses of Funds:

Land Acquisition:	\$ 700,000
Building Acquisition:	\$ 13,720,000
Rehabilitation:	\$ 13,279,479
Architectural & Engineering:	\$ 1,054,159
Legal & Professional:	\$ 267,000
Loan Interest & Fees:	\$ 799,383
Contingencies:	\$ 2,141,322
Reserves:	\$ 522,306
Soft Costs* & Developer Fee:	\$ 5,527,077
Costs of Issuance:	<u>\$ 506,160</u>
Total Uses:	\$ 38,516,886

Terms of Transaction:

Amount:	\$25,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2018

Public Benefit:

A total of 142 senior households will continue enjoy high quality, independent, affordable housing in the City of Oakland for another 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%

100% (142 Units) restricted to 30% or less of area median income households

Unit Mix: Studio and SRO 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:	California Housing Partnership

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$25,000,000 for San Pablo Hotel 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.



ST. MARY'S SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant:	St. Mary's and All Angels Christian Church
Action:	Final Resolution
Amount:	\$20,000,000
Purpose:	Refinance and Finance Educational Facilities Located in the City of Aliso Viejo, County of Orange, California
Activity:	Private School
Meeting:	June 23, 2017

Background:

St. Mary's School was created by Father Ernest D. Sillers in 1994 with only four classrooms in trailers; it was the first of his schools to be non-church affiliated and, in his words, "most in line with the world." Including all faiths in a school that defines itself within the trinity of integrity, academics, and spirituality, he believed, is the best way to prepare youths for the inevitability of a more globally-connected world... one that is intellectually diverse, interconnected by technology, and perennially in flux.

With a rich history and a strong family community, St. Mary's is now under the leadership of the third Head of School. As the first and only private early education through middle school in Orange County to offer the International Baccalaureate (IB) Programme, St. Mary's promotes critical thinking while focusing on developing skills to meet the challenges of the ever-changing world.

Centrally located in the foothills of Aliso Viejo with vistas above Wood Canyon, St. Mary's has achieved regional acclaim, attracting students from more than 11 cities in Orange County from the coastal communities of Newport Beach down to San Clemente and inland from Irvine to the foothills of Trabuco Canyon.

St. Mary's approach to education is both aspirational and goal-oriented. They take education several steps further by providing a trans-disciplinary curriculum with high academic standards, coupled with a strong athletics and arts program. At the heart of the St. Mary's experience is a values-driven atmosphere that helps children to become caring, compassionate individuals who are not just critical thinkers, but young people who take ownership for improving the world.

The Project:

The proceeds of the Bonds will be used for the purpose of 1) refinancing the Borrower's outstanding obligations under the Master Loan Agreement, dated as of June 1, 2011, by and among First Republic Bank, the Authority and the Borrower, the proceeds of which were used to refinance a portion of the cost of the acquisition, construction, renovation, remodeling, expansion and equipping of educational facilities on approximately 6.27 acres of real property located at 7 Pursuit, Aliso Viejo, California 92656, consisting of classrooms, gymnasium, science labs and related educational facilities; and (2) financing the cost of acquisition, construction, development, renovation, remodeling, expansion and equipping of additional educational facilities at the Property, including, but not limited to, enhanced outdoor spaces, a fully operational commercial kitchen to provide daily lunch and snacks for students and faculty, improvements to classrooms and the construction of a two-story modular classroom facility.

The City of Aliso Viejo:

The City of Aliso Viejo is a member of the CMFA and held a TEFRA hearing on June 21, 2017. Upon closing, the City is expected to receive approximately \$8,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	\$ 18,000,000
Total Sources:	\$ 18,000,000

Uses of Funds:

Capital Improvement Projects:	\$ 9,500,000
Refinance 2011 Tax-Exempt Loan:	\$ 8,050,000
Transaction Costs/ Miscellaneous:	\$ 450,000
Total Uses:	\$ 18,000,000

Terms of Transaction:

Amount:	\$20,000,000
Maturity:	30 years
Collateral:	Deed of Trust on Property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2017

Public Benefit:

The School is committed to making education accessible to students from all backgrounds, regardless of financial means. Financial aid is awarded on the basis of need. Each year, the School awards a significant amount of aid to enroll a student body that represents the larger community. For the 2016-17 school year, the School awarded over \$1.1 million in financial aid to over 70 students.

By Grade 6, students take ownership of community projects as they develop all aspects of a project, from inception to completion, with support and guidance from their advisor. This process not only helps to boost academic achievement by applying knowledge of content and curriculum, it fosters a commitment to civic involvement, develops personal and social skills needed for the global work environment. K to third grade students annually support a Clean Water Project, raising money to build water towers in third world countries to provide clear drinking water. Annually the School builds several clean water towers.

The proposed improvement projects at the School will result in significant number of temporary construction jobs for the community.

Finance Team:

Lender:	First Republic Bank
Bond Counsel:	Kutak Rock LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Hawkins Delafield & Wood LLP
Borrower Counsel:	Kutak Rock LLP
Financial Advisor:	Wye River Group

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$20,000,000 for St. Mary's located in the City of Aliso Viejo, Orange County, California.