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).

California
Municipal Finance Authority

2020 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 '20

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 '20

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

March '20

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				

April '20

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
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26	27	28	29	30		

May '20

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						

June '20

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
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28	29	30				

July '20

Su	M	Tu	W	Th	F	Sa
			1	2	3	4
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12	13	14	15	16	17	18
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August '20

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

September '20

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			

October '20

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

November '20

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					

December '20

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		

CMFA Meetings

Holidays

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

ROSEFIELD VILLAGE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Housing Authority of the City of Alameda
Action:	Initial Resolution
Amount:	$45,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Alameda, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Amending Resolution – November 20, 2015, May 20, 2016, June 3, 2016 and May 17, 2019

Approve a resolution authorizing the amendments to the previous approvals. The Housing Authority has updated the addresses to the project which needs to be updated on the resolution.

Background:

Created in 1940 to meet the housing needs of lower income households within the City, the Housing Authority of the City of Alameda (AHA) serves over 4,000 persons today, including the households who live in the 934 affordable units owned, operated or controlled by AHA.

AHA manages the Section 8 voucher program within the City of Alameda as well as a number of other housing programs on behalf of the City of Alameda, including CDBG and HOME programs.

The section 8 program is an important partnership between private landlords and AHA to provide housing affordability and stability for families, including seniors and persons living with disabilities.

The Project:

Rosefield Village Apartments is an acquisition/ rehabilitation of a 92-unit complex located at 718-746 Eagle Avenue and 719-727 Buena Vista Avenue in the City of Alameda. The site offers assigned off-street parking as well as plenty of on-street parking. Amenities include a leasing office/recreation and community space building, laundry room and open space. The project will undergo significant renovations to all interior units, HVAC systems, building exteriors and landscaping. Upgrades will also be performed to increase energy efficiency. The development is made up of 1-, 2- and 4-bedroom units. All of the units will be restricted to households making 50% or less of Area Median Income. The financing of this project will continue to provide 91 units of affordable housing in the City of Alameda for another 55 years.

The City of Alameda:

The City of Alameda is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $15,833 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond:	$	37,000,000
Perm Loan:	$	584,700
Seller Take Back:	$	7,000,000
AHSC/CDBG:	$	5,982,529
Investor Capital Contribution:	$	8,647,241
Equity:	$	879,049
Total Sources:	$	60,093,519

Uses of Funds:

Land Acquisition:	$	2,400,000
Building Acquisition:	$	4,790,000
Rehabilitation:	$	28,320,000
New Machinery & Equipment:	$	75,000
Architectural & Engineering:	$	725,000
Legal & Professional:	$	155,500
Construction Interest Fees:	$	1,744,858
Repay Construction Bond:	$	18,000,000
Developer Fee:	$	2,500,000
Consulting/ Reserves:	$	966,564
Cost of Issuance:	$	416,597
Total Uses:	$	60,093,519

Terms of Transaction:

Amount:	$45,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

A total of 91 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Alameda, California.

Percent of Restricted Rental Units in the Project: 100%
100% (91 Units) restricted to 50% or less of area median income households
Unit Mix: 1-, 2- and 4-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:	Carle Mackie Power & Ross, LP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $45,000,000 for Rosefield Village Apartments affordable multi-family housing facility located in the City of Alameda, Alameda County, California.

Note: This transaction is subject to review and approval of 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.

FRANK G MAR APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	East Bay Asian Local Development Corporation
Action:	Initial Resolution
Amount:	$50,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda California
Activity:	Affordable Housing
Meeting:	October 25, 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 Frank G Mar Apartments is the acquisition/rehabilitation of a 119-unit multifamily affordable housing facility. The project is located at 283 13th Street, in the City of Oakland, California. The project will be restricted to households making 30% to 60% 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 located in downtown Oakland in the Chinatown neighborhood. The financing of this project will result in continuing to provide affordable housing for 117 low-income 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 $16,031 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond:	$ 41,191,459
Seller Carryback Loan:	$ 11,715,739
Accrued Deferred Interest:	$ 703,549
City of Oakland ORA Loan:	$ 2,381,638
HODAG Loan:	$ 5,245,917
City of Oakland:	$ 5,000,000
Acquired Project Reserves:	$ 840,992
Costs Deferred until Conversion:	$ 1,571,589
Deferred Developer Fee:	$ 1,500,000
Developer Fee:	$ 6,285,385
LIHTC Equity:	$ 2,653,490
Total Sources:	$ 79,089,758

Uses of Funds:	
Land Cost/ Acquisition:	$ 518,000
Building Cost/ Acquisition:	$ 38,257,992
Rehabilitation:	$ 19,813,989
Contractor Overhead & Profit:	$ 1,074,645
Relocation:	$ 600,000
Architectural Fees:	$ 946,178
Accrued Interest:	$ 703,549
Construction Interest & Fees:	$ 2,601,835
Permanent Financing:	$ 181,035
Legal Fees:	$ 102,535
Reserves:	$ 1,783,231
Appraisal:	$ 10,000
Hard Cost Contingency:	$ 1,074,645
Soft Costs, Marketing, etc.*:	$ 1,636,839
Developer Fee:	$ 9,785,285
Total Uses:	$ 79,089,758

Terms of Transaction:

Amount:	$50,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	April 2020

Public Benefit:

A total of 117 households will continue enjoy high quality, independent, affordable housing in the City of Oakland for another 55 years.

Percent of Restricted Rental Units in the Project: 100%

26% (30 Units) restricted to 30% or less of area median income households; and
26% (30 Units) restricted to 40% or less of area median income households; and
33% (40 Units) restricted to 50% or less of area median income households; and
15% (17 Units) restricted to 60% or less of area median income households
Unit Mix: 1-, 2-, 3- & 4-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:	California Housing Partnership

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $50,000,000 for Frank G Mar 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.

POWAY COMMONS APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Chelsea Investment Corporation
Action:	Initial Resolution
Amount:	$12,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Poway, San Diego County, California
Activity:	Affordable Housing
Meeting:	October 25, 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:

The Poway Commons Apartments is the new construction of a 44-unit affordable housing development in Poway, CA. The building will be 3-stories with 35 one-bedroom units and 9 two-bedrooms units. The units will be restricted to senior households earning incomes from 50% of AMI to 60% of AMI. Amenities will include a community room, laundry facilities and surface parking. This financing will provide 43 units of affordable senior housing for the residents of Poway for the next 55 years.

The City of Poway:

The City of Poway is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive $5,559 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	8,895,835
LIHTC Equity:	$	563,011
Master Developer Gap Note:	$	210,111
City of Poway Deferred Impact Fees:	$	691,021
Master Developer Infrastructure Note:	$	1,677,765
Poway Housing Authority Note:	$	1,500,000
Residual Receipt Loans Accrued Interest:	$	116,065
Total Sources:	$	13,653,808

Uses of Funds:

Land Acquisition:	$	1,682,765
New Construction:	$	8,889,765
Legal & Professional:	$	210,000
Architectural & Engineering:	$	621,000
Financing Fees & Interest:	$	673,702
Development Impact & Permit Fees:	$	789,700
Contingency:	$	66,277
Developer Fee:	$	600,000
Other Costs*:	$	120,599
Total Uses:	$	13,653,808

Terms of Transaction:

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

Public Benefit:

A total of 43 low-income senior households will be able to enjoy high quality, independent, affordable housing in the City of Poway for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

12% (5 Units) restricted to 50% or less of area median income households; and

88% (38 Units) restricted to 60% or less of area median income households.

Unit Mix: 1- & 2-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 $12,000,000 for the Poway Commons Apartments affordable multi-family housing facility located in the City of Poway, 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.

REPUBLIC SERVICES, INC. PROJECT
SUMMARY AND RECOMMENDATIONS

Applicant:	Republic Services, Inc.
Action:	Initial Resolution
Amount:	$500,000,000
Purpose:	Finance the Acquisition, Construction, Improvement, Renovation and Equipping of Solid Waste Disposal Facilities Located in Multiple Municipalities Throughout CA.
Activity:	Pollution Control
Meeting:	October 25, 2019

Background:

Republic Services, Inc. (“Republic”) is the second largest provider of non-hazardous solid waste collection, transfer, disposal, recycling, and energy services in the United States, as measured by revenue. As of December 31, 2018, they operated facilities in 41 states and Puerto Rico through 349 collection operations, 207 transfer stations, 190 active landfills, 91 recycling processing centers, 7 treatment, recovery and disposal facilities, and 11 salt water disposal wells. They are engaged in 75 landfill gas-to-energy and renewable energy projects and had post-closure responsibility for 129 closed landfills. They were incorporated in Delaware in 1996.

The Project:

The Project consists of financing solid waste disposal and recycling facilities, as follows: (a) improvements to existing landfill facilities, including (i) construction of new disposal cells and liners within currently permitted acreage, (ii) installation of new liners for intermittent and final closure of completed sections of the landfill facilities, (iii) site improvements, (iv) acquisition of equipment to be used at the landfill facilities, and (v) acquisition of other equipment and assets (including, but not limited to, land) necessary to support the foregoing improvements and to place them into service and (b) an existing collection (hauling) and transfer station facility, including (i) construction of new buildings, (ii) acquisition of solid waste and recycling sorting and processing equipment, (iii) site improvements, and (iv) acquisition of other equipment and assets (including, but not limited to, land) necessary to support the foregoing improvements and place them into service.

Cities and Counties:

The projects are located in the Cities or communities of Suisun City, San Pablo, Fairfield, Bay Point, Martinez, Suisun, Newport Beach, Anaheim, Fremont, Livermore, Richmond, Gardena, Chatsworth, Valencia, Sun Valley, Sylmar, Wilmington, Los Angeles, Long Beach, Fresno, El Centro, Imperial, Rancho Cordova, Sacramento, Alpine, Borrego Springs, Campo, Carlsbad, Chula Vista, Corcoran, Dulzura, Julian, Palomar Mountain, Ramona, Ranchita, San Diego, Santee, San Francisco, Manteca, Stockton, Daly City, Half Moon Bay, Pescadero, San Carlos, Milpitas, and Santa Barbara; the Counties of Solano, Contra Costa, Orange, Alameda, Los Angeles, Fresno, Imperial, Sacramento, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Barbara, and other locations where Republic Services, Inc. has operations. The municipalities are or will need to become members of the Authority and will be asked to hold TEFRA hearings. The Cities and Counties will share a prorated portion of the issuance fees as part of CMFA's fee sharing. Additionally, local non-profits will also benefit through charitable donations.

Proposed Financing:

Sources:	Proceeds from Bond Issuance:	$	500,000,000
	Equity:		3,000,000
	Total Sources:	$	503,000,000
Uses of Funds:			
	New Construction:	$	500,000,000
	Cost of Issuance:		3,000,000
	Total Uses	$	503,000,000

Terms of Transaction:

Amount:	$500,000,000
Rate Mode:	Multi-modal
Estimated Rating:	Standard & Poor's BBB+
Maturity:	TBD
Collateral:	Unsecured
Estimated Closing:	2020

Public Benefit:

This transaction will maintain numerous high-quality full-time jobs. In addition, the cities and counties will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes and other local revenues generated through various vendors and businesses supporting the Borrower. The environment will benefit from lower emissions due to cleaner trucks. Improving capacity and efficiency in many locations will reduce air pollution by reducing the length of truck routes and the number of trucks on the road due to the centralization of transfer stations within the service areas. Also, improvements to the leachate collection and treatment systems, and additions and improvements to the methane gas systems at landfills will better protect the citizens within the State of California.

Finance Team:

Underwriter:	BofA Securities, Inc.
Underwriter Counsel:	TBD
Bond Counsel:	TBD
Borrower Counsel:	TBD
Issuer Counsel:	Jones Hall, APLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution in the amount of up to $500,000,000 in solid waste disposal revenue bonds for the benefit of Republic Services, Inc. to finance the acquisition, construction, improvement, renovation and equipping of solid waste disposal facilities located throughout California.

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

THE CROSSING AT MONTAGUE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	RPM Company
Action:	Amending Final Resolution
Amount:	$45,000,000
Purpose:	Refinance Affordable Multi-Family Rental Housing Facility Located in the City of Milpitas, Santa Clara County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Amending Resolution – June 26, 2015

Approve a resolution authorizing the amendments to the previous approval. The bonds are being transferred to Mizuho Capital Markets LLC, to affect such transfer, this has caused an optional redemption of the Bonds on November 5, 2019 and the borrower intends to have the Bonds purchased in-lieu-of redemption and to designate Mizuho as the purchaser.

Background:

The operator is the RPM Company which has more than 100 years of combined working experience. The Company was formed in 1977 under the name Robertson Homes/Properties. In 1985, the Company's name changed to Robertson Property Management Corporation and approximately ten years later evolved into RPM Company.

RPM has managed and rehabilitated thousands of rental units. Bringing these properties to RPM Company's standards is their first priority upon take over. Many of these properties include affordable programs, as well as HUD, Section 8, Rental Housing Construction Programs (RHCP), Tax Credit, Home and Bond programs.

The RPM Company conducts business throughout California. The Company operates its Corporate and day-to-day operations out of three locations; the corporate office located in Lodi and two Southern California regional offices in Ontario and Palm Desert. Financial reporting, accounting, and monitoring of the on-site bookkeeping procedures are conducted from the Lodi office. RPM Company currently manages 39 communities totaling more than 4,300 units and employs approximately 150 employees.

The Borrower is Montague Parkway Associates, LP, a California limited partnership. The managing general partner of the Borrower is Alcohol and Drug Awareness Program, a California non-profit benefit corporation (the “Managing General Partner”). The principals of the Borrower have been involved in the multifamily housing industry for over thirty years. They have built and managed over 20,000 garden apartments in 12 states during that time.

The Project:

The Crossing at Montague Apartments is a refinancing of a multifamily project located at 755 E. Capitol Avenue in the City of Milpitas, California. Construction of the initial project was completed in 2002. The Project consists of 468 units in 16 buildings with a cumulative size of approximately 389,900 rentable square feet. 94 of the units are designated as affordable units. Amenities include a clubhouse, racquetball court, media center, heated swimming pool and spa, playground, picnic area and approximately 828 parking spaces for use by residential tenants. The refinancing of this project will continue to provide affordable housing for 94 low-income households in the City of Milpitas for the next 40 years.

The City of Milpitas previously issued its $45,000,000 City of Milpitas Variable Rate Demand Multifamily Housing Revenue Bonds (the Crossing at Montague Apartments) 2000 Series A (the “Refunded Bonds”) and its $15,000,000 City of Milpitas Variable Rate Demand Taxable Multifamily Housing Revenue Bonds (the Crossing at Montague Apartments) 2000 Series A-T (the “Prior Taxable Bonds”), the proceeds of which were used to make loans to the Borrower to finance the acquisition, construction and equipping of a 468-unit multifamily rental housing development located in the City of Milpitas.

The City of Milpitas:

The City of Milpitas is a member of the CMFA and held a TEFRA hearing on June 2, 2015. Upon closing, the City received $16,667 as part of the CMFA’s sharing of Issuance Fees.

Financing:

	Permanent
Sources of Funds:	
Bond Proceeds:	$ 45,000,000
Taxable Bond Proceeds:	$ 74,200,000
Principal Reserve Fund:	$ 84,598
Total Sources:	$ 119,284,598
Uses of Funds:	
Redemption of Refunded Bonds:	$ 45,000,000
Prior Taxable Loan Payoff:	$ 5,500,000
Milpitas City Loan Payoff:	$ 859,336
Supplemental Loan Payoff:	$ 14,513,000
Fannie Mae Yield & Fee Maintenance Pmnt:	$ 2,812,500
Swap Termination Payment:	$ 4,045,000
Financing Costs:	$ 1,456,985
Net to Borrower:	$ 45,097,777
Total Uses:	$ 119,284,598

Terms of Transaction:

Amount:	$45,000,000
Maturity:	30 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	August 2015

Public Benefit:

A total of 94 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Milpitas, California. Services at the complex will include a clubhouse, racquetball court, media center, heated swimming pool and spa, playground and picnic area. There will also be an onsite service coordinator. The project also offers 828 parking spaces.

Percent of Restricted Rental Units in the Project: 20%

20% (94 Units) restricted to 50% or less of area median income households; and

Unit Mix: One-, two- and three-bedrooms

Term of Restriction: 40 years

Finance Team:

Lender:	Deutsche Bank
Placement Agent:	Stern Brothers
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Bret H. Reed Jr., ALC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Amending Final Resolution of for The Crossings at Montague Apartments affordable multi-family housing facility located in the City of Milpitas, Santa Clara County, California.

LAUREL GROVE LANE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Housing Authority of the County of Santa Clara
Action:	Amending Final Resolution
Amount:	$57,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of San Jose, Santa Clara County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Amending Resolution – May 20, 2016

The borrower has requested that the permanent lender increase the permanent loan amount which triggers amending language to bond documents.

Background:

In 1967, the Santa Clara County Board of Supervisors established the Housing Authority of the County of Santa Clara ("HACSC") as an independent local government agency to administer the federal rental assistance programs authorized by the United States Housing Act of 1937. Since 1976, HACSC has operated the federal rental assistance programs of the County of Santa Clara and the City of San José as one program. In 2008, Congress designated HACSC a Moving to Work (MTW) demonstration agency.

Their agency assists about 17,000 households through the federal rental housing assistance program. They also develop, control and manage affordable rental housing properties. The majority of their program funding comes from the U.S. Department of Housing and Urban Development (HUD). Their programs and properties are targeted to assist low, very low and extremely low-income households. The vast majority—more than 80%—of their client households are extremely low-income families, seniors, veterans, persons with disabilities and the formerly homeless. Working together with landlords, housing developers, charities and local governments, they strive to provide housing and support services to as many eligible families as possible.

In all of their operations, HACSC works toward being a model for the innovative use of federal funds in the Section 8 program and in leveraging funds and community partnerships to develop new affordable housing and to preserve existing affordable housing.

The Project:

The Laurel Grove Lane Apartments is an affordable multifamily acquisition/rehabilitation project that will consist of an 82-unit housing community located in San Jose, CA. The development will offer one, two and three bedroom units, as well as onsite laundry, property management and service offices, a community room with kitchen, and a tot lot. Laurel Grove Apartments is located adjacent to the downtown Diridon Transit Station, providing residents with immediate access to trains, light rail, buses and bike share. All apartment units will be restricted to residents with household incomes no greater than 50% and 60% of the Area Median Income. Laurel Grove Apartments will be financed with 4% tax credits, tax exempt bonds, a Transit Oriented Development loan and seller financing. The project is currently pending an award of $4M from the State's Affordable Housing and Sustainable Communities loan program. The financing of this project will result in the creation of 81 affordable apartments for the next 55 years in the City of San Jose.

The County of Santa Clara:

The County of Santa Clara is a member of the CMFA and held a TEFRA hearing January 26, 2016. Upon closing, the City received $16,003 as part of the CMFA's sharing of Issuance Fees.

Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond:	$ 41,019,000	$ 19,126,000
LIH Tax Credit Equity:	$ 3,100,000	$ 18,983,103
Deferred Developer Fee:	$ 3,098,519	$ 3,098,519
Acc/Def Interest:	$ 212,533	$ 212,533
Deferred Costs:	$ 1,530,813	$ 0
HCD TOD Loan:	$ 0	$ 4,000,000
HACSC (AHSC AHD Loan):	$ 459,400	$ 4,000,000
HACSC (RHF Loan):	$ 1,390,497	$ 1,390,497
HASC Seller Loan:	$ 2,557,609	$ 2,557,609
HACSC MTW Loan:	$ 844,535	$ 844,535
Total Sources:	$ 54,212,906	$ 54,212,796

Uses of Funds:	
Acquisition/ Land Purchase:	$ 4,050,931
Rehabilitation:	$ 4,659,815
New Construction:	$ 24,272,467
Architect & Engineering Fees:	$ 1,600,490
Permanent Financing:	$ 84,738
Construction Financing/ Interest:	$ 2,237,406
Legal Fees:	$ 392,500
Reserves:	$ 480,584
Contingency Costs:	$ 5,856,454
Appraisal:	$ 21,250
Soft Costs, Marketing, etc.*:	$ 3,037,619

Developer Costs:	$	7,518,542
Total Uses:	$	54,212,796

Terms of Transaction:

Amount:	$57,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June, 2016

Public Benefit:

A total of 81 families will be able to enjoy high quality, independent, affordable housing in the City of San Jose, California. Services at the complex will include a resident lounge, tot lot, game room and barbeque area.

Percent of Restricted Rental Units in the Project: 100%

100% (81 Units) restricted to 50% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	Citibank N.A.
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Paul Hastings, LLP
Borrower Counsel:	Goldfarb & Lipmann LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Amending Final Resolution of $57,000,000 for Laurel Grove Apartments affordable multi-family housing facility located in the City of San Jose, Santa Clara County, California.

*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.

STONEGATE VILLAGE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Self-Help Enterprises
Action:	Final Resolution
Amount:	$20,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facilities Located in the City of Patterson, Stanislaus County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

Self-Help Enterprises ("SHE") is a private, non-profit, 501(c)(3) tax-exempt corporation established under the laws of the State of California in order to improve the living conditions and community standards of low-income families in an eight-county rural area of California's San Joaquin Valley. The primary emphasis of the organization has continuously been the creation of new affordable housing opportunities and the preservation and improvement of existing housing.

SHE has completed construction on over 6,200 new single-family homes. These homes were all built under the mutual self-help method of construction with homeowners providing over 70 percent of construction labor requirements. SHE located or developed the lots, assisted families in obtaining affordable financing, and provided technical resources and construction supervision during construction of these new homes. The first program of its kind, SHE has, in its 51-year history, served as a prototype for dozens of similar programs scattered throughout the rural United States.

SHE has rehabilitated over 6,361 homes in low-income neighborhoods in the eight-county area of the San Joaquin Valley. A key element of SHE efforts in this area has been the assistance to local communities in competing for scarce resources and successfully implementing rehabilitation programs. SHE has developed and operates 1,347 rental housing units. SHE has also assisted numerous Housing Authorities and other entities in the development of multi-family housing units in the eight-county service area. SHE owns and operates all of the rental units long-term and provides on-site resident services such as computer training, after school programs, Zumba and obesity prevention services, and other community-based programs designed to empower residents to be healthy and financially secure.

In addition to housing SHE has assisted in the development of over 600 water and wastewater projects, providing over 29,845 families with potable drinking water and clean, non-hazardous wastewater systems. SHE has assisted numerous communities in the creation and management of local community districts that maintain these public facilities in accordance with public health regulations.

The Project:

The Stonegate Village Apartments is the new construction of a 66-unit affordable housing multifamily project. The project will be located at the Northeast corner of Walnut Avenue and North 1st Street in Patterson, CA. The units will be restricted to households earning 60% or less of area median income (AMI). The project will include 22 one-bedroom units, 22 two-bedroom units, and 21 three-bedroom units, a centrally located community building and a laundry facility. The project includes 100% solar PV to offset common area and resident loads, and water conservation/efficiency measures. This financing will create 65 units of affordable housing in the City of Patterson for the next 55 years.

The City of Patterson:

The City of Patterson is a member of the CMFA and is scheduled to hold a TEFRA hearing on November 5, 2019. Upon closing, the City is expected to receive approximately $12,500 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 16,607,525	$ 0
LIH Tax Credit Equity:	$ 816,224	$ 8,064,739
Developer Equity:	$ 123,300	$ 1,233,000
Deferred Developer Fee:	$ 0	$ 205,000
Valley Air Loan:	$ 492,489	$ 492,489
AHP (Central Valley Community Bank):	$ 660,000	$ 660,000
HCD AHSC Loan:	$ 0	$ 10,248,722
Total Sources:	$ 18,699,538	$ 20,903,950

Uses of Funds:	
Acquisition/Land Purchase:	$ 495,000
New Construction:	$ 12,110,888
Contractor Overhead & Profit:	$ 693,204
Architectural Fees:	$ 500,000
Survey and Engineering:	$ 100,000
Construction Interest and Fees:	$ 1,523,590
Permanent Financing:	$ 22,500
Legal Fees:	$ 75,000
Reserves:	$ 95,911
Appraisal:	$ 7,500
Hard Cost Contingency:	$ 747,872
Local Development Impact Fees:	$ 1,705,506
Other Soft Costs (Marketing, etc.) *:	$ 318,979
Developer Costs	$ 2,508,000
Total Uses:	$ 20,903,950

Terms of Transaction:

Amount:	$20,00,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	February 2020

Public Benefit:

A total of 65 households will to be able to enjoy high quality, independent, affordable housing in the City of Patterson, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

100% (65 Units) restricted to 50% or less of area median income households.
Unit Mix: 1-, 2- & 3-bedrooms
Term of Restriction: 55 years

Finance Team:

Lender:	Wells Fargo Bank, N.A.
Bond Counsel:	Jones Hall APLC
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Dentons, LLP
Borrower Counsel:	Gubb and Barshay, LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $20,000,000 for Stonegate Village Apartments affordable multi-family housing facility located in the City of Patterson, Stanislaus County, California.

*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.

**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.

CALABAZAS APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Allied Housing, Inc.
Action:	Final Resolution
Amount:	$50,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Santa Clara, Santa Clara County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

Allied Housing, the project development affiliate of Abode Services, develops new construction and rehabilitates affordable supportive housing projects. Each project is combined with services (provided by Abode Services staff) to families and individuals who are formerly homeless and living with special needs.

Abode Services secures permanent homes for individuals and families experiencing homelessness. An innovative Housing First approach is used to go beyond the temporary solutions that shelters and transitional housing programs offer.

Through a strategic alliance with Santa Clara County-based Housing for Independent People (HIP), Abode Services gained additional capacity to end homelessness for vulnerable families and individuals. Abode now manages almost 20 former HIP properties throughout San Jose and Santa Clara County, as well as the Resetar Residential Hotel in Watsonville. The approximately 200 households living in these properties have stable housing and access to supportive services through Abode Services.

Abode Services also engages with local municipalities and private developers to share expertise in affordable housing development and rehabilitation, and to carry out projects intended to develop housing that meets the needs of formerly homeless households, veteran families, chronically homeless individuals, and other vulnerable groups.

The Project:

The Calabazas Apartments project is the new construction of a 145-unit affordable multi-family housing development. The development consists of 144 micro-studio units and one two-bedroom manger's unit in a five-story building. The building will include covered parking on the ground level, podium level outdoor terrace, community room, central entry/reception lobby, two elevators, project management offices, supportive services offices, meeting/activity room, common laundry and indoor bike parking. Half of the units will be dedicated to serving persons experiencing homelessness. The project will be located at 2904 Corvin Road, Santa Clara, California. This financing will create an additional 144 units of affordable housing for the City of Santa Clara for the next 55 years.

The City of Santa Clara:

The City of Santa Clara is a member of the CMFA and held a TEFRA hearing on April 9, 2019. Upon closing, the City is expected to receive approximately $15,431 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 39,017,000	$ 10,070,800
LIH Tax Credit Equity:	$ 2,000,000	$ 29,333,164
Deferred Developer Fee:	$ 0	$ 1,700,000
GP Equity:	$ 0	$ 300,000
Santa Clara County – Land Donation via Lease:	$ 11,480,000	$ 11,480,000
Santa Clara County – Loan for Predev. Costs:	$ 1,500,000	$ 1,500,000
Santa Clara County – Additional Loan:	$ 18,000,000	$ 18,000,000
City of Santa Clara:	$ 0	$ 5,000,000
Total Sources:	$ 71,997,000	$ 77,383,964

Uses of Funds:	
Acquisition/Land Purchase:	$ 12,335,553
New Construction:	$ 40,064,232
Contractor Overhead & Profit:	$ 1,502,410
Architectural Fees:	$ 1,786,700
Survey and Engineering:	$ 245,000
Construction Interest and Fees:	$ 4,166,229
Permanent Financing:	$ 30,000
Legal Fees:	$ 130,000
Reserves:	$ 2,323,900
Appraisal:	$ 10,000
Hard Cost Contingency:	$ 4,156,664
Local Development Impact Fees:	$ 3,269,988
Other Soft Costs (Marketing, etc.) *:	$ 2,863,299
Developer Costs	$ 4,500,000
Total Uses:	$ 77,383,975

Terms of Transaction:

Amount:	$50,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	November 2019

Public Benefit:

A total of 144 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Santa Clara for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
90% (130 Units) restricted to 50% or less of area median income households; and
10% (14 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio units
Term of Restriction: 55 years

Finance Team:

Lender:	Capital One, N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Sidley Austin LLP
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $50,000,000 for Calabazas Apartments affordable multi-family housing facility located in the City of Santa Clara, Santa Clara County, California.

*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

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COLISEUM PLACE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Resources for Community Development
Action:	Final 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 25, 2019

Background:

For 30 years, Resources for Community Development ("RCD") has created and preserved affordable housing for very low-income individuals and families. Thousands of low-income families have benefitted from rent that is within their means, allowing them to live independently. For low-income seniors, working families and people with special needs – the Mission of RCD is to create and preserve affordable housing for them, to build community and enrich lives.

Rents in the Bay Area have been relatively high for many years. That's what motivated a group of Berkeley community members to found the non-profit to address the problem of an inadequate supply of safe, affordable housing for low-income people who were being pressured to leave the community because of rising rents. Today, RCD continues to look for opportunities to work together with the community to reimagine, recreate, and redefine how to provide affordable homes, for a better future for those with the fewest options.

RCD serves low-income people with household incomes of 20 to 60 percent of the Area Median Income (up to $56,100 for a family of four in the Bay Area). Starting with a range of housing options, from studios and single room occupancy to four-bedroom apartments, RCD also reserves over 30 percent of our units for people with special needs.

The CMFA has facilitated five other projects with RCD.

The Project:

The Coliseum Place Apartments is a new construction project located in Oakland on a 0.47-acre site. The project consists of 58 restricted rental units, and 1 unrestricted manager unit. The project will have 11 one-bedroom units, 28 two-bedroom units, and 20 three-bedroom units. The building will be 6 stories. Common amenities include a large community room with a common kitchen, a lobby, property management offices, and resident services offices. Each unit will have a refrigerator and range. There are 27 parking spaces provided. The construction is expected to begin November 2019 and be completed March 2021.This development will provide the City of Oakland with 58 much needed units of affordable housing for the next 55 years.

The City of Oakland:

The City of Oakland is a member of the CMFA and held a TEFRA hearing on May 7, 2019. Upon closing, the City is expected to receive approximately $13,666 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 27,000,000	$ 8,339,400
HCD AHSC Loan:	$ 0	$ 6,000,000
LIH Tax Credit Equity:	$ 2,074,561	$ 20,630,108
Wells Fargo – Construction Loan (Taxable):	$ 5,778,168	$ 0
Deferred Developer Fee:	$ 0	$ 750,000
Alameda County – Measure A1 Loan:	$ 9,214,921	$ 9,393,386
HCD Infill Infrastructure Grant:	$ 1,944,850	$ 1,944,850
City of Oakland:	$ 1,600,000	$ 1,630,987
County of Alameda HOPWA Loan:	$ 727,638	$ 741,748
FHLB – Affordable Housing Program Loan:	$ 580,000	$ 580,000
HCD AHSC HRI Program Grant:	$ 513,894	$ 513,894
GP Equity:	$ 247,577	$ 247,577
Total Sources:	$ 49,681,609	$ 50,771,950

Uses of Funds:	
Acquisition/Land Purchase:	$ 1,360,112
New Construction:	$ 34,148,112
Contractor Overhead & Profit:	$ 1,314,582
Architectural:	$ 1,344,927
Survey & Engineering:	$ 317,514
Construction Interest and Fees:	$ 3,469,066
Permanent Financing:	$ 240,298
Reserves:	$ 1,533,794
Appraisal:	$ 1,750
Hard Cost Contingency:	$ 3,593,245
Local Development Impact Fees:	$ 1,266,676
Other Soft Costs (Marketing, etc.) *:	$ 2,303,389
Developer Costs	$ 2,500,000
Total Uses:	$ 53,393,465

Terms of Transaction:

Amount:	$40,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	November 2019

Public Benefit:

The construction of this project will provide affordable, high quality housing for 58 households in the City of Oakland for 55 years.

Percent of Restricted Rental Units in the Project: 100%

47% (27 Units) restricted to 50% or less of area median income households; and

53% (31 Units) restricted to 60% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	Bank of America, N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Buchalter, APLC
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

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

*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.

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DEL MONTE MANOR APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Terrex Development Corp.
Action:	Final Resolution
Amount:	$50,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Seaside, County of Monterey, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

Terrex Development Corp. (“Terrex”) specializes in assisting owners of aging affordable housing with recapitalizing and renovating their properties. Their sister company, TerraCorp, provides property management, tenant relocation and subsidy expertise to complement Terrex's finance and construction management services. Terrex and TerraCorp assist non-profit and for-profit affordable housing sponsors in preserving existing multifamily properties and in creating new communities.

Availability of quality affordable housing is an issue which touches everyone. Terrex sees housing as a pathway to improving lives by providing a safe, comfortable environment to call home. Their properties enhance the lives of the residents who live in them, and their surrounding communities. As properties age and the cost to maintain them increases, owners face many decisions on how to retain ownership while extending the lives of their communities.

Recapitalization proceeds can be reinvested into renovations and improvements, extending the life of the property for decades to come. By revitalizing the property, the quality of life for residents is increased, maintenance expenses are reduced, and critically needed affordable housing for the long-term is preserved.

Terrex can provide the necessary capital and expertise to perform due diligence, secure funding and manage construction to bring new life to old projects. Excess funds can be used for owners’ other objectives such as paying staff, operations overhead and new project development.

The Project:

The Del Monte Manor Apartments project is an acquisition/rehabilitation of a 192-unit market rate multi-family housing development. The unit mix includes 16 studios, 52 one-bedroom units, 92 two-bedroom units and 32 three-bedroom units. Two units will be reserved as manager's units. The proposed project will convert this currently unrestricted market rate apartment complex into a deed-restricted affordable housing project. Proceeds from the refinancing will be used to renovate the property, completing structural, mechanical, electrical and plumbing repairs and improvements, as well as new finishes and energy efficiency improvements. This work will preserve the units for long term occupancy and extend the useful life of the building. Amenities include a community room, playground and laundry room. This financing will add 190 units of affordable housing for the City of Seaside for the next 55 years.

The City of Seaside:

The City of Seaside is a member of the CMFA and held a TEFRA hearing on August 15, 2019. Upon closing, the City is expected to receive approximately $15,978 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 35,311,925	$ 22,500,000
LIH Tax Credit Equity:	$ 8,607,683	$ 27,268,706
Seller Carryback Loan:	$ 30,063,204	$ 30,063,204
GP Equity:	$ 100	$ 100
Accrued Interest on Seller Loan:	$ 894,380	$ 1,277,684
Income from Operations:	$ 560,275	$ 560,275
Deferred Developer Fee:	$ 0	$ 3,509,985
Construction Bond Interest Income:	$ 0	$ 1,173,334
EAN Equity:	$ 526,787	$ 526,787
Total Sources:	$ 75,964,354	$ 86,880,075

Uses of Funds:	
Acquisition/Land Purchase:	$ 36,020,000
Rehabilitation Construction Costs:	$ 28,264,541
Relocation:	$ 600,000
Architectural Fees:	$ 381,898
Survey and Engineering:	$ 279,880
Construction Interest and Fees:	$ 3,847,196
Permanent Financing:	$ 350,553
Legal Fees:	$ 64,000
Reserves:	$ 4,481,985
Hard Cost Contingency:	$ 2,499,189
Other Soft Costs (Marketing, etc.) *:	$ 3,110,848
Developer Costs	$ 6,979,985
Total Uses:	$ 86,880,075

Terms of Transaction:

Amount:	$50,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Limited Offering; Sophisticated Investors
Estimated Closing:	December 2019

Public Benefit:

A total of 190 households will to be able to enjoy high quality, independent, affordable housing in the City of Seaside, California for the next 55 years. There are no homeless units set aside in this project.

Percent of Restricted Rental Units in the Project: 100%

52% (98 Units) restricted to 50% or less of area median income households; and
48% (92 Units) restricted to 60% or less of area median income households
Unit Mix: Studio, 1-, 2- and 3-bedroom units

Term of Restriction: 55 years

Finance Team:

Underwriter:	Stifel, Nicolaus & Company, Incorporated
Underwriter's Counsel:	Tiber Hudson, LLC
Lender:	Bellwether Enterprise Real Estate Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Applegate and Thorne-Thomsen, P.C.
Developer Consultant:	Baker Tilly Virchow Krause LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $50,000,000 for Del Monte Manor Apartments affordable multi-family housing facility located in the City of Seaside, Monterey County, California.

*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.

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JOHN ADAMS ACADEMY
PROJECT SUMMARY AND RECOMMENDATIONS

Applicant:	John Adams Academies, Inc.
Action:	Final Resolution
Amount:	$40,000,000
Purpose:	Finance Educational Facilities for the John Adams Academy, City of Lincoln, County of Placer, California.
Activity:	Charter School
Meeting:	October 25, 2019

Background:

John Adams Academies, Inc. (the “Borrower”) is a California nonprofit public benefit corporation founded in 2010 to provide classical, tuition-free education for students in northern California. The Borrower currently operates charter school campuses in Roseville, Lincoln and El Dorado Hills, California.

The Borrower operates John Adams Academy – Roseville (the “Academy”), a kindergarten through twelfth grade public charter school in the City of Roseville. The Academy began operating in fall 2011 and enrolled 567 students in kindergarten through tenth grade during its first year. The charter authorizer for the Academy is the Loomis Union School District (the “LUSD”). As of the start of the 2017-18 school year, the Academy had enrolled 1,252 students in kindergarten (“K”) through twelfth grade, and 43 in transitional kindergarten (“TK”).

The Mission of the Borrower is to restore America’s heritage by developing servant-leaders who are keepers and defenders of the principles of freedom for which our Founding Fathers pledged their lives, fortunes, and sacred honor.

The Borrower provides a rigorous, systematic study of great minds down through the ages to achieve mastery of a subject and make connections between past events and the flood of current information. The curriculum of John Adams Academy inspires students through self-discipline to educate themselves in the principles of freedom. In partnership with parents and mentors, students discover and prepare for their unique mission and purpose in life. The teaching structure that is used is to learn through the classics.

The Project:

The borrower has requested that the CMFA approve a resolution for the proceeds of the Bonds to be used to: (1) finance the acquisition of an approximately 11.32-acre site (the "Site") located within parcels of land bounded by Bella Breeze Drive, Dresden Drive, and Galewind Drive in the City of Lincoln and (2) finance or refinance the costs of the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of facilities for charter school use and related facilities, infrastructure, appurtenances and rights on or related to the Site. The John Adams Academy will be located in the City of Lincoln, CA.

The City of Lincoln:

The City of Lincoln is a member of the CMFA and has agreed to hold a TEFRA hearing on November 12, 2019. Upon closing, the City is expected to receive up to $10,274 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	
Tax-Exempt Bonds:	$ 31,645,000
Taxable Bonds:	$ 85,000
Total Sources:	$ 31,730,000
Uses of Funds:	
Land Acquisition:	$ 29,000,000
Debt Service Reserve Fund:	$ 2,010,000
Cost of Issuance:	$ 720,000
Total Uses:	$ 31,730,000

Terms of Transaction:

Amount:	$40,000,000
Maturity:	June 2054
Collateral:	Deed of Trust
Bond Purchasers:	Institutional & Sophisticated Investors
Offering:	Limited Offering
Estimated Closing:	November 2019

Public Benefit:

The proceeds of the Bonds will be used to finance the acquisition and construction of certain property and facilities to be used as a charter school and allow the John Adams Academy to better serve its students.

Finance Team:

Underwriter:	BB&T Capital Markets
Bond Counsel:	Jones Hall, APLC
Issuer's Counsel:	Jones Hall, APLC
Underwriter's Counsel:	Ice Miller LLP
Borrower's Counsel:	Procopio, Cory, Hargreaves & Savitch, LLP
Financial Advisor:	Urban Futures, Inc.
Trustee:	Wells Fargo Bank, N.A.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt a Final Resolution in the amount of $40,000,000 to finance educational facilities for the John Adams Academy located in the City of Lincoln, County of Placer, 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.

THE MASTER'S UNIVERSITY
PROJECT SUMMARY AND RECOMMENDATIONS

Applicant:	The Master's University and Seminary
Action:	Final Resolution
Amount:	$35,000,000
Purpose:	Finance or Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Educational Facilities for the Benefit of Master's University and Seminary, located in the City of Santa Clarita, Los Angeles County, California.
Activity:	Private University
Meeting:	October 25, 2019

Background:

The Master's University and Seminary ("TMUS" or the "University") is a private Christian liberal arts university with its primary campus located in Santa Clarita, California. The University is a California nonprofit religious corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The University was founded in 1927 as Los Angeles Baptist Theological Seminary. In 1946, the seminary became a graduate-level school and a separate undergraduate liberal arts program was implemented. In 1961, the school moved from its original location in downtown Los Angeles to the Placerita Canyon area of Santa Clarita, California. In 1974, the college division and the seminary division split into separate institutions, and in spring 1975 the renamed Los Angeles Baptist College ("LABC") received its initial regional accreditation from the Western Association of Schools and Universities ("WASC"). In 1985, the name of the school was changed from the Los Angeles Baptist College to The Master's College ("TMC"), and experienced significant growth in student enrollment from 305 in fall 1984 to 863 students in fall 1989. In 1986, the college added a seminary on the campus of Grace Community Church in Los Angeles, CA, and the official corporate name was changed to The Master's College and Seminary.

In 2016, the Board of Directors voted to change the name of The Master's College and Seminary to The Master's University and Seminary to reflect the growth in the number of graduate degrees offered, the development of a significant program of online undergraduate and graduate degrees, and the increased level of faculty scholarship.

The University currently offers traditional undergraduate degree programs in 13 fields of study encompassing 57 distinct emphasis areas, and 4 online degree programs. At the graduate level, the University offers master's degrees in Business Administration (MBA), Biblical Counseling (MABC), and Biblical Studies (MABS), as well as a fifth-year California Single Subject and Multiple Subject credential program. Each of these programs has distinct educational objectives that provide indicators of student achievement.

The Master's University is accredited to award bachelor's and master's degrees by The WASC Senior College and University Commission. In Spring 2018, the WASC placed the University on probation with respect to its accreditation by WSCUC.

The Project:

The proceeds of the Bonds will be used for: (A) financing the acquisition, construction, improvement, renovation and equipping of the following educational facilities and amenities for the benefit of the University, including (1) renovation and improvement of three student housing facilities; (2) improvement and equipping of approximately ten classrooms for upgraded technology and layout; (3) renovation to the Robert L. Powell Library, an existing University facility, with renovations and improvements to include study rooms and classrooms; (4) electrical efficiency upgrades to existing University facilities; (5) a new approximately 12,000 square foot, beach volleyball court and related facilities; and (6) a new, approximately 25,000 square foot, swimming complex, which facility will include an Olympic size swimming pool and related facilities; each located or to be located on the site of the University main campus (the "Campus") at 21726 Placerita Canyon Road, Santa Clarita, California, and the acquisition of furnishings, equipment, technology and/or library materials at the University campus (all of the foregoing in (1) through (6) above, collectively, the "New Projects"); (B) refinancing the outstanding California Statewide Communities Development Authority Variable Rate Revenue Bonds (The Master's College) Series 2014, which financed and refinanced the costs of acquisition, construction, improvement, renovation, remodeling, furnishing and equipping of certain educational facilities including residence halls, classrooms, laboratories, parking facilities, a library, a student center known as the MacArthur Center, a guard station, one or more roads, infrastructure improvements and other related and appurtenant facilities (the "Refunded Projects" and together with the New Projects, the "Projects") located on the Campus; and (C) paying certain costs of issuance of the Bonds.

The City of Santa Clarita:

The City of Santa Clarita is a member of the CMFA and held a TEFRA hearing on October 22, 2019. Upon closing, the City is expected to receive up to $9,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	$ 24,935,000
Net Premium:	$ 2,527,985
Total Sources:	$ 27,462,985

Uses of Funds:

New Construction:	$	5,000,000
Swap Termination Payment:	$	77,476
Refund 2014 Bonds:	$	21,874,000
Cost of Issuance:	$	511,509
Total Uses:	$	27,462,985

Terms of Transaction:

Amount:	$35,000,000
Maturity:	June 2049
Collateral:	Gross Revenue Pledge, Deed of Trust
Bond Purchasers:	Public Offering; Institutional and Sophisticated Investors
Closing:	December 2019
Expected Rating:	BB+ (Standard & Poor's)

Public Benefit:

It is the goal of Masters University to empower students for a life of enduring commitment to moral integrity and intellectual growth worldwide.

Finance Team:

Underwriter:	RBC Capital Markets, LLC
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer's Counsel:	Jones Hall, APLC
Underwriter's Counsel:	Hawkins Delafield & Wood LLP
Borrower's Counsel:	Anglin Flewelling Rasmussen Campbell & Trytten LLP
Trustee:	U.S. Bank National Association

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 $35,000,000 for the Masters University and Seminary Project, City of Santa Clarita, 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.

MILESTONE COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant: Taylor Morrison of California, LLC

Amount: $5,000,000

Action: Approve Ordinance Levying Special Taxes within the CMFA Community Facilities District

Purpose: 2nd Reading and Enactment of Ordinance Levying Special Taxes within CMFA Community Facilities District No. 2019-3 (City of Elk Grove - Milestone)

Activity: BOLD/ Community Facilities District

Meeting: October 25, 2019

Background:

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 the CMFA and a participant in BOLD. Taylor Morrison of California, LLC, a California Limited Liability Company (together with certain affiliated entities, 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 in August 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.

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").

On October 4, 2019, the CMFA held a public hearing on the formation of the CFD and the incurrence of bonded indebtedness for the CFD and held the special election on the formation of the CFD. The CMFA then adopted the following resolutions to facilitate the formation of California Municipal Finance Authority Community Facilities District No. 2019-3.

- 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) (the "Resolution of Formation").
- 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").
- 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").
- 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 and for Each Improvement Area in California Municipal Finance Authority Community Facilities District No. 2019-3 (City of Elk Grove – Milestone) (the "Resolution Declaring Election Results").

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2019-3 at the October 4, 2019 CMFA meeting of the Board of Directors was the introduction of the ordinance levying special taxes on the land in the CFD. The Board of Directors of the CMFA is now being asked to approve this Ordinance.

The Ordinance of the Board of Directors Levying Special Taxes on the land in the CFD will support the bonds and the services by this ordinance. The special tax lien puts the rate and method of apportionment for each Improvement Area on record for all parcels within the applicable Improvement Area. The levy conforms to the special tax formula approved by the Board in the Resolution of Formation and provides for the taxes to be collected each year on the general tax rolls of the City.

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. 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.

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.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2019-3 (City of Elk Grove – Milestone.)

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
<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.

LIBERTY VILLAGE COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant:	Taylor Morrison of California, LLC
Amount:	$2,600,000
Action:	Approve Ordinance Levying Special Taxes within the CMFA Community Facilities District
Purpose:	2nd Reading and Enactment of Ordinance Levying Special Taxes within CMFA Community Facilities District No. 2019-4 (City of Roseville – Liberty Village)
Activity:	BOLD/ Community Facilities District
Meeting:	October 25, 2019

Background:

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, a California Limited Liability Company (together with certain affiliated entities, 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 in August 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.

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").

On October 4 2019, the CMFA held a public hearing on the formation of the CFD and the incurrence of bonded indebtedness for the CFD and held the special election on the formation of the CFD. The CMFA then adopted the following resolutions to facilitate the formation of California Municipal Finance Authority Community Facilities District No. 2019-4.

- 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) (the "Resolution of Formation").
- 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").
- 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").
- 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 and for Each Improvement Area in California Municipal Finance Authority Community Facilities District No. 2019-4 (City of Roseville – Liberty Village) (the "Resolution Declaring Election Results").

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2019-4 at the October 4, 2019 CMFA meeting of the Board of Directors was the introduction of the ordinance levying special taxes on the land in the CFD. The Board of Directors of the CMFA is now being asked to approve this Ordinance.

The Ordinance of the Board of Directors Levying Special Taxes on the land in the CFD will support the bonds and the services by this ordinance. The special tax lien puts the rate and method of apportionment for each Improvement Area on record for all parcels within the applicable Improvement Area. The levy conforms to the special tax formula approved by the Board in the Resolution of Formation and provides for the taxes to be collected each year on the general tax rolls of the City.

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. 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.

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.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2019-4 (City of Roseville – Liberty Village.)

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 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 $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.

COLDSTREAM COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant:	Coldstream Properties, LLC
Action:	Hold the Public Hearing and Approve Various Resolutions Forming the CMFA Community Facilities District
Amount:	$11,775,000
Purpose:	Approve Resolutions Forming CMFA Community Facilities District No. 2019-2 (Town of Truckee - Coldstream), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election
Activity:	BOLD/ Community Facilities District
Meeting:	October 25, 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 Town of Truckee (the "Town") is a member of the CMFA and a participant in BOLD. Coldstream Properties, 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 Town. The CMFA and the Town previously accepted such application, and on September 20, 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 25, 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 Town, the CMFA needs to form a community facilities district. On September 20th, 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. 2019-2 (Town of Truckee – Coldstream) (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. 2019-2 (Town of Truckee – Coldstream).

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. 2019-2 (Town of Truckee – Coldstream) (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 $11,775,000 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. 2019-2 (Town of Truckee – Coldstream) (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 Nevada 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. 2019-2 (Town of Truckee – Coldstream) (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 25, 2019, the ordinance can be finally adopted at a subsequent Board meeting.

The Project:

The Coldstream project is for the development of 178.6 acres within the Town of Truckee. The boundary of the CFD comprises three separate improvement areas. Improvement Area No. 1 (the Mixed Use Village area) will consist of approximately 58 residential, 4 live-work units, and up to 30,000 square feet of retail and commercial. Improvement Area No. 2 (the Village Green area) will consist of 81 residential units and Improvement Area No. 3 (the Lakeside area) will cover the remainder of the Project which consists of approximately 113 residential homes. The Project will also include a 58-unit affordable housing site as part of Phase 1 but this area will be excluded from the CFD boundary (and not taxed). Currently the site is under development with the expectation that Improvement Area No. 1 will be included in a pooled financing in 2020.

Future Action:

The Ordinance Levying Special Taxes will need to be finally adopted at a meeting of the Board of Directors to be held in February. 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 for levying special taxes for CMFA Community Facilities District No. 2019-2 (Town of Truckee – Coldstream).

EXHIBIT A
CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-2 (TOWN OF TRUCKEE – COLDSTREAM)

DESCRIPTION OF FACILITIES TO BE FINANCED BY THE
CFD AND EACH IMPROVEMENT AREA THEREIN

The California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream) (the “CFD”) is authorized to finance, in whole or in part, the following facilities, fees to pay for facilities, and related expenses:

I. Authorized Facilities

Roadway and Transportation Improvements

Authorized facilities include any and all on-site and off-site publicly-owned roadway and transportation facilities required to meet the needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: Acquisition of land and easements; design; project management; payment and performance bond premiums; clearing, grubbing, and demolition; grading, soil import/export; paving (including slurry seal), and decorative/enhanced pavement concrete and/or pavers; bridge crossings and culverts; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site); enhanced fencing, and access ramps; street lights; roundabouts; intersections, signalization, and traffic signal control systems; bus turnouts; signs and striping; winterization and erosion control; median and landscape corridor landscaping and irrigation; bus shelters; retaining walls; masonry walls; implementation and maintenance of SWPPP measures; traffic control and agency fees required as a condition of development within the boundaries of the CFD; and other improvements related thereto where required.

Water System Improvements

Authorized facilities include any and all on-site and off-site potable water system facilities designed to meet the needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: Acquisition of land and easements; design; project management; grading; implementation and maintenance of SWPPP measures; potable water storage, groundwater wells, storage tanks, distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressurization system, hardscape improvements (pavement), fencing, lighting at water storage tank sites, booster pumping stations, and groundwater wells; and other improvements related thereto.

Drainage System and Flood Protection Improvements

Authorized facilities include any and all on-site and off-site publicly-owned drainage facilities required to meet the storage and conveyance needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: Acquisition of land and easements; design; project management; grading; implementation and maintenance of SWPPP measures; mains, pipelines and appurtenances; outfalls, inlets and water quality measures; temporary drainage facilities; detention/retention basins and drainage pretreatment facilities; drainage ways/channels; pump stations; landscaping and irrigation; creek and pond restoration; access roads, gates, and fencing; striping and signage; and other improvements related thereto where required.

Wastewater System Improvements

Authorized facilities include any and all on-site and off-site publicly-owned facilities required to meet the conveyance needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: Acquisition of land and easements; design; project management; grading; implementation and maintenance of SWPPP measures; pipelines and all appurtenances thereto; manholes; tie-in to existing main line; emergency storage for at lift station sites; force mains; lift stations; odor-control facilities; sewer treatment plant improvements; hardscape improvements (pavement), fencing, lighting at lift station sites; and other improvements related thereto where required.

Electrical Utility

Authorized facilities include any and all onsite and offsite publicly-owned facilities required to meet the electrical needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: design, engineering, project management, grading, trenching, backfilling, electrical vaults, splice boxes, conduits and appurtenances.

<u>Trails, Landscaping and Open Space Improvements</u>

Authorized facilities include any and all on-site and off-site publicly-owned trail, landscaping and open space facilities required to meet the needs of development within the CFD. Eligible costs of these facilities include, but are not limited to, the following to the extent that they are capital costs of the facilities: Acquisition of land and easements; design; project management; grading; implementation and maintenance of SWPPP measures; turf and irrigation; trees and shrubs; sidewalks pathways and trails: masonry sound walls; maintenance roads; other related hard and soft-scape improvements along roadways and adjacent to or within parks, open space, drainage channels and detention basins; bike trails, bike/pedestrian bridges; storm drain crossings; landscaping and irrigation, access gates and fencing and related open space improvements.

Potential trails, landscaping and open space improvements may include but are not limited to the following:

<u>Trails</u>

- Multipurpose Trails
- Class 1 Trail

<u>Fees</u>

The CFD may also finance any fees payable to the Town of Truckee (the "Town, the proceeds of which will be used to fund all or a portion of the cost of any Facilities described above, or other 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:

- Town Traffic Impact Fee
- Town Facilities Fee
- Town Park Impact Fee

II. Administrative and Incidental Expenses

In addition to the above facilities, other incidental expenses that may be financed by the CFD include but are not limited to the following: the cost of planning, permitting, approving and designing the authorized facilities (including the cost of environmental evaluation, orthophotography, environmental remediation/mitigation); land acquisition and easement payments for authorized facilities; project management, construction staking; engineering studies and reports (if required); utility relocation and demolition costs incidental to the construction of the public facilities; and any other expenses incidental to the construction, completion, and inspection of the facilities and related expenses associated with any of the foregoing.

In addition, the CFD shall fund the direct and indirect expenses incurred by the California Municipal Finance Authority ("CMFA") and/or the Town 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 Town staff, or consultant fees, directly related thereto and a proportionate amount of CMFA's and the Town's general administrative overhead related thereto;

(v) any amounts paid by CMFA and the Town 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 Town 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 Town, 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 Town, 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 Town in any way related to the CFD.

EXHIBIT B

**IMPROVEMENT AREA NO. 1 OF THE
CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-2
(TOWN OF TRUCKEE - COLDSTREAM)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Improvement Area No. 1 of the California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream) 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 Improvement Area No. 1, 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:

"Accessory Unit" means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

"Acre" 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 Improvement Area No. 1, 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 County in any way related to the establishment or administration of Improvement Area No. 1 and the CFD.

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

"Affordable Housing Unit" means any Residential Unit on a Parcel of Residential Property for which a deed restriction has been recorded on title of the property that limits the rental rate or sales price or otherwise restricts the affordability of the Residential Unit or income of its occupants. It is incumbent upon the builder, developer, or property owner to make the Administrator aware of such deed restriction.

"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.

"Average Sales Price" means, for any Square Footage Category, the average sales price for all Residential Units within such Square Footage Category based on consideration of: (i) the average sales prices for all Residential Units that have sold within the CFD in the past 6 months, which shall not include prices for Residential Units that were sold at a discount for the purpose of stimulating initial sales activity, and (ii) for Residential Units that are expected to sell in a normal marketing environment, the average sales price within such Square Footage Category, as estimated by the Town and CMFA after coordination with developers and builders that are building Residential Units within the CFD.

"Base Special Tax" means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in 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 or for Improvement Area No. 1 to fund Authorized Facilities.

"Building Permit" means a single permit or set of permits required to construct a residential or mixed-use structure. If a permit is issued for a foundation, parking, landscaping or other related facility or amenity, but a building permit has not yet been issued for the structure served by these facilities or amenities, such permit shall not be considered a "Building Permit" for purposes of application of the Special Tax herein.

"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. 2019-2 (Town of Truckee - Coldstream).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD and designate Improvement Area No. 1 was adopted by the Board.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Nevada.

"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 amount of Non-Residential Square Footage expected within Improvement Area No. 1 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 1 each time there is a Land Use Change or a prepayment.

"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 1 and may be revised pursuant to Section D below.

"Final Map" means a final map, or portion thereof, approved by the Town 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 of Taxable Property in Improvement Area No. 1.

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

"Improvement Area No. 1" means Improvement Area No. 1 of the CFD.

"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.

"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.

“Independent Price Point Study” means a price point study or letter updating a previous price point study prepared by a Price Point Consultant pursuant to Section D.5 herein. The Independent Price Point Study shall analyze Residential Units with similar density, lot sizes, square footage ranges, and product type as the Residential Units included in Improvement Area No. 1.

“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 in Improvement Area No. 1 after CFD Formation.

“Market Rate Unit” means a Residential Unit that is not an Affordable Housing Unit.

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

“Multi-Family Property” means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit or use permit has been issued or is expected to be issued for construction of a residential structure with two or more Residential Units that share a single Assessor’s Parcel number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

“Non-Residential Property” means all Assessor’s Parcels of Taxable Property for which a Building Permit was or is expected to be issued for an office, commercial, retail, industrial or mixed-use building, as determined by the Administrator.

“Non-Residential Square Footage” and **“Non-Residential Square Foot”** means the net saleable or leasable square footage used by or designated for non-residential uses within a building as reflected on the condominium plan, site plan, Building Permit, or other such document. If a structure on a Parcel of Non-Residential Property includes Residential Units, such Residential Units shall be categorized and taxed as Residential Property, and the square footage of such Residential Units shall not be counted as Non-Residential Square Footage for purposes of determining the Maximum Special Tax pursuant to Section C below. Non-Residential Square Foot means one square foot within Non-Residential Square Footage.

“Owners Association” means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within Improvement Area No. 1.

“Owners Association Property” means any property within the boundaries of Improvement Area No. 1 that is owned in fee or by easement by the Owners Association, not including any such property that is located directly under a residential structure.

“Price Point Consultant” means any consultant or firm selected by the Town and/or CMFA that: (a) has substantial experience in performing price point studies for Residential Units within

community facilities districts or otherwise estimating or confirming pricing for Residential Units in community facilities districts; (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts; (c) is independent and not under the control of the Town, CMFA or any developer/builder in Improvement Area No. 1; (d) does not have any substantial interest, direct or indirect, with or in: (i) Improvement Area No. 1, (ii) the Town, (iii) CMFA, or (iv) any owner of real property in Improvement Area No. 1; and (e) is not connected with CMFA or the Town as an officer or employee thereof, but who may be regularly retained to make reports to CMFA or the Town.

"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 Improvement Area No. 1 that is owned by the Town, 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 Property and Multi-Family Property. If a building includes both Residential Units and Non-Residential Square Footage, the Residential Units within the building shall be categorized as Residential Property for purposes of this RMA.

"Residential Unit" means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure, or apartment building. An Accessory Unit 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 Unit that does not share a common wall with another Residential 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.

"Square Footage Category" means one of the three different categories of Single Family Property 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 Final Map Property and 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 Improvement Area No. 1 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.

"Total Tax Burden" means, for any Square Footage Category, the Special Tax for such Square Footage Category, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other taxes, fees and charges which would be collected by the County on property tax bills for a Residential Unit with an assessed value equal to the Average Sales Price, and which are payable from and secured by the property assuming such Residential Unit had been completed, sold, and subject to such levies and impositions, excluding service charges such as sewer and trash, and voluntary assessments such as those associated with a Property Assessed Clean Energy program.

"Town" means the Town of Truckee.

"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. <u>DATA FOR ADMINISTRATION OF THE SPECIAL TAX</u>

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, Multi-Family Property, or Non-Residential Property, (iii) for Single Family Property, determine the Square Footage Category for each Residential Unit and whether each Residential Unit is an Affordable Housing Unit or a Market Rate Unit, (iv) for Single Family Property with attached units and for Multi-Family Property, determine the number of Affordable Housing Units and/or Market Rate Units on each Parcel, (v) for Non-Residential Property, determine the Non-Residential Square Footage on each Parcel, and (vi) 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 Improvement Area No. 1 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 1,800 square feet	$3,226 per Residential Unit
Single Family Property	1,500 – 1,800 square feet	$3,000 per Residential Unit
Single Family Property	Less than 1,500 square feet	$2,538 per Residential Unit
Multi-Family Property	N/A	$17,940 per Acre
Non-Residential Property	N/A	$0.75 per Non-Residential Square Foot

* 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 $17,940 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 $17,940 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 1 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 1 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 1 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 must be applied:

Step 1: By reference to Attachment 1 (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 1 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 (as determined

by the Administrator) 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 (as determined by the Administrator) 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. Affordable Housing Units

If, prior to the First Bond Sale, the Administrator is notified that Affordable Housing Units are expected within Improvement Area No. 1, the Administrator shall coordinate with the Town and the developer/builder to identify the size and number of such units, and the Expected Land Uses and Expected Maximum Special Tax Revenues in Attachment 1 shall be updated to reflect the inclusion of Affordable Housing Units that will be exempt from the Special Tax. Once such Affordable Housing Units are built, the units will be exempt from the Special Tax unless and until the deed restriction that qualified the unit as an Affordable Housing Unit is removed.

If, after the First Bond Sale, Affordable Housing Units are built within Improvement Area No. 1, such units will be taxed as if they are Market Rate Units unless and until a prepayment is made, pursuant to Section H below, to reduce or release the Special Tax lien on the Parcel.

3. 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 1 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 1. 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.

4. 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.

5. Reduction in Maximum Special Tax Prior to First Bond Sale

The Special Taxes set forth in Table 1 may be proportionately or disproportionately reduced once prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified Improvement Area No. 1 electors following discussion with the developers/builders and a determination by the Town and CMFA that the Total Tax Burden on one or more of the Square Footage Categories may, without a reduction, exceed a Total Tax Burden of 1.80% of the Average Sales Price for the Square Footage Category. Based on the estimated Average Sales Price that the Town and CMFA determine to be appropriate for each Square Footage Category (which may be determined pursuant to an Independent Price Point Study), the Administrator shall reduce the Special Tax to the point at which the Total Tax Burden is estimated to equal 1.80% of the Average Sales Price for each Square Footage Category. Any such reduction shall occur at least 30 days prior to the First Bond Sale. The Special Tax reductions permitted pursuant to this paragraph shall be reflected in an Amended Notice of Special Tax Lien, which the Administrator shall cause to be recorded.

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 2055-56. 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.

(6) Affordable Housing Units, except as otherwise provided in Section D.2 above.

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 Requirement"** means either $3.3 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 if property annexes into Improvement Area No. 1 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 Improvement Area No. 1 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 Improvement Area No. 1, as shown in Attachment 1 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 1 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 Improvement Area No. 1 or 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 Improvement Area No. 1 which is not Developed Property or Final Map 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 Improvement Area No. 1, 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

Improvement Area No. 1 of the
California Municipal Finance Authority
Community Facilities District No. 2019-2
(Town of Truckee - Coldstream)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use Category	Square Footage Category	Expected Residential Units/ Non-Res. SqFt	Base Special Tax Fiscal Year 2019-20 *	Expected Maximum Special Tax Revenues *
Single Family Property	> 1,800 square feet	24 Residential Units	$3,226 per Residential Unit	$77,424
Single Family Property	1,500 – 1,800 square feet	21 Residential Units	$3,000 per Residential Unit	$63,000
Single Family Property	< 1,500 square feet	17 Residential Units	$2,538 per Residential Unit	$43,146
Multi- Family Property	N/A	0 Residential Units	$14,255 per Acre	$0
Non-Residential Property	N/A	15,000 Non-Residential Square Feet	$0.75 per Non-Residential Square Foot	$11,250
Expected Maximum Special Tax Revenues (FY 2019-20 $)				**$194,820**

* 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.

ATTACHMENT 2

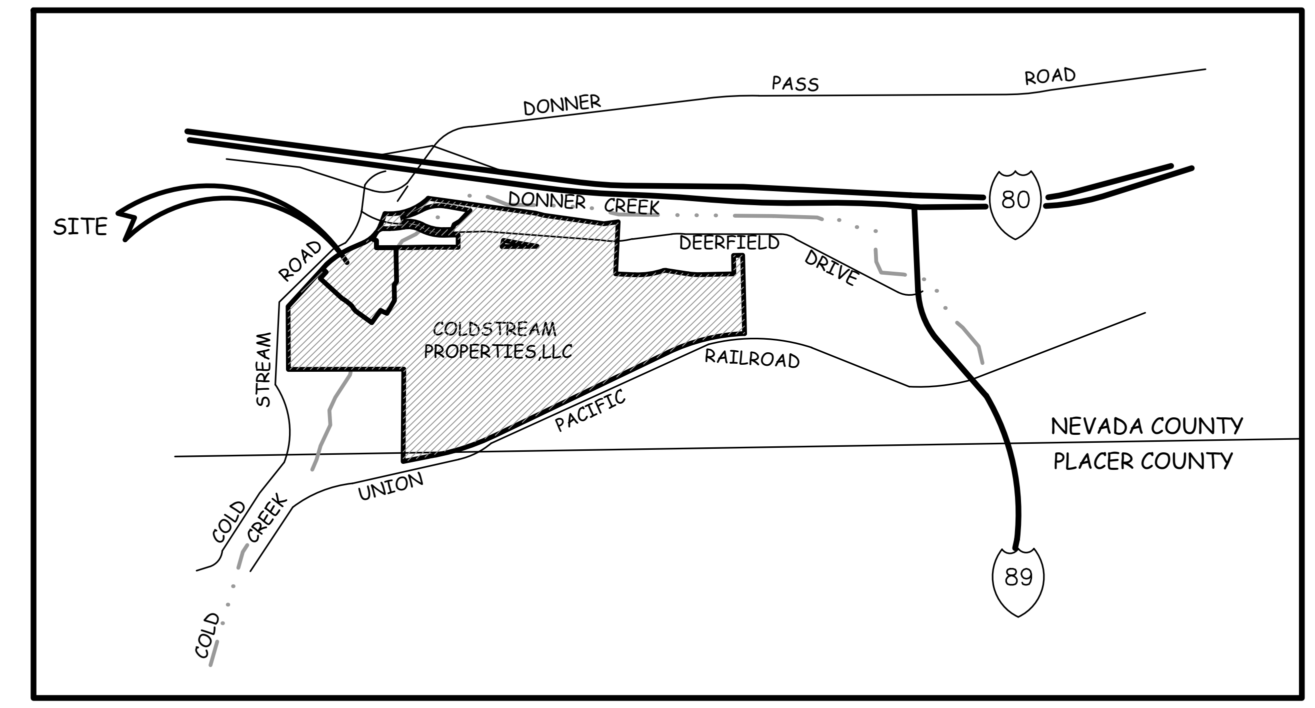
Improvement Area No. 1 of the
California Municipal Finance Authority
Community Facilities District No. 2019-2
(Town of Truckee - Coldstream)

Expected Lot Layout in Improvement Area No. 1

ATTACHMENT 2

TOWN OF TRUCKEE, COUNTY OF NEVADA, CALIFORNIA

JULY, 2019



VICINITY MAP

N.T.S.

SCALE 1"=80'

SCO
Planning Engineering & Surveying
140 Litton Drive, Suite 240
Grass Valley, CA 95945
T 530.272.5841 / F 530.272.5880
www.scopeinc.net

SHEET 1 OF 1

EXHIBIT B

IMPROVEMENT AREA NO. 2 OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2019-2 (TOWN OF TRUCKEE - COLDSTREAM)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Improvement Area No. 2 of the California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream) 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 Improvement Area No. 2, 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:

"Accessory Unit" means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

"Acre" 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 Improvement Area No. 2, 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 County in any way related to the establishment or administration of Improvement Area No. 2 and the CFD.

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

“Affordable Housing Unit” means any Residential Unit on a Parcel of Residential Property for which a deed restriction has been recorded on title of the property that limits the rental rate or sales price or otherwise restricts the affordability of the Residential Unit or income of its occupants. It is incumbent upon the builder, developer, or property owner to make the Administrator aware of such deed restriction.

“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.

“Average Sales Price” means, for any Square Footage Category, the average sales price for all Residential Units within such Square Footage Category based on consideration of: (i) the average sales prices for all Residential Units that have sold within the CFD in the past 6 months, which shall not include prices for Residential Units that were sold at a discount for the purpose of stimulating initial sales activity, and (ii) for Residential Units that are expected to sell in a normal marketing environment, the average sales price within such Square Footage Category, as estimated by the Town and CMFA after coordination with developers and builders that are building Residential Units within the CFD.

“Base Special Tax” means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in 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 or for Improvement Area No. 2 to fund Authorized Facilities.

“Building Permit” means a single permit or set of permits required to construct a residential or mixed-use structure. If a permit is issued for a foundation, parking, landscaping or other related facility or amenity, but a building permit has not yet been issued for the structure served by these facilities or amenities, such permit shall not be considered a “Building Permit” for purposes of application of the Special Tax herein.

“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. 2019-2 (Town of Truckee - Coldstream).

"CFD Formation" means the date on which the Resolution of Formation to form the CFD and designate Improvement Area No. 2 was adopted by the Board.

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Nevada.

"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 amount of Non-Residential Square Footage expected within Improvement Area No. 2 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 1 each time there is a Land Use Change or a prepayment.

"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 1 and may be revised pursuant to Section D below.

"Final Map" means a final map, or portion thereof, approved by the Town 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 of Taxable Property in Improvement Area No. 2.

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

"Improvement Area No. 2" means Improvement Area No. 2 of the CFD.

"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.

"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.

"Independent Price Point Study" means a price point study or letter updating a previous price point study prepared by a Price Point Consultant pursuant to Section D.5 herein. The Independent Price Point Study shall analyze Residential Units with similar density, lot sizes, square footage ranges, and product type as the Residential Units included in Improvement Area No. 2.

"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 in Improvement Area No. 2 after CFD Formation.

"Market Rate Unit" means a Residential Unit that is not an Affordable Housing Unit.

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

"Multi-Family Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit or use permit has been issued or is expected to be issued for construction of a residential structure with two or more Residential Units that share a single Assessor's Parcel number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property for which a Building Permit was or is expected to be issued for an office, commercial, retail, industrial or mixed-use building, as determined by the Administrator.

"Non-Residential Square Footage" and **"Non-Residential Square Foot"** means the net saleable or leasable square footage used by or designated for non-residential uses within a building as reflected on the condominium plan, site plan, Building Permit, or other such document. If a structure on a Parcel of Non-Residential Property includes Residential Units, such Residential Units shall be categorized and taxed as Residential Property, and the square footage of such Residential Units shall not be counted as Non-Residential Square Footage for purposes of determining the Maximum Special Tax pursuant to Section C below. Non-Residential Square Foot means one square foot within Non-Residential Square Footage.

"Owners Association" means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within Improvement Area No. 2.

"Owners Association Property" means any property within the boundaries of Improvement Area No. 2 that is owned in fee or by easement by the Owners Association, not including any such property that is located directly under a residential structure.

"Price Point Consultant" means any consultant or firm selected by the Town and/or CMFA that: (a) has substantial experience in performing price point studies for Residential Units within

community facilities districts or otherwise estimating or confirming pricing for Residential Units in community facilities districts; (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts; (c) is independent and not under the control of the Town, CMFA or any developer/builder in Improvement Area No. 2; (d) does not have any substantial interest, direct or indirect, with or in: (i) Improvement Area No. 2, (ii) the Town, (iii) CMFA, or (iv) any owner of real property in Improvement Area No. 2; and (e) is not connected with CMFA or the Town as an officer or employee thereof, but who may be regularly retained to make reports to CMFA or the Town.

"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 Improvement Area No. 2 that is owned by the Town, 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 Property and Multi-Family Property. If a building includes both Residential Units and Non-Residential Square Footage, the Residential Units within the building shall be categorized as Residential Property for purposes of this RMA.

"Residential Unit" means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure, or apartment building. An Accessory Unit 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 Unit that does not share a common wall with another Residential 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.

"Square Footage Category" means one of the three different categories of Single Family Property 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 Final Map Property and 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 Improvement Area No. 2 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.

"Total Tax Burden" means, for any Square Footage Category, the Special Tax for such Square Footage Category, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other taxes, fees and charges which would be collected by the County on property tax bills for a Residential Unit with an assessed value equal to the Average Sales Price, and which are payable from and secured by the property assuming such Residential Unit had been completed, sold, and subject to such levies and impositions, excluding service charges such as sewer and trash, and voluntary assessments such as those associated with a Property Assessed Clean Energy program.

"Town" means the Town of Truckee.

"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, Multi-Family Property, or Non-Residential Property, (iii) for Single Family Property, determine the Square Footage Category for each Residential Unit and whether each Residential Unit is an Affordable Housing Unit or a Market Rate Unit, (iv) for Single Family Property with attached units and for Multi-Family Property, determine the number of Affordable Housing Units and/or Market Rate Units on each Parcel, (v) for Non-Residential Property, determine the Non-Residential Square Footage on each Parcel, and (vi) 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 Improvement Area No. 2 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 2,100 square feet	$3,500 per Residential Unit
Single Family Property	1,801 – 2,100 square feet	$3,226 per Residential Unit
Single Family Property	1,500 – 1,800 square feet	$3,000 per Residential Unit
Single Family Property	Less than 1,500 square feet	$2,538 per Residential Unit
Multi-Family Property	N/A	$28,632 per Acre
Non-Residential Property	N/A	$0.75 per Non-Residential Square Foot

* 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 $28,632 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 $28,632 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 1 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 1 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 1 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 must be applied:

Step 1: By reference to Attachment 1 (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 1 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 (as determined

by the Administrator) 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 (as determined by the Administrator) 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. Affordable Housing Units

If, prior to the First Bond Sale, the Administrator is notified that Affordable Housing Units are expected within Improvement Area No. 2, the Administrator shall coordinate with the Town and the developer/builder to identify the size and number of such units, and the Expected Land Uses and Expected Maximum Special Tax Revenues in Attachment 1 shall be updated to reflect the inclusion of Affordable Housing Units that will be exempt from the Special Tax. Once such Affordable Housing Units are built, the units will be exempt from the Special Tax unless and until the deed restriction that qualified the unit as an Affordable Housing Unit is removed.

If, after the First Bond Sale, Affordable Housing Units are built within Improvement Area No. 2, such units will be taxed as if they are Market Rate Units unless and until a prepayment is made, pursuant to Section H below, to reduce or release the Special Tax lien on the Parcel.

3. 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 1 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 2. 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.

4. 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.

5. Reduction in Maximum Special Tax Prior to First Bond Sale

The Special Taxes set forth in Table 1 may be proportionately or disproportionately reduced once prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified Improvement Area No. 2 electors following discussion with the developers/builders and a determination by the Town and CMFA that the Total Tax Burden on one or more of the Square Footage Categories may, without a reduction, exceed a Total Tax Burden of 1.80% of the Average Sales Price for the Square Footage Category. Based on the estimated Average Sales Price that the Town and CMFA determine to be appropriate for each Square Footage Category (which may be determined pursuant to an Independent Price Point Study), the Administrator shall reduce the Special Tax to the point at which the Total Tax Burden is estimated to equal 1.80% of the Average Sales Price for each Square Footage Category. Any such reduction shall occur at least 30 days prior to the First Bond Sale. The Special Tax reductions permitted pursuant to this paragraph shall be reflected in an Amended Notice of Special Tax Lien, which the Administrator shall cause to be recorded.

E. <u>METHOD OF LEVY OF THE SPECIAL TAX</u>

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 <u>prior to</u> 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 2055-56. 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.

(6) Affordable Housing Units, except as otherwise provided in Section D.2 above.

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 Requirement"** means either $4.6 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 if property annexes into Improvement Area No. 2 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 Improvement Area No. 2 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 Improvement Area No. 2, as shown in Attachment 1 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 1 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 Improvement Area No. 2 or 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 Improvement Area No. 2 which is not Developed Property or Final Map 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 Improvement Area No. 2, 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

Improvement Area No. 2 of the California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use Category	Square Footage Category	Expected Residential Units/ Non-Res. SqFt	Base Special Tax Fiscal Year 2019-20 *	Expected Maximum Special Tax Revenues *
Single Family Property	> 2,100 square feet	20 Residential Units	$3,500 per Residential Unit	$70,000
Single Family Property	1,801 – 2,100 square feet	41 Residential Units	$3,226 per Residential Unit	$132,266
Single Family Property	1,500 – 1,800 square feet	20 Residential Units	$3,000 per Residential Unit	$60,000
Single Family Property	< 1,500 square feet	0 Residential Units	$2,538 per Residential Unit	$0
Multi- Family Property	N/A	0 Residential Units	$28,632 per Acre	$0
Non-Residential Property	N/A	0 Non-Residential Square Feet	$0.75 per Non-Residential Square Foot	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)				**$262,266**

* 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.

ATTACHMENT 2

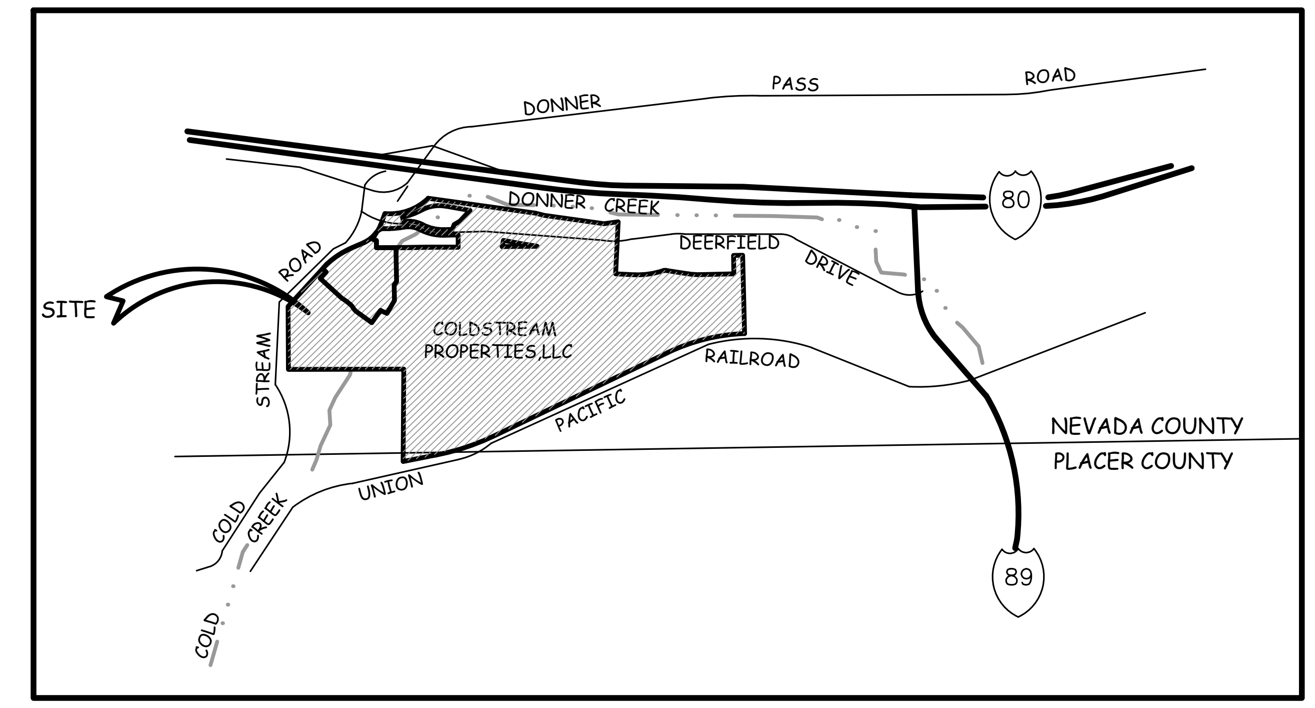
Improvement Area No. 2 of the
California Municipal Finance Authority
Community Facilities District No. 2019-2
(Town of Truckee - Coldstream)

Expected Lot Layout in Improvement Area No. 2

ATTACHMENT 2

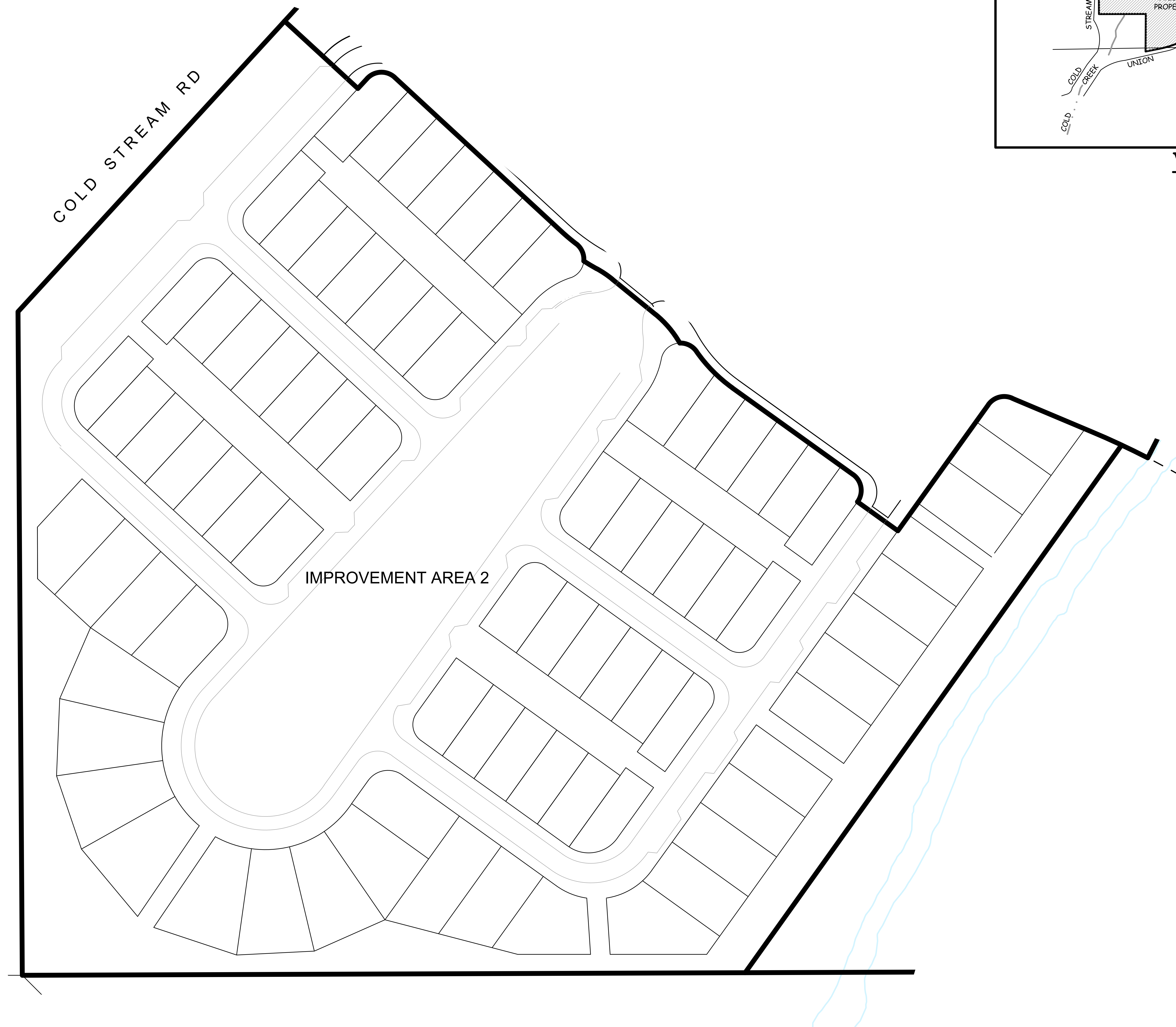
TOWN OF TRUCKEE, COUNTY OF NEVADA, CALIFORNIA

JULY, 2019



VICINITY MAP

N.T.S.



SCALE 1"=80'

SCO

Planning
Engineering
& Surveying

140 Litton Drive, Suite 240
Grass Valley, CA 95945
T 530.272.5841 / F 530.272.5880
www.scopeinc.net

EXHIBIT B

**IMPROVEMENT AREA NO. 3 OF THE
CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2019-2
(TOWN OF TRUCKEE - COLDSTREAM)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Improvement Area No. 3 of the California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream) 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 Improvement Area No. 3, 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:

"Accessory Unit" means a second residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a single-family detached unit.

"Acre" 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 Improvement Area No. 3, 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 County in any way related to the establishment or administration of Improvement Area No. 3 and the CFD.

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

“Affordable Housing Unit” means any Residential Unit on a Parcel of Residential Property for which a deed restriction has been recorded on title of the property that limits the rental rate or sales price or otherwise restricts the affordability of the Residential Unit or income of its occupants. It is incumbent upon the builder, developer, or property owner to make the Administrator aware of such deed restriction.

“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.

“Average Sales Price” means, for any Square Footage Category, the average sales price for all Residential Units within such Square Footage Category based on consideration of: (i) the average sales prices for all Residential Units that have sold within the CFD in the past 6 months, which shall not include prices for Residential Units that were sold at a discount for the purpose of stimulating initial sales activity, and (ii) for Residential Units that are expected to sell in a normal marketing environment, the average sales price within such Square Footage Category, as estimated by the Town and CMFA after coordination with developers and builders that are building Residential Units within the CFD.

“Base Special Tax” means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in 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 or for Improvement Area No. 3 to fund Authorized Facilities.

“Building Permit” means a single permit or set of permits required to construct a residential or mixed-use structure. If a permit is issued for a foundation, parking, landscaping or other related facility or amenity, but a building permit has not yet been issued for the structure served by these facilities or amenities, such permit shall not be considered a “Building Permit” for purposes of application of the Special Tax herein.

“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. 2019-2 (Town of Truckee - Coldstream).

“CFD Formation” means the date on which the Resolution of Formation to form the CFD and designate Improvement Area No. 3 was adopted by the Board.

“CMFA” means the California Municipal Finance Authority.

“County” means the County of Nevada.

“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 amount of Non-Residential Square Footage expected within Improvement Area No. 3 at CFD Formation, as identified in Attachment 1 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 1 each time there is a Land Use Change or a prepayment.

“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 1 and may be revised pursuant to Section D below.

“Final Map” means a final map, or portion thereof, approved by the Town 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 of Taxable Property in Improvement Area No. 3.

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

“Improvement Area No. 3” means Improvement Area No. 3 of the CFD.

“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.

“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.

"Independent Price Point Study" means a price point study or letter updating a previous price point study prepared by a Price Point Consultant pursuant to Section D.5 herein. The Independent Price Point Study shall analyze Residential Units with similar density, lot sizes, square footage ranges, and product type as the Residential Units included in Improvement Area No. 3.

"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 in Improvement Area No. 3 after CFD Formation.

"Market Rate Unit" means a Residential Unit that is not an Affordable Housing Unit.

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

"Multi-Family Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a building permit or use permit has been issued or is expected to be issued for construction of a residential structure with two or more Residential Units that share a single Assessor's Parcel number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property for which a Building Permit was or is expected to be issued for an office, commercial, retail, industrial or mixed-use building, as determined by the Administrator.

"Non-Residential Square Footage" and **"Non-Residential Square Foot"** means the net saleable or leasable square footage used by or designated for non-residential uses within a building as reflected on the condominium plan, site plan, Building Permit, or other such document. If a structure on a Parcel of Non-Residential Property includes Residential Units, such Residential Units shall be categorized and taxed as Residential Property, and the square footage of such Residential Units shall not be counted as Non-Residential Square Footage for purposes of determining the Maximum Special Tax pursuant to Section C below. Non-Residential Square Foot means one square foot within Non-Residential Square Footage.

"Owners Association" means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within Improvement Area No. 3.

"Owners Association Property" means any property within the boundaries of Improvement Area No. 3 that is owned in fee or by easement by the Owners Association, not including any such property that is located directly under a residential structure.

"Price Point Consultant" means any consultant or firm selected by the Town and/or CMFA that: (a) has substantial experience in performing price point studies for Residential Units within

community facilities districts or otherwise estimating or confirming pricing for Residential Units in community facilities districts; (b) has recognized expertise in analyzing economic and real estate data that relates to the pricing of residential units in community facilities districts; (c) is independent and not under the control of the Town, CMFA or any developer/builder in Improvement Area No. 3; (d) does not have any substantial interest, direct or indirect, with or in: (i) Improvement Area No. 3, (ii) the Town, (iii) CMFA, or (iv) any owner of real property in Improvement Area No. 3; and (e) is not connected with CMFA or the Town as an officer or employee thereof, but who may be regularly retained to make reports to CMFA or the Town.

"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 Improvement Area No. 3 that is owned by the Town, 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 Property and Multi-Family Property. If a building includes both Residential Units and Non-Residential Square Footage, the Residential Units within the building shall be categorized as Residential Property for purposes of this RMA.

"Residential Unit" means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure, or apartment building. An Accessory Unit 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 Unit that does not share a common wall with another Residential 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.

"Square Footage Category" means one of the three different categories of Single Family Property 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 Final Map Property and 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 Improvement Area No. 3 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.

"Total Tax Burden" means, for any Square Footage Category, the Special Tax for such Square Footage Category, together with ad valorem property taxes, special assessments, special taxes for any overlapping community facilities districts, and any other taxes, fees and charges which would be collected by the County on property tax bills for a Residential Unit with an assessed value equal to the Average Sales Price, and which are payable from and secured by the property assuming such Residential Unit had been completed, sold, and subject to such levies and impositions, excluding service charges such as sewer and trash, and voluntary assessments such as those associated with a Property Assessed Clean Energy program.

"Town" means the Town of Truckee.

"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, Multi-Family Property, or Non-Residential Property, (iii) for Single Family Property, determine the Square Footage Category for each Residential Unit and whether each Residential Unit is an Affordable Housing Unit or a Market Rate Unit, (iv) for Single Family Property with attached units and for Multi-Family Property, determine the number of Affordable Housing Units and/or Market Rate Units on each Parcel, (v) for Non-Residential Property, determine the Non-Residential Square Footage on each Parcel, and (vi) 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 Improvement Area No. 3 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 2,100 square feet	$3,750 per Residential Unit
Single Family Property	1,800 – 2,100 square feet	$3,500 per Residential Unit
Single Family Property	Less than 1,800 square feet	$3,250 per Residential Unit
Multi-Family Property	N/A	$14,780 per Acre
Non-Residential Property	N/A	$0.75 per Non-Residential Square Foot

* 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 $14,780 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 $14,780 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 1 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 1 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 1 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 must be applied:

Step 1: By reference to Attachment 1 (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 1 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 (as determined

by the Administrator) 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 (as determined by the Administrator) 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. Affordable Housing Units

If, prior to the First Bond Sale, the Administrator is notified that Affordable Housing Units are expected within Improvement Area No. 3, the Administrator shall coordinate with the Town and the developer/builder to identify the size and number of such units, and the Expected Land Uses and Expected Maximum Special Tax Revenues in Attachment 1 shall be updated to reflect the inclusion of Affordable Housing Units that will be exempt from the Special Tax. Once such Affordable Housing Units are built, the units will be exempt from the Special Tax unless and until the deed restriction that qualified the unit as an Affordable Housing Unit is removed.

If, after the First Bond Sale, Affordable Housing Units are built within Improvement Area No. 3, such units will be taxed as if they are Market Rate Units unless and until a prepayment is made, pursuant to Section H below, to reduce or release the Special Tax lien on the Parcel.

3. 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 1 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for Improvement Area No. 3. 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.

4. 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.

5. Reduction in Maximum Special Tax Prior to First Bond Sale

The Special Taxes set forth in Table 1 may be proportionately or disproportionately reduced once prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified Improvement Area No. 3 electors following discussion with the developers/builders and a determination by the Town and CMFA that the Total Tax Burden on one or more of the Square Footage Categories may, without a reduction, exceed a Total Tax Burden of 1.80% of the Average Sales Price for the Square Footage Category. Based on the estimated Average Sales Price that the Town and CMFA determine to be appropriate for each Square Footage Category (which may be determined pursuant to an Independent Price Point Study), the Administrator shall reduce the Special Tax to the point at which the Total Tax Burden is estimated to equal 1.80% of the Average Sales Price for each Square Footage Category. Any such reduction shall occur at least 30 days prior to the First Bond Sale. The Special Tax reductions permitted pursuant to this paragraph shall be reflected in an Amended Notice of Special Tax Lien, which the Administrator shall cause to be recorded.

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 2055-56. 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.

(6) Affordable Housing Units, except as otherwise provided in Section D.2 above.

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 Requirement"** means either $6.8 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 if property annexes into Improvement Area No. 3 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 Improvement Area No. 3 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 Improvement Area No. 3, as shown in Attachment 1 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 1 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. <u>INTERPRETATION OF RMA</u>

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 Improvement Area No. 3 or 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 Improvement Area No. 3 which is not Developed Property or Final Map 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 Improvement Area No. 3, 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

Improvement Area No. 3 of the California Municipal Finance Authority Community Facilities District No. 2019-2 (Town of Truckee - Coldstream)

Expected Land Uses and Expected Maximum Special Tax Revenues

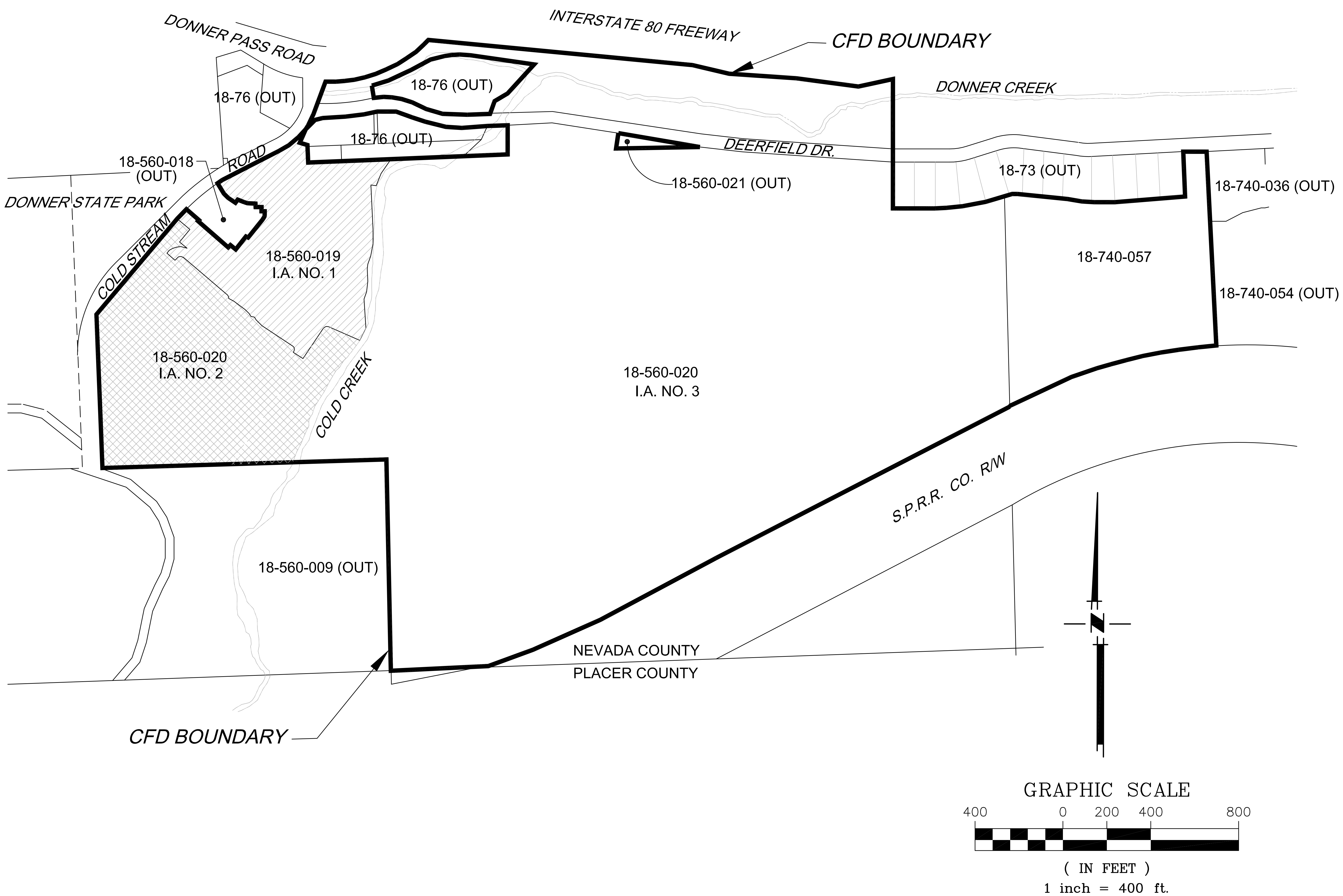
Land Use Category	Square Footage Category	Expected Residential Units/ Non-Res. SqFt	Base Special Tax Fiscal Year 2019-20 *	Expected Maximum Special Tax Revenues *
Single Family Property	> 2,100 square feet	69 Residential Units	$3,750 per Residential Unit	$258,750
Single Family Property	1,800 – 2,100 square feet	30 Residential Units	$3,500 per Residential Unit	$105,000
Single Family Property	< 1,800 square feet	10 Residential Units	$3,250 per Residential Unit	$32,500
Multi- Family Property	N/A	0 Residential Units	$14,780 per Acre	$0
Non-Residential Property	N/A	0 Non-Residential Square Feet	$0.75 per Non-Residential Square Foot	$0
Expected Maximum Special Tax Revenues (FY 2019-20 $)				**$396,250**

* 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. 2019-2
(TOWN OF TRUCKEE-COLDSTREAM)

NEVADA 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. 2019-2 (TOWN OF TRUCKEE-COLDSTREAM), COUNTY OF NEVADA, 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 NEVADA, STATE OF CALIFORNIA.

FEE_____________________

FILE NO._________________

NEVADA COUNTY RECORDER

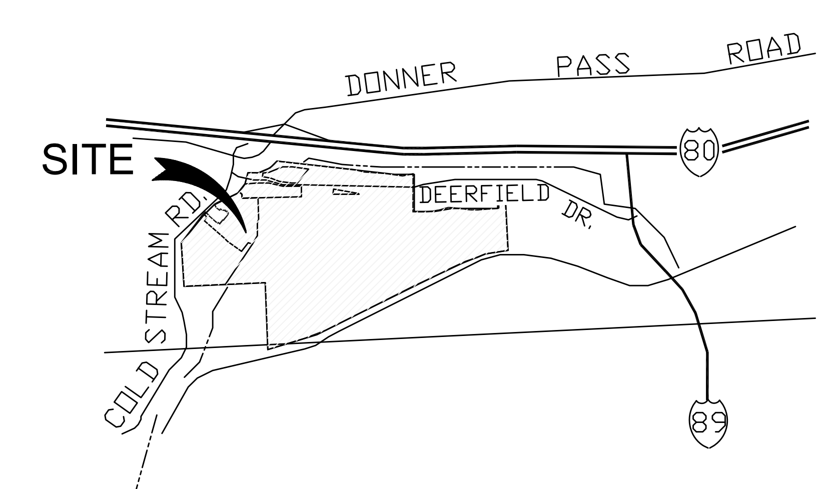
____
DEPUTY

NOTE:

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

LEGEND

18-560-020	ASSESSOR'S PARCEL NUMBER
	ASSESSOR'S PARCEL LOT LINE
	COMMUNITY FACILITIES DISTRICT NO. 2019-2
	IMPROVEMENT AREA 1 (I.A. NO 1)
	IMPROVEMENT AREA 2 (I.A. NO.2)
	IMPROVEMENT AREA 3 (I.A. NO.3)



VICINITY MAP
N.T.S.

GCG
GOODWIN CONSULTING GROUP

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

California
Municipal Finance Authority

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).

VILLA LAKESHORE APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc. (MAAC)
Action:	Initial Resolution
Amount:	$11,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the Community of Lakeside, San Diego County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

MAAC has been in operation since 1965 and has served as the cornerstone of a brighter future to thousands in San Diego. For nearly 54 years, MAAC has provided an array of services in San Diego County, from basic services to systemic solutions based on five core pathways of service: Advocacy & Leadership Development, Economic Development, Education, Health & Well-being, and Affordable Housing. To date, MAAC has developed nearly 1,000 units of affordable housing throughout San Diego County. MAAC prides themselves in providing much needed affordable housing in San Diego County, but they are also aware that effective community serving programs are crucial to have on site. That is why they provide onsite resident service centers; STEP (Striving Towards Economic Prosperity) which encourages participants to achieve and sustain self-sufficiency by overcoming barriers to employment, increasing income, and promoting behaviors that lead to self-reliance. The common thread weaving their programs together is their collective work as an organization and as a community partner to offer the tools needed to achieve self-sufficiency.

MAAC provides life-changing services to over 35,000 individuals annually throughout San Diego County. Collaboration with community partners ensures MAAC remains on the forefront of the community's ever-changing needs, while strong relationships with funders foster strategic planning around emerging trends. In keeping with their mission of "maximizing self-sufficiency with families and individuals through high-quality programs and advocacy in their communities," MAAC strives to eliminate social and economic barriers leading to increased self-reliance.

The Project:

The Villa Lakeshore Apartments is an acquisition rehabilitation of a 34-unit multifamily affordable housing facility. The project is located at 12606 Lakeshore Drive, in the City of Lakeside, California. The project will be restricted to households making 30% to 60% or less of AMI. The planned renovations will improve the safety, aesthetics and sustainability of the property for residents and neighbors alike. Renovations to the interior units and common spaces will include replacing flooring, drywall repairs, painting, ceiling repairs, adding ceiling fans, replacing amenities with like for like, remodeling kitchens, bath repairs, and adding dishwashers. Additional renovations will include; replacing roofs, installing high efficiency windows, exterior painting, stucco repair where needed, exterior stair repairs, deck repairs and water proofing, turning 4 units into ADA accessible, asphalt repairs, accessibility upgrades to parking and paths of travel, and concrete repairs. The project will incorporate the latest energy efficiency trends. The financing of this project will result in continuing to provide affordable housing for 33 low-income households in the City of Lakeside for another 55 years.

The 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 City is expected to receive approximately $5,625 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:		Construction
Tax-Exempt Bond:	$	7,331,499
Seller Carryback Loan:	$	5,610,000
Accrued Deferred Interest:	$	224,400
Income During Operations:	$	153,004
LIHTC Equity:	$	805,292
Total Sources:	$	14,124,195

Uses of Funds:		
Land Cost/ Acquisition:	$	610,000
Building Cost/ Acquisition:	$	5,005,000
Rehabilitation:	$	4,685,200
Contractor Overhead & Profit:	$	374,816
Relocation:	$	450,000
Survey & Engineering:	$	25,000
Hard Cost Contingency:	$	600,871
Construction Interest & Fees:	$	1,034,374
Permanent Financing:	$	928
Legal Fees:	$	225,000
Appraisal, Environmental and Market Study:	$	105,000
Soft Costs, Marketing, etc.*:	$	508,006
Developer Fee:	$	500,000
Total Uses:	$	14,124,195

Terms of Transaction:

Amount:	$11,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

A total of 33 households will continue enjoy high quality, independent, affordable housing in the City of Lakeside for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
85% (28 Units) restricted to 30% or less of area median income households; and
6% (2 Units) restricted to 50% or less of area median income households; and
9% (3 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:	TBD
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	MirKa Investments LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $11,000,000 for the Villa Lakeshore Apartments affordable multi-family housing facility located in the Community of Lakeside, 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 MARTIN DE PORRES APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc. (MAAC)
Action:	Initial Resolution
Amount:	$17,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the Community of Spring Valley, San Diego County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

MAAC has been in operation since 1965 and has served as the cornerstone of a brighter future to thousands in San Diego. For nearly 54 years, MAAC has provided an array of services in San Diego County, from basic services to systemic solutions based on five core pathways of service: Advocacy & Leadership Development, Economic Development, Education, Health & Well-being, and Affordable Housing. To date, MAAC has developed nearly 1,000 units of affordable housing throughout San Diego County. MAAC prides themselves in providing much needed affordable housing in San Diego County, but they are also aware that effective community serving programs are crucial to have on site. That is why they provide onsite resident service centers; STEP (Striving Towards Economic Prosperity) which encourages participants to achieve and sustain self-sufficiency by overcoming barriers to employment, increasing income, and promoting behaviors that lead to self-reliance. The common thread weaving their programs together is their collective work as an organization and as a community partner to offer the tools needed to achieve self-sufficiency.

MAAC provides life-changing services to over 35,000 individuals annually throughout San Diego County. Collaboration with community partners ensures MAAC remains on the forefront of the community's ever-changing needs, while strong relationships with funders foster strategic planning around emerging trends. In keeping with their mission of "maximizing self-sufficiency with families and individuals through high-quality programs and advocacy in their communities," MAAC strives to eliminate social and economic barriers leading to increased self-reliance.

The Project:

The San Martin De Porres Apartments is an acquisition/rehabilitation of a 116-unit multifamily affordable housing facility. The project is located at 9119 Jamacha Road, in the City of Spring Valley, California. The project will be restricted to households making 35% to 45% or less of AMI. The planned renovations will improve the safety, aesthetics and sustainability of the property for residents and neighbors alike. Renovations to the interior units and common spaces will include replacing flooring, drywall repairs, painting, ceiling repairs, adding ceiling fans, replacing amenities with like for like, remodeling kitchens, bath repairs, and adding dishwashers. Additional renovations will include; replacing roofs, installing high efficiency windows, exterior painting, stucco repair where needed, exterior stair repairs, deck repairs and water proofing, turning 12 units into ADA accessible, asphalt repairs, accessibility upgrades to parking and paths of travel, and concrete repairs. The project will incorporate the latest energy efficiency trends. The financing of this project will result in continuing to provide affordable housing for 115 low-income households in the City of Spring Valley for another 55 years.

The 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 City is expected to receive approximately $9,375 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond:	$ 14,539,315
Seller Carryback Loan:	$ 7,320,000
Accrued Deferred Interest:	$ 292,800
Income During Operations:	$ 369,792
LIHTC Equity:	$ 1,321,459
Total Sources:	$ 23,843,366
Uses of Funds:	
Land Cost/ Acquisition:	$ 1,190,000
Building Cost/ Acquisition:	$ 11,135,000
Rehabilitation:	$ 6,455,400
Contractor Overhead & Profit:	$ 516,432
Relocation:	$ 450,000
Survey & Engineering:	$ 25,000
Hard Cost Contingency:	$ 811,351
Construction Interest & Fees:	$ 1,416,813
Permanent Financing:	$ 1,834
Legal Fees:	$ 225,000
Appraisal, Environmental and Market Study:	$ 105,000
Soft Costs, Marketing, etc.*:	$ 511,536
Developer Fee:	$ 1,000,000
Total Uses:	$ 23,843,366

Terms of Transaction:

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

Public Benefit:

A total of 115 households will continue enjoy high quality, independent, affordable housing in the City of Spring Valley for another 55 years.

Percent of Restricted Rental Units in the Project: 100%

60% (69 Units) restricted to 35% or less of area median income households; and
31% (34 Units) restricted to 40% or less of area median income households; and
9% (12 Units) restricted to 45% 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:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	MirKa Investments LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $17,000,000 for the San Martin De Porres Apartments affordable multi-family housing facility located in the Community of Spring Valley, 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.

HEBER DEL SOL FAMILY APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	CRP Affordable Housing and Community Development
Action:	Initial Resolution
Amount:	$16,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Heber, Imperial County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

CRP Affordable was founded with the principles of providing quality affordable housing and strengthening communities. The founders of CRP Affordable have owned, operated, developed, and managed over 2,500 rent restricted units and have significant experience providing housing to at-risk, special needs, seniors, and other vulnerable populations. CRP Affordable has successfully partnered with non-profit, government, and community organizations to support individuals and families in need. CRP Affordable is a full-service, vertically integrated real estate firm with significant experience in multifamily acquisition/rehabilitation, ground-up development and property management. CRP Affordable's reputation and relationships, earned from a decade in real estate, allow it to provide housing solutions to underserved communities. With a team of highly skilled professionals, CRP Affordable combines unique vision, market knowledge, and a keen ability to execute multifamily rehabilitation or new construction projects.

CRP Affordable's Mission is to provide quality places for people to call home. They achieve their mission by using their expertise and knowledge to develop affordable housing in neighborhoods that need it the most. By identifying areas where housing needs are unmet, they can work towards quality solutions that enhance neighborhoods and improve people's lives. CRP Affordable's team of skilled professionals are able to provide high quality in-house development, construction and property management services. They meet the challenges posed by affordable housing by having a nimble approach and staying attuned to market trends and regulatory concerns. CRP Affordable believes in forming strategic partnerships with community stakeholders to give residents better lives and neighborhoods with more stability and quality of life.

The Project:

The Heber Del Sol Family Apartments is the new construction of a 48-unit multifamily affordable housing facility. The project is located at 1091 Pitzer Road, in the City of Heber, California. The project will be restricted to households making 30% to 60% or less of AMI. Indoor amenities will include a leasing office, computer room, community room, and laundry facility. Exterior amenities will include an outdoor courtyard/picnic area, playground, and 74 surface parking spaces. All major shopping, healthcare, and recreational amenities are located within a short distance of the project. Access to groceries, pharmacy and transportation is convenient. Social services for the general low-income family population will be provided on-site. Those services include English classes, computer classes, how to write a resume, etc. The services will be provided by the managing general partner of the project borrower entity, MMC Project. The financing of this project will result in continuing to provide affordable housing for 47 low-income households in the City of Heber for 55 years.

The County of Imperial:

The County of Imperial is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately $7,808 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond:	$ 12,327,484
HCD Loan:	$ 650,000
GP Equity:	$ 383,166
County of Imperial COC:	$ 2,607,000
Residual Receipt Loans Accrued Interest:	$ 156,420
LIHTC Equity:	$ 1,000,000
Total Sources:	$ 17,124,070

Uses of Funds:	
Land Cost/ Acquisition:	$ 600,000
New Construction:	$ 10,549,673
Architectural & Engineering:	$ 300,666
Legal & Professional:	$ 232,500
Hard Cost Contingency:	$ 1,261,405
Reports & Studies:	$ 105,000
Soft Costs, Marketing, etc.*:	$ 4,074,826
Total Uses:	$ 17,124,070

Terms of Transaction:

Amount:	$16,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	July 2020

Public Benefit:

A total of 47 households will continue enjoy high quality, independent, affordable housing in the City of Imperial for another 55 years. 24 units will be dedicated to homeless families for this project.

Percent of Restricted Rental Units in the Project: 100%

23% (11 Units) restricted to 30% or less of area median income households; and
23% (11 Units) restricted to 40% or less of area median income households; and
54% (25 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:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Hobson Bernardino
Financial Advisor:	MirKa Investments LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $16,000,000 for the Heber Del Sol Family Apartments affordable multi-family housing facility located in the Ctmmuniyy of Heber, 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.

WORTHINGTON LA LUNA FAMILY APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	CRP Affordable Housing and Community Development
Action:	Initial Resolution
Amount:	$25,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Imperial, Imperial County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

CRP Affordable was founded with the principles of providing quality affordable housing and strengthening communities. The founders of CRP Affordable have owned, operated, developed, and managed over 2,500 rent restricted units and have significant experience providing housing to at-risk, special needs, seniors, and other vulnerable populations. CRP Affordable has successfully partnered with non-profit, government, and community organizations to support individuals and families in need. CRP Affordable is a full-service, vertically integrated real estate firm with significant experience in multifamily acquisition/rehabilitation, ground-up development and property management. CRP Affordable's reputation and relationships, earned from a decade in real estate, allow it to provide housing solutions to underserved communities. With a team of highly skilled professionals, CRP Affordable combines unique vision, market knowledge, and a keen ability to execute multifamily rehabilitation or new construction projects.

CRP Affordable's Mission is to provide quality places for people to call home. They achieve their mission by using their expertise and knowledge to develop affordable housing in neighborhoods that need it the most. By identifying areas where housing needs are unmet, they can work towards quality solutions that enhance neighborhoods and improve people's lives. CRP Affordable's team of skilled professionals is able to provide high quality in-house development, construction and property management services. They meet the challenges posed by affordable housing by having a nimble approach and staying attuned to market trends and regulatory concerns. CRP Affordable believes in forming strategic partnerships with community stakeholders to give residents better lives and neighborhoods with more stability and quality of life.

The Project:

The Worthington La Luna Family Apartments is the new construction of a 66-unit multifamily affordable housing facility. The project is located at 605 West Worthington Road, in the City of Imperial, California. The project will be restricted to households making 30% to 60% or less of AMI. The project site is located within a primarily residential neighborhood in the western portion of Imperial. All major shopping, transportation, and recreational amenities are located within a short distance of the project. Access to groceries, pharmacy and shopping is convenient. Site amenities will include a community room, laundry room, computer room, and on-site manager. Social services for the general low-income family population will be provided on-site. Those services include English classes, computer classes, how to write a resume, etc. The services will be provided by the managing general partner of the project borrower entity, MMC Project. The financing of this project will result in continuing to provide affordable housing for 65 low-income households in the City of Imperial for another 55 years.

The County of Imperial:

The County of Imperial is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately $12,588 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:		Construction
Tax-Exempt Bond:	$	19,830,015
HCD Loan:	$	2,050,000
GP Developer Fee Contribution:	$	933,082
Land Note:	$	578,947
Residual Receipt Loans Accrued Interest:	$	34,737
LIHTC Equity:	$	1,000,000
Total Sources:	$	24,426,781
Uses of Funds:		
Land Cost/ Acquisition:	$	885,789
New Construction:	$	15,088,437
Architectural & Engineering:	$	430,021
Legal & Professional:	$	232,500
Hard Cost Contingency:	$	1,772,410
Reports & Studies:	$	105,000
Soft Costs, Marketing, etc.*:	$	5,912,624
Total Uses:	$	24,426,781

Terms of Transaction:

Amount:	$25,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

A total of 65 households will continue enjoy high quality, independent, affordable housing in the City of Imperial for another 55 years.

Percent of Restricted Rental Units in the Project: 100%
- 23% (15 Units) restricted to 30% or less of area median income households; and
- 23% (15 Units) restricted to 40% or less of area median income households; and
- 54% (35 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:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Hobson Bernardino
Financial Advisor:	MirKa Investments LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $25,000,000 for the Worthington La Luna Family Apartments affordable multi-family housing facility located in the City of Imperial, 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.

95th & INTERANTIONAL APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	The Related Companies
Action:	Initial Resolution
Amount:	$31,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

The Related Companies has developed or acquired over 23,000 affordable housing units with a total value of approximately $3.5 billion. Currently, they have over 7,000 units under development or under contract throughout the country with a value in excess of $1.5 billion. Their expansive portfolio of award-winning affordable and mixed-income developments demonstrates their continuing ability to create affordable housing opportunities in a variety of geographically, economically and socially diverse neighborhoods.

The groundwork for Stevenson House began in 1958 with the Unitarian Senior Housing Association. This group, comprised of representatives of Unitarian Churches throughout the San Francisco Bay Area, was established to determine and provide the means for moderate cost housing in a compatible living environment for the elderly members of the Congregation. In 1965, a separate nonprofit corporation, the Palo Alto Senior Housing Project, Inc. ("PASHPI ") was formed to operate Stevenson House.

For the past 45 years, Stevenson House has been an important resource in the local community, supporting extremely low, very low and low income seniors by providing 120 affordable apartment homes, plus services, meals and social programs that focus on the holistic well-being of its residents. The property has been well maintained; however, as the building enters its 5th decade of existence, many aspects of the property are nearing the end of their useful life and are in urgent need of upgrade or replacement.

The Project:

The 95^{th} & International Apartments is the new construction of a 55-unit multifamily affordable housing facility. The project will be restricted to households making 20% to 50% or less of AMI. All major shopping, transportation, and recreational amenities are located within a short distance of the project. Access to groceries, pharmacy and shopping is convenient. Site amenities will include a community room, laundry room, computer room, and on-site manager. Social services for the general low-income family population will be provided on-site. The financing of this project will result in the creation of affordable housing for 55 low-income households in the City of 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 $13,533 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:	Construction
Tax-Exempt Bond:	$ 22,177,472
Taxable Bond:	$ 4,138,518
City of Oakland & Seller Carryback Loan:	$ 8,018,659
County of Alameda:	$ 956,341
Deferred Developer Fee:	$ 4,140,000
Deferred Operating Reserves:	$ 511,510
LIHTC Equity:	$ 2,303,722
Total Sources:	$ 42,246,223

Uses of Funds:	
Land Cost/ Acquisition:	$ 1,653,000
New Construction:	$ 28,155,634
Architectural & Engineering:	$ 1,567,000
Legal & Professional:	$ 180,000
Fees & Permits:	$ 2,022,852
Financing Costs:	$ 1,687,913
Soft Costs, Marketing, etc.*:	$ 6,729,824
Costs of Issuance:	$ 250,000
Total Uses:	$ 42,246,223

Terms of Transaction:

Amount:	$31,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2020

Public Benefit:

A total of 54 households will continue enjoy high quality, independent, affordable housing in the City of Oakland for 55 years.

Percent of Restricted Rental Units in the Project: 100%
- 10% (5 Units) restricted to 20% or less of area median income households; and
- 20% (11 Units) restricted to 30% or less of area median income households; and
- 70% (38 Units) restricted to 50% 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:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	TBD
Borrower Counsel:	Bocarsly, Emden, Cowan, Esmail & Arndt

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $31,000,000 for the 95th and International 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.

WILLOWGLEN APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Burbank Housing Development Corporation
Action:	Initial Resolution
Amount:	$15,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Rohnert Park, County of Sonoma, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

Burbank Housing Development Corporation ("Burbank Housing") is a nonprofit organization dedicated to increasing the supply of housing in Sonoma County, so that low-income people of all ages, backgrounds and special needs will have a better opportunity to live in decent and affordable housing. Organized in 1980, Burbank provides qualified nonprofit housing development, ownership and management services in Sonoma County.

Burbank Housing builds and manages family and senior rental housing and creates home ownership opportunities, largely through its mutual self-help program. Burbank Housing collaborates with service organizations to provide supportive housing for people with special needs, including people who are elderly, physically or mentally disabled, farm workers or homeless.

This is the CMFA's eighth project with Burbank Housing.

The Project:

The Willowglen Apartments is a new construction of a 36-unit affordable multifamily apartment complex. The project consists of 36 units restricted to 30% to 80% of AMI and one managers unit. The project will be comprised of 18 one-bedroom units, 12 two-bedroom units and 6 three-bedroom units along with a community building. The residential units are located in two-story townhome units and with a garage for each unit. The project will contain a community room with community space, laundry room, offices and balconies of each unit. There will be third party service providers onsite. The financing of this project will provide affordable housing for 36 low-income households in the City of Rohnert Park for 55 years.

The County of Sonoma:

The County of Sonoma is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately $6,250 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:		
Tax-Exempt Bond:	$	10,000,000
Taxable Bond:	$	3,016,937
GC Fees Loan:	$	2,510,000
Deferred Costs:	$	988,206
Deferred Developer Fee:	$	1,087,101
LIH Tax Credit Equity:	$	1,095,449
Total Sources:	$	18,697,693
Uses of Funds:		
Land Acquisition:	$	500,000
New Construction:	$	11,510,000
Architectural & Engineering:	$	700,000
Legal & Professional:	$	400,000
Financing Costs:	$	800,000
Developer Fee:	$	2,287,101
Other Project Costs*:	$	2,045,592
Soft Cost Contingency:	$	150,000
Costs of Issuance:	$	305,000
Total Uses:	$	18,697,693

Terms of Transaction:

Amount:	$15,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	November 2020

Public Benefit:

A total of 36 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Rohnert Park for 55 years.

Percent of Restricted Rental Units in the Project: 100%

17% (6 Units) restricted to 30% or less of area median income households; and
42% (15 Units) restricted to 50% or less of area median income households; and
41% (14 Units) restricted to 80% 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:	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 $15,000,000 for the Willowglen Apartments affordable multi-family housing facility located in the City of Rohnert Park, 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.

THE HOMESTEAD APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	USA Properties
Action:	Initial Resolution
Amount:	$55,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Lancaster, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Background:

USA Properties Fund, Inc. ("USA") is a privately-owned real estate development organization specializing in the creation of outstanding senior and family communities. Founded in 1981 and headquartered in Roseville, California, USA provides a full range of capabilities for community development, including financing, development, construction services, rehabilitation and property management. Their values, leadership and team structure reflect their success with the development, construction and acquisition/rehabilitation of over 11,000 units of family and senior apartments in over 82 communities throughout California and Nevada.

USA employs over 325 individuals in two states. They also possess active State of California and State of Nevada Contractors Licenses as well as a State of California Department of Real Estate Broker's License. USA is an active Associate member of the California Redevelopment Association (CRA), is active in the Urban Land Institute (ULI) and has sitting Board Members within the North State B.I.A., C.B.I.A and HomeAid.

Nearly all of the communities developed by USA are public/private partnerships. They are confident in their ability to conceive and deliver developments worthy of local agency subsidy and participation. This commitment to enrich and revitalize communities at a neighborhood level is enhanced by their expertise in obtaining public subsidy bond and tax credit financing from local, state and federal sources. They take pride in creating inviting communities that are well known for their quality of construction, innovative design, appealing amenities and outstanding property management.

The Project:

The Homestead Apartments project is the new construction of a multifamily affordable housing project located in the City of Rohnert Park. The project will be composed of 264-units of housing for low-income households earning between 50% and 60% of Area Median Income, with two units designated for property managers. The Homestead Apartments is located near several public transportation options, banks, parks, hospitals and other services and amenities. This financing will create 264 units of affordable multifamily housing for the City of Lancaster for the next 55 years.

The City of Lancaster:

The City of Lancaster is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately $17,367 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	44,000,000
Taxable Bond:	$	5,205,691
Seller Carry-back Land Note:	$	8,526,831
Equity:	$	32,686,918
Total Sources:	$	90,419,440

Uses of Funds:

Land Acquisition:	$	2,500,000
New Construction:	$	58,133,477
Legal & Professional:	$	135,000
Architectural & Engineering:	$	2,383,395
Operating Reserves:	$	932,198
Permit and Impact Fees:	$	7,189,113
Soft Costs*:	$	7,504,556
Developer Fee:	$	11,001,701
Costs of Issuance:	$	640,000
Total Uses:	$	90,419,440

Terms of Transaction:

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

Public Benefit:

A total of 264 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Lancaster, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

10% (27 Units) restricted to 50% or less of area median income households; and
90% (237 Units) restricted to 60% or less of area median income households
Unit Mix: 1-, 2-, 3- and 4-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:	Bocarsly Emden Cowan Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $55,000,000 for The Homestead Apartments affordable multi-family housing facility located in the City of Lancaster, County of Los Angeles, 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" and 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.

FAIRBANKS TERRACE II APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Chelsea Investment Corporation
Action:	Initial Resolution
Amount:	$10,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of San Diego, San Diego County California
Activity:	Affordable Housing
Meeting:	October 25, 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:

The Fairbanks Terrace II Apartments is the new construction of a 31-unit development consisting of 25 one-bedroom units and 6 two-bedroom units for low-income families. The residents will be low and very low income at less than 60% of area median income. The proposed tenant population is seniors 62 and older. The Project is 3 stories, type V construction and will have 37 parking spaces. This financing will provide 31 units of affordable housing for the City of San Diego for 55 years.

The City of San Diego:

The City of San Diego is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive $4,510 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	7,216,060
Federal LIHTC Equity:	$	687,052
State LIHTC Equity:	$	192,094
Master Developer Note:	$	2,287,323
Residential Receipt Loans Accrued Interest:	$	51,465
Total Sources:	$	10,433,994

Uses of Funds:

New Construction:	$	6,897,948
Land Acquisition:	$	1
Site Work:	$	1,620,000
Architectural & Engineering:	$	304,000
Contingency:	$	53,368
Construction Period Expenses:	$	376,271
Legal & Professional:	$	150,000
Other Costs*:	$	1,001,406
Developer Fee:	$	31,000
Total Uses:	$	10,433,994

Terms of Transaction:

Amount:	$10,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2020

Public Benefit:

A total of 31 low-income households will be able to enjoy high quality, independent, affordable housing in the City of San Diego for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

32% (10 Units) restricted to 50% or less of area median income households; and

68% (21 Units) restricted to 60% or less of area median income households.

Unit Mix: 1- & 2-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 $10,000,000 for the Fairbanks Terrace Apartments affordable multi-family housing facility 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

PARK AVENUE SENIOR APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Housing Authority of the County of Santa Clara
Action:	Amending Resolution
Amount:	$39,053,609
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of San Jose, Santa Clara County, California
Activity:	Affordable Housing
Meeting:	October 25, 2019

Amending Resolution – October 28, 2016

The borrower has requested that the permanent lender increase the permanent loan which triggers amending language to bond documents.

Background:

In 1967, the Santa Clara County Board of Supervisors established the Housing Authority of the County of Santa Clara ("HACSC") as an independent local government agency to administer the federal rental assistance programs authorized by the United States Housing Act of 1937. Since 1976, HACSC has operated the federal rental assistance programs of the County of Santa Clara and the City of San José as one program. In 2008, Congress designated HACSC a Moving to Work (MTW) demonstration agency.

Their agency assists about 17,000 households through the federal rental housing assistance program. They also develop, control and manage affordable rental housing properties. The majority of their program funding comes from the U.S. Department of Housing and Urban Development (HUD). Their programs and properties are targeted to assist low, very low and extremely low-income households. The vast majority—more than 80%—of their client households are extremely low-income families, seniors, veterans, persons with disabilities and the formerly homeless. Working together with landlords, housing developers, charities and local governments, they strive to provide housing and support services to as many eligible families as possible.

In all of their operations, HACSC works toward being a model for the innovative use of federal funds in the Section 8 program and in leveraging funds and community partnerships to develop new affordable housing and to preserve existing affordable housing.

This will be the CMFA's 2nd HACSC affordable housing project.

The Project:

The Park Avenue Senior Apartments project is a new construction project of a 100-unit affordable senior housing development. The development is an affordable housing, transit-oriented development to be located in downtown San Jose. The project is just over one acre and will consist of a five-story podium style building with garage and fitness room on the first floor and four stories of residential units above. There will be a total of 42 parking spaces and 100 units with 99 being restricted for low-income seniors and one unit set aside as a manager's unit. The unit mix will consist of 1- and 2-bedroom units with an average square footage of 663 and 808, respectively.

There will be an attached, 2-story, wood-framed building that will serve as the main entrance off the turnaround/drop off area and will house community space such as a large community room, reception area with mailboxes, elevator lobby, laundry room and property management offices on the first floor. The second floor will house additional offices for service providers and computer room. The project will be located at 777 Park Avenue, San Jose, California. This financing will create 99 units of affordable senior housing in the City of San Jose for the next 55 years.

The County of Santa Clara:

The County of Santa Clara is a member of the CMFA and held a TEFRA hearing on January 26, 2016. Upon closing, the County received $15,675 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 39,053,609	$ 16,983,770
Seller Carryback Loan:	$ 6,000,000	$ 6,000,000
HACSC MTW Loan:	$ 8,199,497	$ 9,199,497
Parkland Impact Fee Waiver:	$ 940,500	$ 940,500
LIH Tax Credit Equity:	$ 538,329	$ 22,309,303
Deferred Developer Fee:	$ 3,992,717	$ 3,992,717
Accrued/Deferred Interest:	$ 420,000	$ 420,000
Deferred Costs:	$ 701,135	$ 0
Total Sources:	$ 59,845,787	$ 59,845,787

Uses of Funds:	
Acquisition/Land Purchase:	$ 6,847,401
New Construction:	$ 33,887,376
Development Impact Fees:	$ 2,007,855
Architectural Fees:	$ 1,168,019
Survey & Engineering Fees:	$ 60,000
Construction Interest & Fees:	$ 2,756,881
Permanent Financing Costs:	$ 163,419

Legal Fees:	$	142,500
Reserves:	$	440,544
Appraisal Costs:	$	16,250
Contingency:	$	3,472,478
Other Soft Costs, Marketing, etc.:	$	2,390,347
Developer Costs:	$	6,492,717
Total Uses:	$	59,845,787

Terms of Transaction:

Amount:	$39,053,609
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Closed:	November 2016

Public Benefit:

99 senior families will be able to enjoy much needed high quality, independent, affordable housing in the City of San Jose, California. LifeSteps will provide resident services that oversees support and educational programs, provides information and referrals to residents as well as crisis intervention and mediation of disputes.

Percent of Restricted Rental Units in the Project: 100%

100% (99 Units) restricted to 50% or less of area median income households

Unit Mix: 1-, and 2-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	Citibank Community Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Paul Hastings, LLP
Borrower Counsel:	Goldfarb & Lipmann LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Amending Resolution of $39,053,609 for Park Avenue Senior Apartments affordable multi-family housing facility located in the City of San Jose, Santa Clara County, California.

*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).

2020 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 '20

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 '20

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

March '20

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				

April '20

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		

May '20

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						

June '20

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	21	26	27
28	29	30				

July '20

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	

August '20

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					

September '20

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			

October '20

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

November '20

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					

December '20

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		

CMFA Meetings

Holidays

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

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CHARITABLE GRANT GUIDELINES

Recipient: Board Members of the California Foundation for Stronger Communities

Purpose: To Provide an Outline of Charitable Grant Guidelines

CHARITABLE GUIDELINES:

1. Ensure charitable donations are directed towards organizations that:
   a. Are in California communities.
   b. Find it difficult to receive funding through other sources.
   c. Have not received a charitable donation in the last year. This is not meant to include those organizations that have enjoyed a fee reduction through a CMFA financing.
   d. Do not require compliance monitoring by the CMFA or CFSC.
   e. Are not in a category listed below:
      i. Individuals, including individual scholarship or fellowship assistance
      ii. For-profit entities, including start-up businesses
      iii. Political, labor, religious, or fraternal activities
      iv. Endowments
      v. Film or video projects, including documentaries
      vi. Travel, including student trips or tours
      vii. Promotional merchandise
      viii. Organizations other than IRS 501(c)(3), 501(c)(6), governmental, or tribal entities
      ix. Governmental entities, if the donation will supplant governmental funds
2. A staff report must be provided to the Board at least 24 hours before donations are recommended or approved. Funds will not be disbursed on a cash advance basis.
3. CFSC staff may publicize donations in order to leverage the benefits to CMFA and CFSC of this unique charitable giving program. CFSC staff, and not board members, should be the point of contact with municipal staff, elected officials, recipient and press in coordinating and publicizing all donations to avoid even the appearance that board members are serving their personal or financial interests in recommending donations.
4. Suggested categories the CMFA through the CFSC could direct funds are:
   a. Health Care
   b. Education
   c. Human Services
   d. Affordable Housing
   e. Cultural
   f. Targeted Populations: Youth, Seniors, Low/Moderate Income Individuals, Victims of Abuse, Neglect or Crime, Disabled Veterans
5. Staff will distribute and process all charitable grants.

Abrazo Foster Family Agency

1589 W. Shaw Ave Ste 4`

Fresno , CA 93711 County Fresno

abrazoffa.net

FEIN 20-2583553 Founded: 2005

Previous Donation: (•) Yes ( ) No 15,000 7/14/2017 List Date 10/25/2019

Mission:

Our Mission is to take the lead in protecting children entrusted to our care or protection from further abuse and neglect by carefully selecting the most qualified and dedicated foster parents available to operate foster homes for the agency. To providing individualized interventions to families which afford the opportunities for children to be raised in homes free of abuse and neglect. To also provide the selected foster parents and their support staff with the necessary training and encouragement so that they, in turn, can provide the children in their care a safe, secure living environment that will allow them to develop their positive personal abilities, characteristics and values necessary to achieve and maintain their highest level of self esteem. The social worker staff of Abrazo Foster Family Agency will work directly with the foster parents in assisting the children to develop socialization skills and encourage positive interaction with their peers and others in their daily life.

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	$598,590	97.5%	
Contributions	15,197	2.5%	
Other	292	0.0%	
Total Revenue:	$614,079	100.0%	
Expenses:			
Program	$495,798	90.0%	
Administration	55,088	10.0%	
Fund Raising			
Total Expenses:	$550,886	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$63,193		
Net Assets:	$93,583		

BOD: Lisa A. Hamby; David Tucker; John W. Lott; Mike Tucibet; Timothy W. Lott

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;

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

Downtown Lincoln Association

150 Lincoln Blvd, Suite 104 #6

Lincoln , CA 95648 County Placer

www.downtownlincolnca.com

FEIN 46-2213258 Founded: 2014

Previous Donation: ◯ Yes ◉ No List Date 10/25/2019

Mission:

Mission Statement:

Rediscover the charm of Main Street USA in "Historic Downtown Lincoln", where our unique shops, restaurants and activities will transport you back to times of friendly neighborhoods and quality personal service.

The DLA markets the Downtown District, promotes events, sponsors scholarships, supports community activities, and provides networking opportunities.

Impact:

A donation would assist the organization in the furtherance of their mission.

Financial Information: CA DOJ Website for FY 2018

Revenues:	Amount	%	Notes
Government/Earned			Organization files an IRS Form 990-N due to its small size.
Contributions	41,344	100.0%	
Other			
Total Revenue:	$41,344	100.0%	
Expenses:			
Program	$13,309	100.0%	
Administration			
Fund Raising			
Total Expenses:	$13,309	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$28,035		
Net Assets:	$56,185		

BOD: Wayne Sisneroz; Pam Lopez; Jean Lund; Don Baker; Luke McNeel-Caird; Jean Cross; Tom Jones; Jennifer Ibarra; Helen Johnson

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

Furnishing Hope, Inc.

3667 Birch Street, #503

Newport Beach , CA 92660 County Orange

www.Furnishinghope.org

FEIN 20-0049351 Founded: 2004

Previous Donation: (•) Yes ( ) No 10,000 10/31/2014 List Date 10/25/2019

Mission:

Furnishing Hope has been furnishing homes and apartments for people in crisis since 2004. In 2011 we focused our efforts on returning wounded military. We have found that a comfortable place to live makes a monumental impact on their ability to heal and adjust to civilian life. When the ceremonies are over and the dress uniforms are hung up, day to day life takes over and the everyday challenges present themselves.

Furnishing Hope collaborates with and receives referrals from military hospitals, non-profits and government agencies.

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			They sell some of the furniture donated that is not usable by the applicants for revenue to support the program. That is the other revenues
Contributions	960,488	80.2%	
Other	237,356	19.8%	
Total Revenue:	$1,197,844	100.0%	
Expenses:			
Program	$1,096,198	96.0%	
Administration	45,467	4.0%	
Fund Raising			
Total Expenses:	$1,141,665	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$56,179		
Net Assets:	$408,561		

BOD: Elizabeth Phillips; John Virtue; Linda Tuggle; Allen L. Boerner; Renee Lowe; Charles Bradley

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

My Safe Harbor, Inc.

819 S. Harbor Boulevard

Anaheim , CA 92805 County Orange

mysafeharbor.org

FEIN 26-3001119 Founded: 2008

Previous Donation: (•) Yes ( ) No 20,000 8/31/2018 List Date 10/25/2019

Mission:

Low-income single moms severely lacking in functional life skills, employment, health care, and support systems are a growing population in Anaheim. They are rooted in generations of poverty, and will pass the same problems along to their children—unless we provide alternate pathways to a better future. In order to do that, My Safe Harbor exists as a faith-based nonprofit to empower single mothers with new: Resources – life skills for parenting, home management, education, and the workplace. Referrals for counseling, housing, and financial assistance and access to community advocates. Relationships – long-term peer and mentor support systems that model and foster healthy choices and promote involvement in a faith community. Responsibilities – Proactive leadership in their families, functioning as productive citizens in the community, and living a life of integrity and self-esteem. By planting the seeds of self-reliance and providing long-term support, the cycles of poverty can be broken and replaced with healthy, hopeful families.

Impact:

A donation would assist the program in its mission

Financial Information: IRS Form 990 for FY 2017

Revenues:	Amount	%	Notes
Government/Earned			
Contributions	244,098	99.9%	
Other	144	0.1%	
Total Revenue:	$244,242	100.0%	
Expenses:			
Program	$283,206	100.0%	
Administration			
Fund Raising			
Total Expenses:	$283,206	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($38,964)		
Net Assets:	$30,410		

BOD: Lyn Brammer; Jim Carter; Steve Edgington; Tamsen Murray; Stephen Richardson; Lynn Smith

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

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

YMCA Montebello - Christmas at the Cannon

2000 W Beverly Boulevard

Montebello , CA 90640 County Los Angeles

www.ymcala.org

FEIN 95-1644052 Founded: 1988

Previous Donation: (●) Yes ( ) No 10,000 10/27/2017 List Date 10/25/2019

Mission:

The Y is a powerful association of men, women, and children committed to bringing about lasting personal and social change. With a focus on nurturing the potential of every child and teen, improving the nation's health and well-being and providing opportunities to give back and support neighbors, the Y enables youth, adults, families and communities to be healthy, confident, connected and secure. The Y offers programs, services and initiatives focused on youth development, healthy living and social responsibility, according to the unique needs of the communities it engages. The Y is accessible to all people. Financial assistance is offered to individuals and families who cannot afford membership. The Y engages 9 million youth and 12 million adults in 10,000 communities across the U.S.

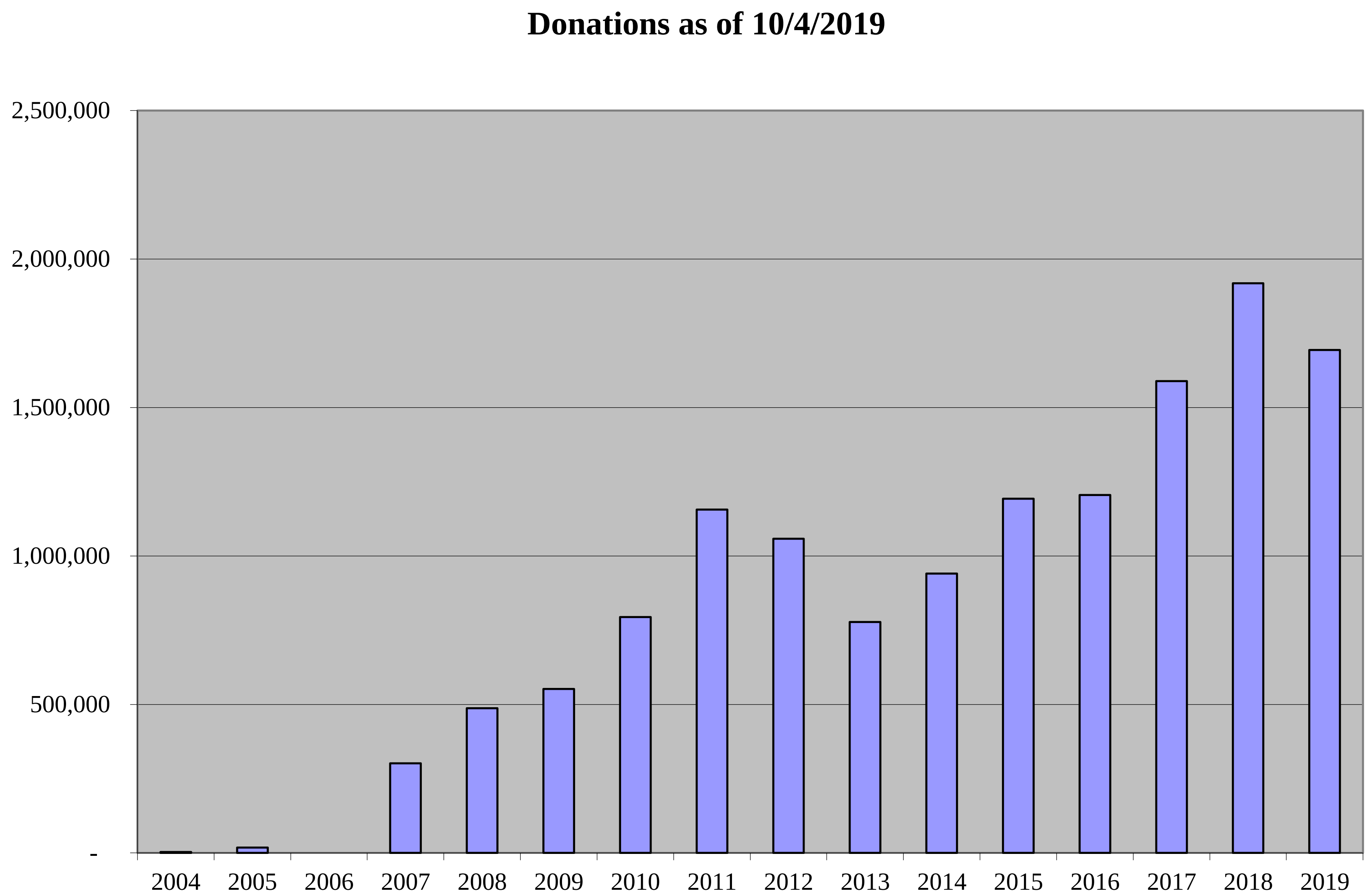
Impact:

A donation would go to the YMCA branch in Montebello for their dinner event

Financial Information: From IRS Form 990 for FY 2014

Revenues:	Amount	%	Notes
Government/Earned	$76,146,791	75.7%	The Montebello YMCA is under the umbrella of YMCA Los Angeles.
Contributions	20,976,951	20.9%	
Other	3,473,453	3.5%	
Total Revenue:	$100,597,195	100.0%	
Expenses:			
Program	$81,542,647	88.0%	
Administration	8,533,132	9.2%	
Fund Raising	2,571,423	2.8%	
Total Expenses:	$92,647,202	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$7,949,993		
Net Assets:	$151,591,077		

BOD: A. Hostrup; Alan Kreditor; Avedick B. Poladian; Bryan Palbaum; David S. Devito; James A. Collins; John B. Emerson; John E. Anderson; John F. Llewellyn; John Walden Jr.; L. Rosen; Mark B. Helm; Richard G. Newman; Robert J. Lowe; Stephen C. Meier and 20


Donations as of 10/4/2019
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

PROCEDURAL ITEMS FOR THE CFPF
SUMMARY AND RECOMMENDATIONS

Items: A1, A2, A3

Action: Pursuant to the by-laws and procedures of CFPF, 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).

California
Municipal Finance Authority

2020 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 '20

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 '20

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

March '20

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				

April '20

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		

May '20

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						

June '20

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	21	26	27
28	29	30				

July '20

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	

August '20

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					

September '20

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			

October '20

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

November '20

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					

December '20

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		

CMFA Meetings

Holidays

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