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).

MENDES COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant:	Reynen & Bardis Construction
Action:	Approval
Amount:	$11,380,000
Purpose:	Approve Waiver of 2nd Reading and Adoption of Ordinance Levying Special Taxes within CMFA Community Facilities District District No. 2020-7 (City of Elk Grove—Mendes) (Ordinance 20-06).
Activity:	BOLD/ Community Facilities District
Meeting:	October 9, 2020

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The City of Elk Grove (the "City") is a member of the CMFA and a participant in BOLD. Reynen & Bardis Construction (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.

On August 7, 2020, 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. 2020-7 (City of Elk Grove – Mendes) (the "CFD"), and a resolution stating its intention to incur bonded indebtedness for such CFD (the "Resolution of Intention to Incur Bonded Indebtedness").

On September 18, 2020, 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. 2020-7:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2020-7 (City of Elk Grove—Mendes) (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. 2020-7 (City of Elk Grove—Mendes) (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. 2020-7 (City of Elk Grove—Mendes) (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. 2020-7 (City of Elk Grove—Mendes) (the "Resolution Declaring Election Results").

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2020-7 at the September 18, 2020 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.

The Project:

Reynen & Bardis Construction is in the process of developing 70 gross acres, on which 216 single-family homes will be built within the City of Elk Grove. The developer intends to develop the property, and then will sell finished lots to merchant homebuilders. Currently the property is being graded, with paving expected in the fall and a final map recorded in late fall 2020. Lots will be conveyed to Merchant Builders in late fall, with construction of model homes to begin in December 2020. Home sales are projected to begin in the first quarter of 2021.

Land Use Information:

	Units	Est. Home Size	Estimated Base Price
	42	2,667 sq. ft.	$ 450,000
	102	2,429 sq. ft.	$ 460,000
	72	2,200 sq. ft.	$ 375,000
Total	216 Units		

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 $11,380,000 on behalf of the CFD and all improvement areas therein.

Authorized Facilities:

Authorized facilities include any facilities authorized by the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act") that are financed in whole or in part by development impact fees, whether City, County, or other local agency fees levied in connection with development of the property. The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

City of Elk Grove
- Roadway Fee Program
- Capital Facilities Fee
- Affordable Housing Fee
- Southeast Policy Area Park Fee
- Southeast Policy Area Trail Fee
- Southeast Policy Area Drainage Fee

Cosumnes Community Services District
- Fire Fee

Sacramento County
- Sacramento Area Sewer District Fee
- Regional SAN Sewer Fee
- I-5 Subregional Corridor Mitigation Fee

Elk Grove Unified School District
- School Impact Fee

Authorized facilities also include Administrative and Incidental Expenses.

Future Action:

Bonds payable from the special taxes are expected to be issued in the first quarter of 2021, subject to further resolution and approval. This project is expected to be pooled with other projects as a pooled financing.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2020-7 (City of Elk Grove—Mendes).

California
Municipal Finance Authority

PERRIS PARK APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Housing Authority of the County of Riverside
Action:	Initial Resolution
Amount:	$18,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Perris, Riverside County, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

Amendment – August 28, 2020 Initial Resolution:

The Initial Resolution for Perris Park Apartments was previously approved at the August 28, 2020 meeting with a not-to-exceed amount of $15,000,000 and is being increased to $18,000,000 due to increased construction cost estimates. An Inducement Certificate was approved September 21, 2020 to meet CDLAC timelines.

Background:

The Housing Authority of the County of Riverside is a public agency chartered by the State of California to administer the development, rehabilitation or financing of affordable housing programs. The mission of the Housing Authority is to transform and promote healthy, thriving communities, re-ignite hope and restore human dignity through the creation and preservation of high quality and innovative housing and community development programs which enhance the quality of life and revitalize neighborhoods to foster self-sufficiency. The Housing Authority has been serving Riverside County for over 60 years.

The Project:

The Perris Park Apartments project is an acquisition/ rehabilitation project of a 80-unit affordable senior housing development in the City of Perris, CA. The existing 80-unit apartment community was in disrepair when RCHC purchased the property in 2019. As part of the rehabilitation RCHC is going to improve the energy efficiency, ADA access, and dramatically improve the community services on the property. The project will be a total of 80 units with all 80 units being restricted for low-income residents between 30% and 80% of AMI.

Amenities for the project will include a basketball court, swimming Pool, community room, covered parking, and play structure. Services for residents will include career counseling, free high-speed internet, after school programs, ESL classes, and other programming. The project will be located at 1450 South Perris Boulevard, Perris, California. This financing will preserve 79 units of affordable housing in the City of Perris for the next 55 years.

The County of Riverside:

The County of Riverside is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive $6,024 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	9,639,800
Seller Take Back Note:	$	6,327,682
Deferred Developer Fee:	$	17,912
GP Equity:	$	1,000
Tax Credit Equity:	$	6,638,906
Total Sources:	$	22,625,300

Uses of Funds:

Building Acquisition:	$	8,198,792
Rehabilitation:	$	5,727,730
Architectural & Engineering:	$	200,000
Legal and Professional:	$	310,500
Other Financing Costs:	$	7,664,472
Cost of Issuance:	$	523,806
Total Uses:	$	22,625,300

Terms of Transaction:

Amount:	$18,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2021

Public Benefit:

79 families will be able to enjoy much needed high quality, independent, affordable housing in the City of Perris, California.

Percent of Restricted Rental Units in the Project: 100%

55% (43 Units) restricted to 30% or less of area median income households
16% (13 Units) restricted to 40% or less of area median income households
29% (23 Units) restricted to 80% or less of area median income households
Unit Mix: 1-, and 2-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 and Barshay, LLP
Financial Advisor:	Community Economics, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $18,000,000 for Perris Park Apartments affordable multi-family housing facility located in the City of Perris, Riverside 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.

NOOK ON VALDEZ II APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Trestle Builders
Action:	Initial Resolution
Amount:	$18,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

Background:

Trestle Builders believe that cities thrive when people of all incomes are given the opportunity to contribute to the urban fabric. Trestle is committed to developing affordable housing solutions that promote this type of inclusive urbanism. Their areas of focus include naturally affordable micro units, co-living, single room occupancy (SRO) hotels, and LIHTC financed developments.

Trestle Builders was founded in 2013 by David Allen. David worked in the public sector as a Director for the San Diego Housing Commission's development affiliate, HDP. In his role, he managed all stages of the housing development process, including negotiating transactions, securing entitlements, financing and overseeing construction.

The Project:

The Nook on Valdez II Apartments is the new construction of an affordable housing project located at 2415 Valdez Street in Oakland, California. The project consists of two contiguous parcels totaling 0.17-acres located in the desirable Lake Merrit neighborhood of Oakland. The property is currently improved with an 800 square foot storage shed that will be demolished to develop Nook at Valdez II, a six-story micro housing property consisting of 89 micro housing units averaging 262 square feet with an additional 798 square feet of ground floor retail space. Twenty-six (26) of the units will be restricted to residents earning no more than 50% of area median income with sixty-two (62) units restricted to 60% of area median income with one manager's unit. The Project is expected to finish construction in mid-2021 with stabilized occupancy in September 2021. This financing will create 88 units of affordable housing for 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 $11,250 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	$	14,880,000
Subordinate Loan:	$	2,664,491
General Partner Contribution:	$	1,857,658
NOI During Construction:	$	431,174
LIHTC:	$	8,628,856
Total Sources:	$	28,462,180

Uses of Funds:

Land Acquisition:	$	2,750,000
New Construction:	$	16,831,435
Architectural & Engineering:	$	1,098,792
Legal and Professional:	$	996,452
Permits & Fees:	$	1,550,925
Financing Costs:	$	1,585,290
Reserves:	$	605,000
Developer Fee:	$	2,857,658
Costs of Issuance:	$	186,628
Total Uses:	$	28,462,180

Terms of Transaction:

Amount:	$18,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	March 2021

Public Benefit:

A total of 88 low income households will be able to enjoy high quality, independent, affordable housing in the City of Oakland, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

30% (26 Units) restricted to 50% or less of area median income households; and
70% (62 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1-bedroom

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:	Rodriguez Wright LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of $18,000,000 for Nook On Valdez II 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.

MADISON PARK APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	East Bay Asian Local Development Corporation
Action:	Final Resolution
Amount:	$38,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County California.
Activity:	Affordable Housing
Meeting:	October 9, 2020

Amendment – January 11, 2019 & October 26, 2018 Final Resolution:

The Final Resolution for Madison Park Apartments was previously approved at the October 26, 2018 and was amended on January 11, 2019. The developer is seeking another amendment to the Final Resolution to extend the construction conversion date.

The Project now falls within a Difficult to Develop Area ("DDA") that is designated by HUD each year. Being in a DDA, the Project now qualifies for more tax credit equity which will require an increase in the amount of bonds and/or a change in the weighted average maturity of the bonds. The Amending Resolution will allow for a reissuance and/or an extension to the outside conversion date.

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, five of which 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:

Madison Park Apartments is an existing project located in Oakland on an approximately 80,597 square foot site. The project consists of 96 restricted rental units and 2 unrestricted manager units. The project has 20 studio units, 69 one-bedroom units and 9 two-bedroom units. The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of life safety systems, fire escapes and elevator. Interior renovations will include corridor ventilation and pressurization, addition of a computer lab, reconfiguration of offices for resident services, improvements to plumbing features in bathrooms and ventilation and reconfiguration of the trash system. Individual apartment units will be updated with a new appliance package, countertops, cabinets, flooring and accessibility upgrades to 10% of the units. Lastly, common onsite area renovations will consist of modernization to common area finishes to comply with historical building codes. The rehabilitation is expected to begin in February 2019 and be completed in December 2019. The financing of this project will result in preserving affordable housing for 96 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 held a TEFRA hearing on April 4, 2018. Upon closing, the City received $16,244 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond:	$ 33,000,000	$ 9,947,000
LIH Tax Credit Equity:	$ 2,342,483	$ 19,681,800
GP Equity:	$ 2,395,936	$ 2,395,936
Deferred Developer Fee:	$ 2,286,983	$ 2,286,983
Deferred Costs:	$ 3,017,746	$ 0
Seller Carryback Loan:	$ 6,926,814	$ 6,926,814
HCD CHRP:	$ 1,633,914	$ 1,633,914
City of Oakland ORA/NOFA Combine:	$ 6,722,990	$ 6,722,990
Historic Tax Credit Equity:	$ 0	$ 3,743,028
Accrued Project Reserves:	$ 1,006,317	$ 1,006,317
Sponsor Perm Loan:	$ 0	$ 4,988,401
Accrued Deferred Interest Combined:	$ 841,474	$ 841,474
Total Sources:	$ 60,174,657	$ 60,174,657

Uses of Funds:	
Land Cost/ Acquisition:	$ 22,732,735
Rehabilitation:	$ 20,313,588
Relocation:	$ 1,000,000

Contractor Overhead & Profit:	$	600,200
Architectural Fees:	$	1,330,000
Survey & Engineering:	$	151,000
Construction Interest & Fees:	$	1,739,875
Permanent Financing:	$	181,035
Legal Fees:	$	45,000
Reserves:	$	1,783,231
Appraisal:	$	6,000
Hard Cost Contingency:	$	1,628,068
Soft Costs, Marketing, etc.*:	$	2,999,299
Developer Costs:	$	5,664,626
Total Uses:	$	60,174,657

Terms of Transaction:

Amount:	$38,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Original Closing:	February 2019

Public Benefit:

A total of 96 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Oakland for 55 years.

Percent of Restricted Rental Units in the Project: 100%
25% (24 Units) restricted to 50% or less of area median income households; and
75% (72 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio, 1- and 2-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Union Bank, N.A.
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Rutan & Tucker, LLP
Borrower Counsel:	Goldfarb & Lipman, LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $38,000,000 for Madison Park Apartments 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” 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.

**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.

POWAY COMMONS APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Chelsea Investment Corporation
Action:	Final Resolution
Amount:	$12,500,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Poway, San Diego County, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

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 held a TEFRA hearing on February 4, 2020. Upon closing, the City is expected to receive $6,351 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 8,300,000	$ 4,870,000
Taxable Bond Proceeds:	$ 1,862,408	$ 0
LIH Tax Credit Equity:	$ 696,430	$ 6,964,301
Deferred Developer Fee:	$ 0	$ 146,124
County IHTF:	$ 405,000	$ 450,000
Housing Authority Impact Fee Loan:	$ 573,000	$ 573,000
Master Developer Infrastructure Loan:	$ 1,383,524	$ 1,383,524
Accrued Interest:	$ 93,946	$ 93,946
Poway Housing Authority Cash Subsidy:	$ 1,057,500	$ 1,175,000
Total Sources:	$ 14,371,808	$ 15,655,895

Uses of Funds:	
Acquisition/Land Purchase:	$ 2,141,986
New Construction:	$ 8,500,389
Architectural Fees:	$ 119,688
Survey & Engineering:	$ 347,900
Contingency:	$ 514,060
Construction Period Expenses:	$ 689,270
Permanent Financing:	$ 92,812
Legal Fees:	$ 250,000
Reports and Studies:	$ 17,500
Other Project Costs*:	$ 998,203
Developer Costs:	$ 700,000
Total Uses:	$ 14,371,808

Terms of Transaction:

Amount:	$12,500,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	October 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:	Banner Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Hillis Clark Martin & Peterson P.S.
Borrower Counsel:	Cox, Castle, Nicholson

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $12,500,000 for the Poway Commons Apartments affordable multi-family housing facility located in the City of Poway, San Diego 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.

WILLOWGLEN APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Burbank Housing Development Corporation
Action:	Final Resolution
Amount:	$18,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Rohnert Park, County of Sonoma, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

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 Housing 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:

Willowglen Apartments is a new construction project located in the City of Rohnert Park. The project consists of 18 restricted rental units, 17 market rate units and 1 unrestricted manager unit. The project will have 18 one-bedroom units, 12 two-bedroom units and 6 three-bedroom units. The project consists of 3 residential apartment buildings (2 stories, 12 units each) and 1 freestanding community building. There will be no elevator access. The project will include a community room for resident gatherings, landscaped grounds, community garden area, and a tot lot. This apartment project is part of a larger master planned community consisting of 477 market rate and affordable housing units that includes single family homes, duplexes, townhomes, apartments, and a commercial area. At the center of the master planned community directly across the street from the affordable apartments is a large, recently completed neighborhood park with an expansive lawn area, pathways, and playground. There are a total of 36 covered garage spaces. The financing of this project will provide affordable housing for 18 low-income households in the City of Rohnert Park for 55 years.

The City of Rohnert Park:

The City of Rohnert Park is a member of the CMFA and held a TEFRA hearing on December 10, 2019. Upon closing, the City is expected to receive approximately $11,250 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 10,000,000	$ 3,464,000
Taxable Bond Proceeds:	$ 3,052,003	$ 0
LIH Tax Credit Equity:	$ 0	$ 11,579,250
Deferred Developer Fee:	$ 1,034,642	$ 1,034,642
Deferred Costs:	$ 833,322	$ 0
Capital Contribution (GP):	$ 2,147,160	$ 2,147,160
Capital Contribution (LP):	$ 1,157,925	$ 0
Total Sources:	$ 18,225,052	$ 18,225,052

Uses of Funds:	
Acquisition/Land Purchase:	$ 1,979,460
New Construction:	$ 9,290,000
Contractor Overhead and Profit:	$ 720,000
Architectural Fees:	$ 200,000
Survey & Engineering:	$ 100,000
Construction Interest & Fees:	$ 891,497
Permanent Financing:	$ 35,980
Legal Fees:	$ 257,500
Reserves:	$ 109,297
Appraisal:	$ 10,000
Hard Cost Contingency:	$ 1,373,946
Other Project Costs*:	$ 1,188,088
Developer Costs:	$ 2,069,284
Total Uses:	$ 18,225,052

Terms of Transaction:

Amount:	$18,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	October 2020

Public Benefit:

A total of 18 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: 51%

51% (18 Units) restricted to 50% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	JPMorgan Chase Bank, N.A
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Dentons US LLP
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $18,000,000 for the Willowglen Apartments affordable multi-family housing facility located in the City of Rohnert Park, Sonoma 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.

VILLA RAYMOND APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	Standard Property Company, Inc.
Action:	Final Resolution
Amount:	$25,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Pasadena, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

Background:

Standard Property Company ("Standard") is a full-service, multi-family real estate investment and management firm investing in primary U.S. markets across five major geographic locations: New York, San Francisco Bay Area, southern California, Chicago and Washington, D.C. metro area.

Standard has participated in the development of over 4,500 residential housing units, including approximately 2,300 affordable units. Standard's property management company has the management capacity to maintain quality standards and community responsiveness in nearly 4,500 rental units and 50 retail spaces across the U.S.

Since 2008, Standard has acquired a portfolio of over $525 million in property and distressed loans. Much of the portfolio is made up of affordable multi-family housing facilities throughout California. Standard is committed to helping California cities overcome the steadily growing deficit of high-quality affordable housing throughout the state.

The Project:

Villa Raymond Apartments is an existing project located in Pasadena on a .83-acre site. The project consists of 60 restricted rental units and 1 unrestricted manager unit. The project has 45 studio units and 16 one-bedroom units. The renovations will include building exterior and interior upgrades. Building exterior renovations will consist of stucco repairs, roof replacement, window replacements and a fresh coat of paint. Interior renovations will include leasing office and community room upgrades. Individual apartment units will be updated with a new kitchen appliance package, countertops, cabinets, electrical fixtures, paint and electrical updates. Lastly, common or site area renovations will consist of concrete repairs, asphalt replacement, new lighting and signage. The rehabilitation is expected to begin in October 2020 and will be completed in December 2021. The financing of this project will result in the preservation of affordable housing for 60 low-income households in the City of Pasadena another 55 years.

The City of Pasadena:

The City of Pasadena is a member of the CMFA and held a TEFRA hearing on January 27, 2020. Upon closing, the City is expected to receive approximately $10,974 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	Construction	Permanent
Tax-Exempt Bond Proceeds:	$ 15,865,000	$ 15,865,000
Taxable Bond Proceeds:	$ 3,784,000	$ 3,784,000
LIH Tax Credit Equity:	$ 7,306,024	$ 8,273,619
Developer Equity:	$ 3,451,829	$ 2,484,234
Total Sources:	$ 30,406,853	$ 30,406,853

Uses of Funds:	
Land Cost/Acquisition:	$ 21,000,000
Rehabilitation:	$ 4,040,689
Relocation:	$ 61,000
Contractor Overhead & Profit:	$ 301,684
Architectural Fees:	$ 260,542
Survey & Engineering:	$ 86,847
Construction Interest & Fees:	$ 182,243
Permanent Financing:	$ 147,368
Legal Fees:	$ 335,000
Hard Cost Contingency:	$ 434,237
Other Project Costs*:	$ 105,414
Developer Costs:	$ 3,451,829
Total Uses:	$ 30,406,853

Terms of Transaction:

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

Public Benefit:

A total of 60 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Pasadena, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

63% (38 Units) restricted to 50% or less of area median income households; and
37% (22 Units) restricted to 60% or less of area median income households.
Unit Mix: Studio and 1-bedroom units

Term of Restriction: 55 years

Finance Team:

Lender:	JLL Real Estate Capital, LLC
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Ballard Sphar, LLP
Borrower Counsel:	Rutan & Tucker, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $25,000,000 for the Villa Raymond Apartments affordable multi-family housing facility located in the City of Pasadena, Los Angeles 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.

UNIVERSITY OF THE PACIFIC
SUMMARY AND RECOMMENDATIONS

Applicant:	University of the Pacific
Action:	Final Resolution
Amount:	$70,000,000
Purpose:	Finance and Refinance the Acquisition, Construction, Improvement and Equipping of Certain Educational Facilities Located in the Cities of Sacramento, San Francisco, Stockton and Union City, Counties of Alameda, Sacramento, San Francisco and San Joaquin, California
Activity:	Private University
Meeting:	October 9, 2020

Background:

The University of the Pacific (the "University"), founded in 1851, is the oldest chartered university in California. From its beginnings in Santa Clara, the institution has evolved into an institution with campuses in Stockton, Sacramento, and San Francisco.

The University's main campus in Stockton combines many of the advantages of a larger university with those of a liberal arts college. From its Stockton campus, the University offers an array of undergraduate programs in the arts and sciences through the College of the Pacific, in addition to several undergraduate, graduate and professional programs, including international studies, music, pharmacy, business, engineering, and education. The variety of programs in Stockton provides more than 5,000 undergraduate and graduate students with a wide range of choices both in selecting their major field of study as well as opportunities to pursue other educational interests.

The University is unique among universities of its size for its range of liberal arts and professional programs: its eight colleges and schools offer 108 degree programs, including 39 graduate and professional degree programs. The scope of academic choices is coupled with an institutional vision that encourages interdisciplinary learning and involvement with the greater community.

The Project:

The proceeds of the Bonds will be used by the University of the Pacific to: (1) (a) prepay and refinance all or a portion of the outstanding California Educational Facilities Authority Revenue Bonds (University of the Pacific) Series 2009 (the "Refunded Series 2009 Bonds"), issued to finance or refinance the Series 2009 Project; (b) prepay and refinance all or a portion of the outstanding California Educational Facilities Authority Revenue Bonds (University of the Pacific), Series 2012A (the "Refunded Series 2012A Bonds"), issued to finance or refinance the Series 2012A Project; (c) prepay and refinance all or a portion of the outstanding California Municipal Finance Authority Revenue Bonds (University of the Pacific), Series 2016 (the "Refunded Series 2016 Bonds" and, together with the Refunded Series 2009 Bonds and the Refunded Series 2012A Bonds, the "Refunded Bonds"), issued to finance or refinance the Series 2016 Project (the forgoing purposes and projects, collectively, the "Project"); and (2) pay of costs of issuance with respect to the issuance of the Bonds authorized by this resolution, being composed of two series of bonds, one series to be sold and delivered in the year 2020 following the adoption of this resolution and one series to be sold in the year 2020 following the adoption of this resolution and delivered in the year 2021 on a date which is not more than 90 days prior to the first date that the Refunded Series 2012A Bonds may be called for redemption prior to their various maturity dates.

The Cities of Sacramento, San Francisco, Stockton and Union City:

The municipalities are members of the CMFA and have approved or been asked to approve the project per Section 4 of the JPA. Upon closing, the municipalities are expected to split up to $16,508 as part of the CMFA's sharing of Issuance Fees.

Project Financing:

Sources of Funds:		
Tax-Exempt Loan:	$	69,050,000
Equity (2016 Project Fund Release):	$	950,000
Total Sources:	$	70,000,000
Uses of Funds:		
Debt Refunding:	$	69,400,000
Cost of Issuance:	$	600,000
Total Uses:	$	70,000,000

Terms of Transaction:

Amount:	$70,000,000
Maturity:	2048
Collateral:	Deed of Trust on Property
Bond Purchasers:	Public Offering
Expected Rating:	A2
Estimated Closing:	October 2020

Public Benefit:

The savings the University will capture as a result of refunding the debt will allow the University to invest more of its annual operating budget in the University programs, which will allow it to further its mission to provide a superior, student-centered learning experience integrating liberal arts and professional education and preparing individuals for lasting achievement and responsible leadership in their careers and communities.

Finance Team:

Underwriter:	Morgan Stanley & Co. LLC
Borrower's Counsel:	Ropes & Gray LLP
Bond Counsel:	Squire Patton Boggs LLP
Issuer Counsel:	Jones Hall APLC
Underwriter's Counsel:	Hawkins Delafield & Wood LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $70,000,000 for the University of the Pacific project located in the Cities of Sacramento, San Francisco, Stockton and Union City, Counties of Alameda, Sacramento, San Francisco and San Joaquin, 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.

HUMANGOOD
SUMMARY AND RECOMMENDATIONS

Applicant:	HumanGood NorCal, HumanGood Fresno & HumanGood SoCal
Action:	Final Resolution
Amount:	$90,000,000
Purpose:	Financing and Refinancing the Acquisition, Construction, Furnishing and Equipping of Senior Living Communities Located in the Cities of Fresno, Los Altos, Santa Barbara and the Counties of Fresno, Santa Barbara and Santa Clara, California.
Activity:	Senior Living Facilities
Meeting:	October 9, 2020

Background:

The *HumanGood* family of entities is the result of the combination, via corporate affiliations and mergers, of multiple organizations with rich histories of serving older adults and their families. Two members of the California Obligated Group, HG NorCal and HG SoCal, formerly known as American Baptist Homes of the West and Southern California Presbyterian Homes, respectively, originally founded systems of life plan communities throughout the American West.

American Baptist Homes of the West began in 1949 with the establishment of Pilgrim Haven Retirement Community in Los Altos, California. American Baptist Homes of the West's original purpose was to provide quality housing and health care for retired ministers and missionaries but grew quickly to include older people regardless of occupation or religious affiliation. From one community serving nine residents in 1949, American Baptist Homes of the West and its affiliates expanded to 12 life plan communities in five states and 32 affordable housing communities in California and Washington.

Southern California Presbyterian Homes began in 1955 when the leaders of three Southern California presbyteries of the Presbyterian Church recognized the need for communities that would support older adults in their aging journeys. Beginning with the acquisition of properties in La Jolla and Bradbury to serve as the homes to White Sands La Jolla and Royal Oaks, the organization grew to encompass six life plan communities and 27 affordable housing communities throughout California. From 2011 to February 2017, Southern California Presbyterian Homes and its affiliates were branded as “be.group”.

American Baptist Homes of the West and Southern California Presbyterian Homes successfully affiliated in May 2016, combining to become California’s largest nonprofit provider of senior housing and services and one of the ten largest organizations of its kind in the nation. On July 10, 2017, the combined organization officially launched its new brand and trademark, *HumanGood*. To align with the new branding, the organization’s corporate parent was renamed “HumanGood,” American Baptist Homes of the West became “HG NorCal,” and Southern California Presbyterian Homes became “HG SoCal.”

On June 30, 2019, HumanGood became affiliated with Philadelphia Presbytery Homes and Services for the Aging (“Presby”), a senior living system based in Philadelphia that has provided senior living options to a diverse population for more than 60 years. Since Presby’s opened Rosemont, its first senior living community, in 1955, it has grown to provide continuing care and affordable housing for more than 3,000 residents ages 62 and older, across more than 30 communities throughout the greater Philadelphia area and Delaware. Upon HumanGood’s affiliation with Presby’s, John Cochrane, HumanGood’s President and CEO became the President and CEO of the Presby’s entities, and HumanGood became the sixth largest national nonprofit senior living provider in the United States.

The affiliated entities that share the *HumanGood* brand now serve nearly 13,000 residents in 116 communities across California, Arizona, Nevada, Washington, Idaho, Pennsylvania and Delaware.

<u>The Project:</u>

HumanGood will use the proceeds from the sale of the Bonds for the purpose, among others, of refinancing all or a portion of the Prior Bonds, funding debt service reserve accounts and paying costs incurred in connection with the issuance of the Bonds and the refinancing of the Prior Bonds (collectively, the “Financing Purposes”). The Prior Bonds include: (i) California Statewide Communities Development Authority Series 2012 (American Baptist Homes of the West) (the “Series 2012 Bonds”), the proceeds of which were used, among other things, to finance the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping of certain continuing care facilities of HumanGood NorCal (formerly known as American Baptist Homes of the West) (“HumanGood NorCal”), (ii) California Statewide Communities Development Authority Series 2013 (American Baptist Homes of the West) (the “Series 2013 Bonds”), the proceeds of which were used, among other things, to finance the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping of certain continuing care facilities of HumanGood NorCal, fund a debt service reserve fund for the Series 2013 Bonds, pay a portion of the interest on the Series 2013 Bonds and pay costs of issuance related thereto, (iii) California Statewide Communities Development Authority Revenue Bonds, Series 2012A (The Terraces at San Joaquin Gardens Project) (the “Series 2012A Bonds” and, together with the Series 2012 Bonds and the Series 2013 Bonds, the “Prior Bonds”), the proceeds of which were used were used, among other things, to finance the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping of certain continuing care facilities of HumanGood Fresno (formerly known as The Terraces at San Joaquin Gardens) (*“*HumanGood Fresno*”*), fund a debt service reserve fund for the Series 2012A Bonds and pay costs of issuance related thereto.

The Cities of Fresno, Santa Barbara & County of Santa Clara:

The Cities of Fresno, Santa Barbara and the County of Santa Clara are members of the CMFA and have approved or been asked to approve the project per Section 4 of the JPA. The Cities and County will share a prorated portion of the issuance fees as part of CMFA's fee sharing.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	$	80,690,000
Prior DSRF:	$	4,812,200
Prior Principal Funds:	$	61,670
Prior Interest Fund:	$	323,820
Total Sources:	$	85,887,690

Uses of Funds:

Refunding Prior Bonds:	$	84,879,079
Costs of Issuance:	$	1,008,611
Total Uses:	$	85,887,690

Terms of Transaction:

Amount:	$90,000,000
Maturity:	October 2047
Collateral:	Existing Deeds of Trust on certain properties & Gross Revenue Pledge
Bond Purchasers:	Private Placement
Estimated Closing:	October 2020

Public Benefit:

With the funding from this transaction, HumanGood will be able to continue to serve nearly 13,000 residents in 116 communities. HumanGood operates multiple locations that care for individuals and their families. This transaction will help to continue that care and reduce the fiscal burden from the debt that they are carrying with lower rates and better loan terms.

Finance Team:

Lender:	Washington Federal Bank.
Placement Agent:	B.C. Ziegler and Company
Lender Counsel:	Miller Nash Graham & Dunn
Bond Counsel:	Chapman & Cutler LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Dentons US LLP
Trustee:	US Bank, NA

Recommendation:
The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $90,000,000 for the HumanGood projects located in the Cities of Fresno, Los Altos, Santa Barbara and the Counties of Fresno, Santa Barbara and Santa Clara, 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 BOSCO APARTMENTS
SUMMARY AND RECOMMENDATIONS

Applicant:	H3M Partners, LLC
Action:	Final Resolution
Amount:	$17,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Berkeley, Alameda County, California
Activity:	Affordable Housing
Meeting:	October 9, 2020

Background:

H3M Partners, LLC is a full-service real estate development company, formed in 2019, and comprised of housing development professionals with decades of collective experience in real estate acquisition, entitlement, finance, renewable energy and construction. H3M also provides full-service housing development, financing, urban planning consulting or fee development. The company leverages local knowledge alongside domain expertise and relationships to create development strategies at the intersection of workforce housing, environmental sustainability, and finance.

Each of H3M's principals brings experience to the real estate development platform that includes several current real estate development and consulting projects in the Berkeley and Oakland submarkets of the San Francisco Bay Area. The company's philosophy is to bring high-density and sustainable workforce housing products to transit oriented infill locations in the central East Bay. H3M brings these products to market using different approaches and financing resources to meet individual project needs. This methodology allows H3M to pursue a variety of housing types and affordability options. The philosophy is central to the projects that are currently being pursued in Berkeley and Oakland. In so doing, H3M is able to develop strategies that combine workforce housing and green building in ways that are accretive to the triple bottom line of people, planet and profit. H3M does not believe that profit need come at the expense of people or our shared planet.

The Project:

The Bosco at 1717 University Avenue is a project that plans to provide affordable and workforce housing in an environmentally sustainable manner. 1717 University Associates was formed to build the project at 1717 University Ave, Berkeley, California and it is being managed by H3M Partners, the project's developer.

The Bosco is a five-story, ground up mixed use housing development of approximately 22,000 square feet on 8,478 square feet of land (or .19 acres). It will be constructed as four stories of Type V construction over Type I. The project's ownership and project developer are committed to creating real estate that is equitable, affordable and sustainable – as well as valuable as both a real estate investment and a benefit to the overall community. One element of this partnership is a regulatory agreement for the preservation of the project's 20% below market rate units. The affordable-by-design co-living units further provides housing that can support a middle-income resident with very high-quality and amenitized housing that can still provide ample opportunity for residents to save on rent.

The Bosco provides new housing choice on an infill parcel that has no dwelling units on it currently. The transit-oriented density and nature of the co-living project assures that the balance of the project's units are affordable at moderate income levels to provide badly needed workforce housing. No housing was demolished to make way for the project, and it replaces a derelict single story commercial building.

The Bosco will also provide 20% of its apartments to the Berkeley community AND a housing mitigation fee for the City Housing Trust Fund. The three new below market rate apartments - with a total of 11 bedrooms and affordable to families earning 50% AMI, is considered very low income. These units will be affordable at this rate for the life of the project and the project owners have entered into a regulatory agreement to provide those units for the community in perpetuity.

The affordable units, which include two five-bedroom units, may be spacious enough to accommodate multigenerational families. The remainder of all units are rented as co-living. The co-living is comparable to ~57% of AMI per City of Berkeley's guidelines for a studio unit - except our residents have access to more space in a highly amenitized building. The co-living units tend to serve a population aged 28 – 40 and comprised of young professionals, students and young families; many work in non-profit, creative industries or early-stage impact oriented start-ups and earn between $60,000 - $80,000 annually.

Bond Recycling:

A large majority of CMFA affordable housing projects have been financed with tax-exempt bonds and Low-Income Housing Tax Credits ("LIHTC"). The availability of these tax-exempt bonds is subject to an annual limit– known as "volume cap"— determined according to each state's population size. States and localities can use the bond financing to support a number of purposes including economic development, homeownership, and rental housing. However, only bonds used for multifamily rental housing generate very valuable four percent LIHTC - currently no other uses like the development of single-family housing or other economic development projects are eligible for this "bonus". 2020 bond volume cap for California is $4,148,783,415. Demand has exceeded supply for volume cap in CA and CDLAC instituted competitive rules for allocation.

One option to fill the gap is to use of "recycling", which allows for the reuse of volume cap allocated to tax-exempt bonds whose proceeds are needed only for a short time, well short of the potential number of years allowed for such bonds. Under current law, volume cap recycled from bonds originally issue to finance qualified residential rental projects can only be used for other qualified residential rental projects. Prior to a provision in the Housing and Economic Recovery Act of 2008 ("HERA"), no recycling was allowed and so short term bonds counted the same as longer maturity bonds against states' annual volume caps. But HERA allowed for the recycling of volume cap allocated to Private Activity Bonds ("PABs") used for multifamily rental housing within a six-month window to finance other qualifying residential rental projects.

The CMFA issued a Bond Anticipation Note or "BAN" that refunded bonds that were issued for another CMFA project (The One Church Street Apartments). The CMFA intends to recycle these bonds for the Bosco Apartments project. It is our understanding that this is only the second time that recycled bonds have ever been used in the State of California.

The City of Berkeley:

The City of Berkeley is a member of the CMFA and is scheduled to hold a TEFRA hearing on October 13, 2020. Upon closing, the City is expected to receive approximately $9,000 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax Exempt Bonds:	$	11,350,000
Taxable Bonds:	$	3,545,000
Members Equity:	$	1,175,000
Total Sources:	$	16,070,000

Uses of Funds:

Land Acquisition:	$	2,700,000
New Construction Hard Costs:	$	6,888,216
Development Soft Costs:	$	2,336,401
Hard Cost Contingency:	$	823,871
Carrying Costs:	$	1,977,285
Furnishings, Fixtures & Equipment:	$	264,379
Development Management Fee:	$	512,000
Project Management Fee:	$	170,000
Leasing & Marketing Fees:	$	128,140
Reserve and Other:	$	269,708
Total Uses:	$	16,070,000

Terms of Transaction:

Amount:	$17,000,000
Maturity:	33 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	October 2020

Public Benefit:

The financing will create high quality, independent, affordable housing for 15 households in the City of Alameda, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 20%

20% (3 Unit) restricted to 50% or less of area median income households; and

80% (12 Unit) not formally restricted, but rents equate to serving those at 57% of area median income households.

Unit Mix: Studio, 2-, 3-, 4-, 5- and 6-bedroom units

Term of Restriction: 30 years

Finance Team:

Developer's Counsel:	Lubin, Olson & Niewiadomski LLP
Placement Agent:	RBC Capital Markets
Bond Purchaser:	Franklin Templeton
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Placement Agent Counsel:	Norris George & Ostrow LLP
Trustee:	U.S. Bank National Association
Financial Advisor:	Sperry Capital, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of $17,000,000 for the Bosco Apartments affordable multi-family housing facility located in the City of Berkeley, Alameda County, California.

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

California
Municipal Finance Authority

MADEIRA MEADOWS, GRANITE BLUFF, BARRETT RANCH EAST COMMUNITY FACILITIES DISTRICTS SUMMARY AND RECOMMENDATIONS

Applicant:	Taylor Morrison of California, LLC; Lennar Homes; KB Homes
Action:	Approve Resolution Authorizing the Issuance of Special Revenue Bonds, Series 2020B, Related Issuance and Purchase of Special Tax Bonds for and on Behalf of CMFA Community Facilities Districts ("Districts" or "CFDs"), Along with All Related Documents
Amount:	$18,385,000
Purpose:	Issuing Bonds to purchase underlying Community Facilities District Bonds, which will be used to finance infrastructure, including funding impact fees, within the Districts. Underlying District Bonds include Improvement Area No. 1 of CMFA Community Facilities District No. 2020-3 (City of Elk Grove—Madeira Meadows) ("Madeira Meadows"), Improvement Area No. 1 of CMFA Community Facilities District No. 2020-4 (County of Sacramento—Barrett Ranch East) ("Barrett Ranch East"), and CMFA Community Facilities District No. 2020-5 (City of Rocklin—Granite Bluff) ("Granite Bluff").
Activity:	BOLD/ Community Facilities District
Meeting:	October 9, 2020

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. Developers within the cities of Rocklin and

Elk Grove, and the County of Sacramento, as members of the CMFA, have submitted applications to participate in the BOLD program, and the members have held the required public hearings and made the required findings under applicable law related to the issuance by the CMFA of revenue bonds under the Marks-Roos Local Bond Pooling Act of 1985. In addition, the CMFA has taken all actions necessary to form the Districts, and is now looking to issue bonds on a pooled basis to fund the facilities within each District.

The CMFA will issue CMFA Special Tax Revenue Bonds, Series 2020B (the "Bonds"), which will be utilized to purchase CFD bonds. Debt service payments made on the underlying CFD bonds will provide revenues for the payment of debt service due on the bonds being sold publicly to investors.

The underlying CFD bonds being issued, and their not to exceed amount for each district are as follows:

- Improvement Area No. 1 of CMFA Community Facilities District No. 2020-3 (Madeira Meadows) in the aggregate principal amount not to exceed $10,000,000;
- Improvement Area No. 1 of CMFA Community Facilities District No. 2020-4 (Barrett Ranch East) in the aggregate principal amount not to exceed $5,185,000;
- CMFA Community Facilities District No. 2020-5 (Granite Bluff) in the aggregate principal amount not to exceed $3,200,000

In aggregate, not more than $18,385,000 in bonds will be issued to acquire the CFD bonds. The not to exceed par amount for the Revenue Bonds to be sold will be $18,385,000.

<u>The Districts</u>

Descriptions of the districts are as follows:

Improvement Area No. 1 of CMFA Community Facilities District No. 2020-3 (Madeira Meadows): The Madeira Meadows Project is a 331-lot subdivision being developed by Taylor Morrison of California, LLC located within the City of Elk Grove. Improvement Area No. 1, for which we are looking to issue bonds now, includes 232 lots that are under development. The subject property features three floor plans ranging from 2,120 to 4,014 square feet. The subdivision has lot sizes of 5,775 and 8,050 square feet. As of the date of the appraisal, construction of horizontal improvements were nearly complete for the project. All permits have been fully paid, 9 models were completed, and vertical construction was underway on 62 additional homes.

As of the date of appraisal, the appraiser estimated the combined value of property within the District was $49,400,000. Based on the Not to Exceed amount of $10,000,000, this project would have a value to lien ratio of 4.68 to 1.

CMFA Community Facilities District No. 2020-4 (Barrett Ranch East): The Barrett Ranch East Project encompasses the 152-lot portion of a 482-lot subdivision being developed by Lennar Homes in unincorporated Sacramento County. As proposed, the subject property will feature two product lines with five distinct floor plans ranging from 1,950 to 3,312 square feet for Villages 1 and 2 (6,050 square foot lots), and four distinct floor plans ranging from 1,603 to 2,617 square feet for Village 4 (4,725 square foot lots).

The final map for the subject was recorded in February 2020. As of the date of inspection, site development is underway and is anticipated to be completed in late 2020. The subject is located at the northwest quadrant of Don Julio Boulevard and Antelope Road, within the unincorporated community of Antelope, Sacramento County, California. According to the Developer, no building permits have been issued to date. Building permits for model homes are anticipated to be issue in the near term, with issuance of production home permits to occur late in the 4th quarter of 2020.

As of the date of appraisal (value), September 1, 2020, the appraised estimated value of property within the District was $19,300,000. Based on a Not to Exceed par of $5,185,000 this project would have a value to lien of 3.72 to 1.

CMFA Community Facilities District No. 2020-5 (Granite Bluff): The Granite Bluff project is a 75-lot subdivision being developed by KB Home within the city of Rocklin in Placer County. Granite Bluff will feature four floor plans ranging in size from 1,644 to 2,551 square feet. The average lot size for the project is 3,318 square feet.

A final map was recorded on June 11, 2020. As of the date of inspection, construction of horizontal improvements were nearly complete for the project with minimal offsite improvements remaining. According to the Developer, two building permits have been issued to date for the model homes which were partially complete.

As of the date of appraisal (September 1, 2020), the appraiser estimated the combined value of property within the District was $12,860,000. Based on a Not to Exceed par of $3,200,000 this project would have a value to lien of 4.02 to 1.

Financing Documents

The Resolution approves the forms of Indenture of Trust, Bond Purchase Agreement, Preliminary Official Statement, and Continuing Disclosure Certificate on file, as well as related actions and documents. The principal documents being approved are summarized as follows:

- Indenture of Trust. The Indenture is the legal document pursuant to which the Special Tax Revenue Bonds, BOLD Program Series 2020B ("2020B Bonds") and the underlying special tax bonds for each of the three CFDs are issued by the CMFA. The underlying special tax bonds for the four CFDs will be purchased by the CMFA for the benefit of the holders of the 2020B Bonds, and the debt service payable on the underlying special tax bonds will be used to pay debt service on the 2020B Bonds, replenish amounts in the reserve fund created for the 2020B Bonds, and pay administrative costs of the CMFA in administering the bonds and the CFDs. U.S. Bank National Association will serve as trustee under the Indenture, and Goodwin Consulting will serve as special tax administrator, responsible for ensuring the special tax levy for each of the three CFDs is placed on the applicable County property tax roll each year so that debt service and administrative costs can be paid each year. The Indenture contains typical provisions related to the 2020B Bonds and the underlying special tax bonds, including as it relates to optional redemption and special mandatory redemption from special tax prepayments, and the establishment and administration of reserve accounts, project accounts and other accounts for the deposit of proceeds from each of the underlying special tax bonds.

Under the Indenture, a reserve fund will be established for the benefit of the holders of the 2020B Bonds, and within such reserve fund a "reserve account" for each of the four CFDs. In the event of a delinquency in payment of special taxes by property owners within a CFD, amounts in the reserve account established for such CFD can be used to cover the shortfall; there is no cross-collateralization among the four CFDs. Each reserve account will be funded at the closing of the 2020B Bonds, using a portion of the proceeds of the 2020B Bonds, to the applicable reserve requirement.

In the Indenture, the CMFA covenants to bring a foreclosure action against delinquent property owners based on either an overall delinquency rate within a particular CFD (5%) or based on a threshold dollar amount of delinquencies for a particular owner ($3,000). The first step in the foreclosure process would be having the CFD administrator (Goodwin Consulting) send out a written demand letter to the applicable owner(s). Amounts levied each year within the applicable CFD for administrative costs, as well as amounts set-aside in the applicable reserve account, would be available to the CMFA to pay for the costs associated with any potential foreclosure proceeding.

No additional bonds are anticipated or permitted to be issued under the Indenture, except for refunding bonds. No additional CFD Bonds can be issued within each CFD except for refunding bonds.

- <u>Bond Purchase Agreement</u>. The Bond Purchase Agreement is the legal document pursuant to which the 2020B Bonds are sold by the CMFA to Piper for further sale and distribution to ultimate purchasers. The BPA contains customary representations and warranties from the CMFA regarding the formation of each of the three CFDs, the issuance of the underlying special tax bonds, and the issuance of the 2020B Bonds. Forms of certificates of each of the developers that own the property in the CFDs are also included.

- <u>Preliminary Official Statement</u>. The Preliminary Official Statement ("POS") is the document pursuant to which material information is disclosed to potential purchasers of the 2020B Bonds. Once final pricing information is available for the 2020B Bonds, the POS will be turned into the Official Statement and distributed to actual purchasers of the 2020B Bonds. Among other things, the POS contains information regarding the 2020B Bonds, the underlying special tax bonds, the Indenture, CMFA, the trustee, the BOLD Program, and various potential risks associated with investing in the 2020B Bonds. Included in various appendices to the POS is additional detailed information regarding each of the three CFDs, the rate and method of apportionment of each of the three CFDs, and an appraisal performed by Integra Realty Resources of the estimated market value of the land within each of the three CFDs.

- <u>Continuing Disclosure Certificate</u>. The form of Continuing Disclosure Certificate is included as Appendix G to the draft POS. The Continuing Disclosure Certificate is the document pursuant to which the CMFA agrees to provide certain information to investors in the 2020B Bonds, via postings to the MSRB's Electronic Municipal Market Access ("EMMA") website. On an annual basis, CMFA will need to supply its audited financial statements and information concerning each of the three CFDs as enumerated therein, including total assessed value, delinquency information, prepayment information, changes to any of the rate and method of apportionments for the CFDs, and annual information required to be provided to the California Debt and Investment Advisory

Commission (CDIAC) each year. In addition, in a timely manner, the CMFA will need to report on the occurrence of any listed event enumerated therein, including relating to delinquencies, draws on the reserve fund, and bankruptcy events. Goodwin Consulting will serve as dissemination agent for the 2020B Bonds, assisting the CMFA in meeting its requirements under the Continuing Disclosure Certificate.

Assuming the Board approves this financing, staff will work with the Bond finance team to determining the final Bond sizing, and the preliminary Official Statement will be finalized and posted electronically for investors to review. Assuming the market remains stable, the Authority and Piper Sandler, the bond underwriter, will hold a pre-pricing call the week of October 19, 2020 to review bond market conditions and the preliminary interest rates, after which, the Bonds will be sold. An authorized officer will then execute, on behalf of the Authority, a Bond Purchase Agreement with Piper Sandler, finalizing the bond interest rates and setting the delivery date, which is anticipated to occur the last week of October.

Fiscal Impact:

None. The Special Tax Bonds are secured solely by the Special Taxes levies within each district. Districts are not cross-collateralized, meaning each district is only responsible for their debt service. Costs of issuance are payable solely from Bond proceeds.

In accordance with Government Code 5852.1, the following information consists of estimates of certain costs and charges for the Bonds that have been provided by the underwriter, Piper Sandler & Co., which has been represented by such party to have been provided in good faith: (1) estimated true interest cost of the Bonds: 4.334%; (2) estimated finance charge of the Bonds (sum of all fees and charges paid to third parties): $350,000; (3) estimated amount of proceeds of the Bonds received (net of finance charges, reserves and capitalized interest, if any): $7,285,000; and (4) estimated total payment amount (sum total of all payments to pay debt service on the Bonds plus the finance charge not paid with proceeds of the Bonds) calculated to the final maturity of the Bonds: $10,243,000.

Terms of Transaction:

Amount:	$18,385,000
Maturity:	September 1, 2050
Security:	Revenue Pledge and Lien, Special Taxes
Bond Purchasers:	Public Offering; Retail and Institutional Investors
Rating:	Unrated
Estimated Closing:	October 29, 2020

Finance Team:

Underwriter:	Piper Sandler & Co.
Bond/Disclosure Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Underwriters Counsel:	Stradling Yocca Carlson & Rauth, PC
Project Administrator:	Francisco & Associates
CFD Administrator:	Goodwin & Associates
Trustee:	U.S. Bank National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution to issue the special tax revenue bonds and the CFD bonds on behalf of each of the districts for an amount not to exceed $18,385,000. Additionally, an exception to the CMFA BOLD Policies and Procedures relating to the 4:1 value to lien ratio for the California Municipal Finance Authority Community Facilities District No. 2020-4 (County of Sacramento – Barrett Ranch East) is being requested.

EXHIBIT A

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-8
(COUNTY OF PLACER – EUREKA GROVE)

COMMUNITY FACILITIES DISTRICT HEARING REPORT

CONTENTS

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-8
(COUNTY OF PLACER – EUREKA GROVE)

INTRODUCTION

The Board of Directors (the "**Board**") of the California Municipal Financing Authority (the "Authority") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "**Act**"), on August 28, 2020, adopt a resolution entitled, "Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Its Intention to Establish the California Municipal Finance Authority Community Facilities District No. 2020-8 (County of Placer – Eureka Grove), and to Levy a Special Tax Therein to Finance the Acquisition and Construction of Certain Public Facilities and Development Impact Fees for such Community Facilities District" (the "**Resolution of Intention**"). In the Resolution of Intention, the Board expressly ordered the preparation of a written Community Facilities District Report (the "**Report**") for the proposed California Municipal Finance Authority Community Facilities District No. 2020-8 (County of Placer – Eureka Grove) (the "**CFD**").

The Resolution of Intention ordering the Report directed that the Report generally contain the following:

(a) A description of the facilities (the "**Facilities**") by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Facilities including the cost of acquisition of lands, rights-of-way and easements, any physical facilities required in conjunction therewith and incidental expenses in connection therewith, including the costs of the proposed bond financing and other debt and all other related costs as provided in Section 53345.3 of the Act.

For particulars, reference is made to the Resolution of Intention for the CFD, as previously approved and adopted by the Board.

NOW, THEREFORE, the following data is submitted pursuant to the direction of the Board:

A. DESCRIPTION OF FACILITIES. A general description of the proposed Facilities is provided in Exhibit "A" attached hereto and hereby made a part hereof.

B. COST ESTIMATES. Cost estimates for the proposed Facilities are set forth in Exhibit "B" attached hereto and hereby made a part hereof.

C. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. The proposed boundaries of the CFD are those properties and parcels on which special taxes may be levied to pay for the Facilities. The proposed boundaries of the CFD are identified in the map entitled "Proposed Boundary of California Municipal Finance

Authority Community Facilities District No. 2020-8 (County of Placer – Eureka Grove), Placer County, State of California" which has been recorded in the office of the Placer County Recorder.

D. RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX. All of the property located within the CFD boundaries, unless exempted by law or by the Rate and Method of Apportionment of Special Tax (the "**RMA**"), shall be taxed for the purpose of financing the Facilities. The Board will annually determine the actual amount of the special tax levy based on the method and subject to the Maximum Special Tax rates contained in the RMA. The RMA is provided in Exhibit "C" attached hereto and hereby made a part hereof.

EXHIBIT A

California Municipal Finance Authority
Community Facilities District No. 2020-8
(County of Placer – Eureka Grove)

DESCRIPTION OF THE PROPOSED FACILITIES

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

Development Impact Fees

The CFD may finance any fees payable to the County of Placer (the "County"), the Roseville Joint Union High School District ("High School District"), the Eureka Union School District Fee ("K-8 School District"), the South Placer Fire District ("Fire District") or the South Placer Regional Transportation Authority ("SPRTA"), the proceeds of which will be used to fund all or a portion of the cost of public facilities with a useful life of five (5) years or more for which the parcels within the CFD have a fair-share responsibility.

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

- County Traffic Impact Fee
- County Capital Facilities Fee
- County Park Impact Fee
- County Sewer Facilities Fee
- High School District Fee
- K-8 School District Fee
- Fire District Impact Fee
- SPRTA Impact Fee

Administrative and Incidental Expenses

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

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

1. The levy and collection of the special taxes
2. The fees and expenses of attorneys and consultants
3. Any fees related to the collection of special taxes
4. An allocable share of the salaries and benefits of any CMFA and County staff, or consultant fees, directly related thereto and a proportionate amount of CMFA's and the County's general administrative overhead related thereto
5. Any amounts paid by CMFA and the County with respect to the CFD
6. Expenses incurred in undertaking action to foreclose on properties for which the payment of special taxes is delinquent
7. Administrative fees of CMFA and the County and the bond trustee or fiscal agent related to the CFD and the bonds issued by or for the CFD
8. Costs related to the formation of the CFD
9. Reimbursement of costs related to the formation of the CFD advanced by CMFA and the County, the landowner(s) in the CFD or any party related to any of the foregoing, as well as reimbursement of any costs advanced by CMFA and the County, the landowner(s) in the CFD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD
10. Costs related to the issuance of bonds by or for the CFD, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, fees and expenses of bond counsel, disclosure counsel, special tax consultant, municipal advisor and appraiser, bond remarketing costs, and all other incidental expenses
11. All other costs and expenses of CMFA or the County in any way related to the CFD.

EXHIBIT B

California Municipal Finance Authority
Community Facilities District No. 2020-8
(County of Placer – Eureka Grove)

COST ESTIMATES

The following is a summary of the estimated costs of acquisition and construction of the Facilities. In addition, the CFD will finance bond and other debt issuance costs, capitalized interest, a debt service reserve fund, the costs of forming the CFD and other costs associated with the sale of bonds and annual administration of the CFD.

Facilities	Estimated Cost
Placer County Traffic Impact Fee	$422,031
Placer County Capital Facilities Fee	$309,167
Placer County Park Mitigation Fee	$376,740
Roseville Joint Union High School District Fee	$284,400
South Placer Regional Transportation Fee	$41,728
Placer County Fire Facilities Impact Fee	$111,864
Placer County Sewer Facilities Fee	$655,344
Eureka Union School District Fee	$589,536
Total	**$2,790,810**

EXHIBIT C

California Municipal Finance Authority
Community Facilities District No. 2020-8
(County of Placer – Eureka Grove)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-8
(COUNTY OF PLACER – EUREKA GROVE)

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. 2020-8 (County of Placer – Eureka Grove) shall be levied and collected according to the tax liability determined by the Board through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

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

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

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

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

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

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

"Board" means the Board of Directors of CMFA.

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

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

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

"CFD" means the California Municipal Finance Authority Community Facilities District No. 2020-8 (County of Placer – Eureka Grove).

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

"CMFA" means the California Municipal Finance Authority.

"County" means the County of Placer.

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

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

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

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

"Final Map" means a final map, or portion thereof, approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots and/or SFA 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 and/or SFA Lots, including Assessor's Parcels that are designated as remainder parcels.

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

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

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

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

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

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

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

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

"Other Property" means any Parcel of 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 County, federal government, State of California, or other public agency.

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

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

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

"SFA Lot" means a residential lot that is expected to be developed as Single Family Attached Property which, at the time of CFD formation, included lots 29 through 72, as shown in Attachment 1 hereto.

"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 Final Map Property or Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of CMFA, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of CMFA.

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

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

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

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

"Undeveloped Property" means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property, Developed Property, Taxable 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 Detached Property, Single Family Attached Property, or Other Property; (iii) for Final Map Property, determine whether each Parcel is an SFD Lot or an SFA Lot; (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 2020-21 *
Single Family Detached Property	$3,180 per Residential Unit
Single Family Attached Property	$2,080 per Residential Unit
Other Property	$30,508 per Acre

*** On July 1, 2021, 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 $3,180 per SFD Lot and $2,080 per SFA Lot for Fiscal Year 2020-21, which amount shall increase on July 1, 2021 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 $30,508 per Acre for Fiscal Year 2020-21, which amount shall increase on July 1, 2021, 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.

4. *Reduction in Maximum Special Tax Prior to First Bond Sale*

At the request of the developer/builders, the Special Taxes set forth in Table 1 may be proportionately or disproportionately reduced <u>once</u> prior to the First Bond Sale. Such reduction shall be made without a vote of the qualified electors within the CFD following discussion with the developers/builders and CMFA. 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 <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: (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 Requirement"** means either $2.8 million in 2020 dollars, which shall increase on January 1, 2021, 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 Requirement shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change or prepayment; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.
>
> **"Remaining Facilities Costs"** means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity, and any other source of funding.

1. Full Prepayment

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

Bond Redemption Amount	
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
<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.

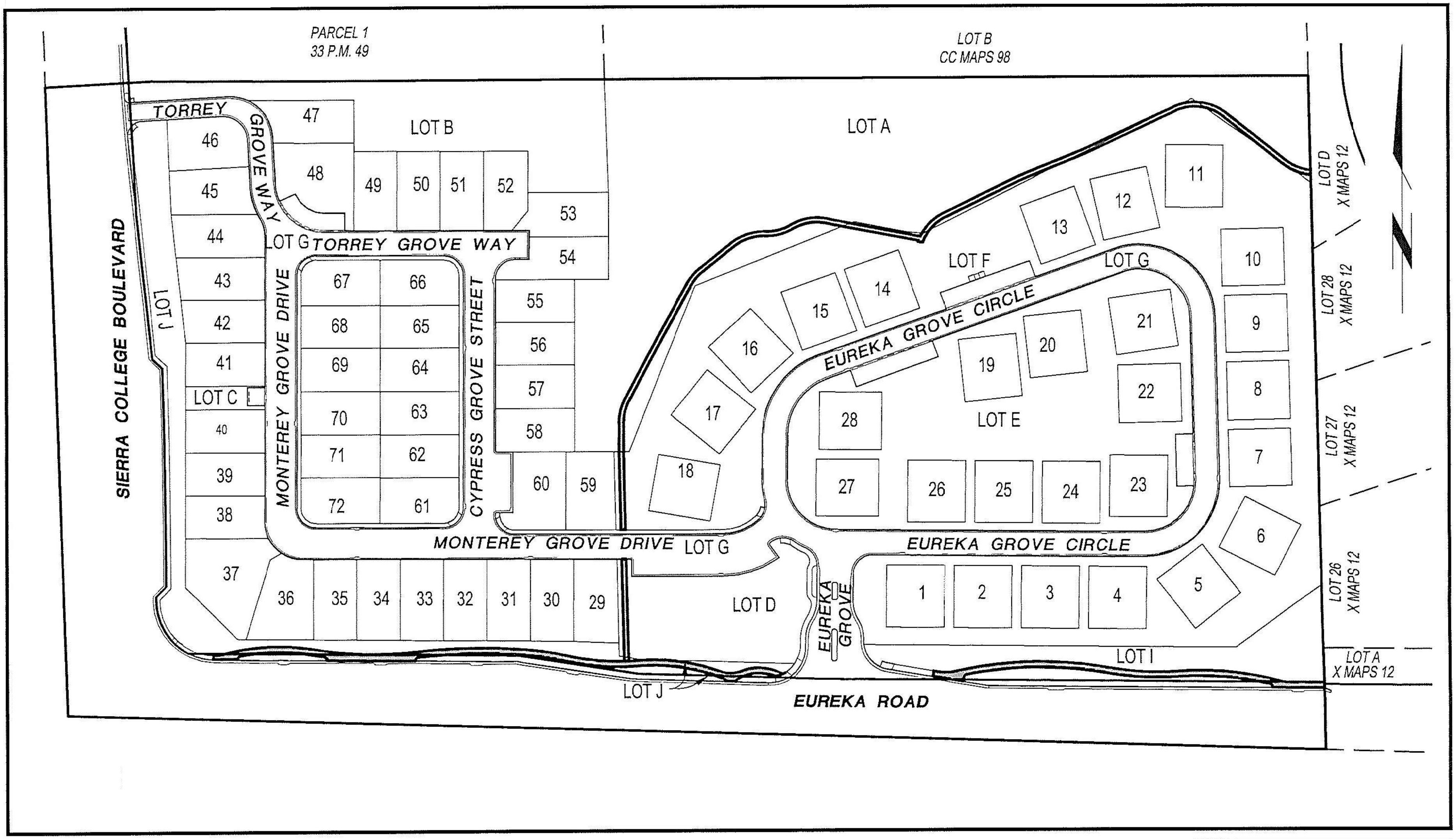
Once a full prepayment of a Parcel's Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel's obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not 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.



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DRAWN:	MJC	JOB NO:	050096.03
CHECKED:	MJC	DATE:	JULY 2020
SCALE:	1"=150'	SHEET:	1 of 1

EUREKA GROVE
ATTACHMENT 1
EXPECTED LOT LAYOUT
SFD LOTS: LOTS 1-28
SFA LOTS: LOTS 29-72

ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2020-8
(County of Placer – Eureka Grove)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use	Expected Units / Acres	Base Special Tax (FY 2020-21) *	Expected Maximum Special Tax Revenues (FY 2020-21) *
Single Family Detached Property	28 Residential Units	$3,180 per Residential Unit	$89,040
Single Family Attached Property	44 Residential Units	$2,080 per Residential Unit	$91,520
Other Property	0 Acres	$30,508 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2020-21 $)			**$180,560**

* On July 1, 2021, 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.

EUREKA GROVE COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Patterson Properties
Action:	Approval
Amount:	$6,500,000
Purpose:	Approve Resolutions Forming CMFA Community Facilities District No. 2020-8 (County of Placer—Eureka Grove), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election
Activity:	BOLD/ Community Facilities District
Meeting:	October 9, 2020

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The County of Placer (the "County") is a member of the CMFA and a participant in BOLD. Patterson Properties (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 County. The CMFA and the County previously accepted such application, and on August 28, 2020, 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 9, 2020 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 County, the CMFA needs to form a community facilities district. On August 28, 2020, 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. 2020-8 (County of Placer – Eureka Grove) (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. 2020-8 (County of Placer – Eureka Grove).

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. 2020-8 (County of Placer – Eureka Grove) (the "Resolution Determining Necessity").

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. 2020-8 (County of Placer – Eureka Grove) (the "Resolution Calling Election"). The election is allowed to be held as part of this meeting since timing waivers from 100% of the landowner voters have been received by the CMFA. The Secretary will canvass the results of the landowner election. These ballots have already been received by the Secretary.

The Board of Directors of the CMFA can then proceed to adopt a resolution declaring the results of the landowner election for the CFD and directing filing of the Notice of the Special Tax Lien with the County Recorder for Placer County. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in California Municipal Finance Authority Community Facilities District No. 2020-8 (County of Placer – Eureka Grove) (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 9, 2020, the ordinance can be finally adopted at a subsequent Board meeting.

<u>The Project</u>:

Patterson Properties is developing 22 gross acres (15 net acres) of property in Placer County as finished lots, which will be sold to a merchant home builder for construction of 72 homes. Of the 72 homes, 44 will be single-family attached units, and 28 will be single family detached units. The property owner is in contract to sell the property to the New Home Company, which is a public builder that develops properties nationally. The transfer of property is expected to occur by November, 2020, with model construction to begin shortly thereafter.

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 $6,500,000 on behalf of the CFD and all improvement areas therein.

Authorized Facilities:

Authorized facilities include any facilities authorized by the Mello-Roos Community Facilities Act of 1982 ("Mello-Roos Act") that are financed in whole or in part by development impact fees, whether City, County, or other local agency fees levied in connection with development of the property. The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

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

- County Traffic Impact Fee
- County Capital Facilities Fee
- County Park Impact Fee
- County Sewer Facilities Fee
- High School District Fee
- K-8 School District Fee
- Fire District Impact Fee
- SPRTA Impact Fee

Authorized facilities also include Administrative and Incidental Expenses.

Future Action:

The Ordinance Levying Special Taxes will need to be finally adopted at a future meeting of the Board of Directors. Bonds payable from the special taxes are expected to be issued in the first quarter of 2021, subject to further resolution and approval. This project will be pooled with other projects as a pooled financing.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Formation, the Resolution Determining Necessity to Incur Bonded Indebtedness in an amount not to exceed $6,500,000, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.

EXHIBIT A

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-10
(CITY OF LINCOLN – TWELVE BRIDGES)

COMMUNITY FACILITIES DISTRICT HEARING REPORT

CONTENTS

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-10
(CITY OF LINCOLN – TWELVE BRIDGES)

INTRODUCTION

The Board of Directors (the "**Board**") of the California Municipal Financing Authority (the "Authority") did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (the "**Act**"), on August 28, 2020, adopt a resolution entitled, "A Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Its Intention to Establish the California Municipal Finance Authority Community Facilities District No. 2020-10 (City of Lincoln – Twelve Bridges) and to Levy a Special Tax Therein to Finance the Acquisition and Construction of Certain Public Facilities and Development Impact Fees for such Community Facilities District" (the "**Resolution of Intention**"). In the Resolution of Intention, the Board expressly ordered the preparation of a written Community Facilities District Report (the "**Report**") for the proposed California Municipal Finance Authority Community Facilities District No. 2020-10 (City of Lincoln – Twelve Bridges) (the "**CFD**").

The Resolution of Intention ordering the Report directed that the Report generally contain the following:

(a) A description of the facilities (the "**Facilities**") by type which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Facilities including the cost of acquisition of lands, rights-of-way and easements, any physical facilities required in conjunction therewith and incidental expenses in connection therewith, including the costs of the proposed bond financing and other debt and all other related costs as provided in Section 53345.3 of the Act.

For particulars, reference is made to the Resolution of Intention for the CFD, as previously approved and adopted by the Board.

NOW, THEREFORE, the following data is submitted pursuant to the direction of the Board:

A. DESCRIPTION OF FACILITIES. A general description of the proposed Facilities is provided in Exhibit "A" attached hereto and hereby made a part hereof.

B. COST ESTIMATES. Cost estimates for the proposed Facilities are set forth in Exhibit "B" attached hereto and hereby made a part hereof.

C. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. The proposed boundaries of the CFD are those properties and parcels on which special taxes may be levied to pay for the Facilities. The proposed boundaries of the CFD are identified in the map entitled "Proposed Boundary of California Municipal Finance

Authority Community Facilities District No. 2020-10 (City of Lincoln – Twelve Bridges), Placer County, State of California" which has been recorded in the office of the Placer County Recorder.

D. RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX. All of the property located within the CFD boundaries, unless exempted by law or by the Rate and Method of Apportionment of Special Tax (the "**RMA**"), shall be taxed for the purpose of financing the Facilities. The Board will annually determine the actual amount of the special tax levy based on the method and subject to the Maximum Special Tax rates contained in the RMA. The RMA is provided in Exhibit "C" attached hereto and hereby made a part hereof.

EXHIBIT A

California Municipal Finance Authority
Community Facilities District No. 2020-10
(City of Lincoln – Twelve Bridges)

DESCRIPTION OF THE PROPOSED FACILITIES

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

FACILITIES

Transportation Improvements

Public roadway improvements, including but not limited to:
- Ridgecrest Drive
- Mackinac Drive
- Chesapeake Way

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

Wastewater System Improvements

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

Potable and Non-Potable Water System Improvements

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

Drainage System Improvements

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

Landscaping and Open Space Improvements

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

Park, Parkways, and Trails

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

Other Public Facilities

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

Assessment District No. 95-1 Bond Payoff

<u>FEES FINANCING PUBLIC IMPROVEMENTS</u>

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

City of Lincoln

- City Water Connection Fee
- City Sewer Fees
- Public Facilities Element Fees
- City Transportation Fee
- City Drainage Fee

Placer County

- County Capital Facilities Fee

Placer County Transportation Agency

- SPRTA Tier 1 Fee

Western Placer Unified School District

- School Impact Fee

ADMINISTRATIVE AND INCIDENTAL EXPENSES

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

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

1. The levy and collection of the special taxes
2. The fees and expenses of attorneys and consultants
3. Any fees related to the collection of special taxes

4. An allocable share of the salaries and benefits of any CMFA and City staff, or consultant fees, directly related thereto and a proportionate amount of CMFA's and the City's general administrative overhead related thereto
5. Any amounts paid by CMFA and the City with respect to the CFD
6. Expenses incurred in undertaking action to foreclose on properties for which the payment of special taxes is delinquent
7. Administrative fees of CMFA and the City and the bond trustee or fiscal agent related to the CFD and the bonds issued by or for the CFD
8. Costs related to the formation of the CFD
9. Reimbursement of costs related to the formation of the CFD advanced by CMFA and the City, the landowner(s) in the CFD or any party related to any of the foregoing, as well as reimbursement of any costs advanced by CMFA and the City, the landowner(s) in the CFD or any party related to any of the foregoing, for facilities, fees or other purposes or costs of the CFD.
10. Costs related to the issuance of bonds by or for the CFD, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, fees and expenses of bond counsel, disclosure counsel, special tax consultant, municipal advisor and appraiser, bond remarketing costs, and all other incidental expenses.
11. All other costs and expenses of CMFA or the City in any way related to the CFD.

EXHIBIT B

California Municipal Finance Authority
Community Facilities District No. 2020-10
(City of Lincoln – Twelve Bridges)

COST ESTIMATES

The following is a summary of the estimated costs of acquisition and construction of the Facilities. In addition, the CFD will finance bond and other debt issuance costs, capitalized interest, a debt service reserve fund, the costs of forming the CFD and other costs associated with the sale of bonds and annual administration of the CFD.

Facilities	**Estimated Cost**
City of Lincoln	
City Traffic Fee	$212,628
PFE Infrastructure – Sewer	$53,357
PFE Infrastructure – Water Transmission & Storage	$60,402
PFE Infrastructure – Drainage (So. Of Auburn Ravine)	$248,840
PFE – Community Services	$2,175,900
Cemetery Fee	$63,507
Subtotal	$2,814,634
PCTPA	
Tier 1 SPRTA Regional Traffic Fees	$481,096
Placer County	
Placer County Capital Facilities Fee	$703,490
Total Fees	**$3,999,220**
Assessment District 95-01 Payoff	$650,000
Purchase of Fee Credits from Land Seller	$6,213,291
Total Facilities and Fees	**$10,862,511**

EXHIBIT C

California Municipal Finance Authority
Community Facilities District No. 2020-10
(City of Lincoln – Twelve Bridges)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CALIFORNIA MUNICIPAL FINANCE AUTHORITY
COMMUNITY FACILITIES DISTRICT NO. 2020-10
(CITY OF LINCOLN – TWELVE BRIDGES)

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. 2020-10 (City of Lincoln – Twelve Bridges) 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 or 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. 2020-10 (City of Lincoln – Twelve Bridges).

"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 SFD 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 in the CFD 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.

“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.

"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. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered an SFD Unit for purposes of levying the Special Tax.

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

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

C. MAXIMUM SPECIAL TAX

1. Developed Property

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

Table 1
Base Special Tax
Developed Property

Special Tax Category	Base Special Tax Fiscal Year 2020-21 *
Single Family Detached Property	$1,600 per SFD Unit
Other Property	$11,017 per Acre

*** On July 1, 2021, 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 $1,600 per SFD Lot for Fiscal Year 2020-21, which amount shall increase on July 1, 2021 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 $11,017 per Acre for Fiscal Year 2020-21, which amount shall increase on July 1, 2021, 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 an SFD 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 Requirement" means either $8,750,000 in 2020 dollars, which shall increase on January 1, 2021, 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 Requirement shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

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

1. Full Prepayment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. *Partial Prepayment*

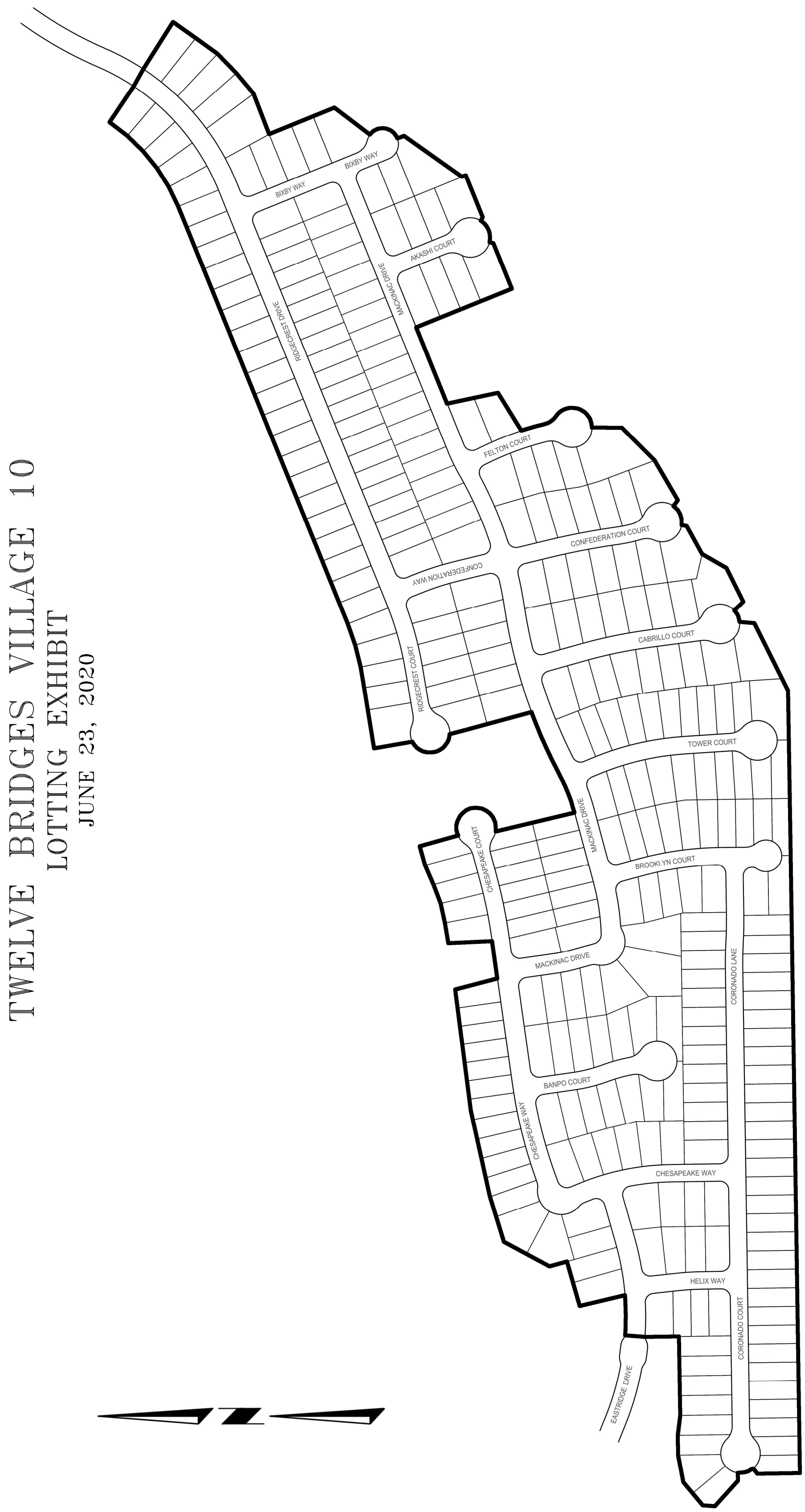
A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can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

I. INTERPRETATION OF RMA

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

Attachment 1
Twelve Bridges
Expected Lot Layout

306 Lots Total



Revised: 8/5/2020

ATTACHMENT 2

California Municipal Finance Authority
Community Facilities District No. 2020-10
(City of Lincoln – Twelve Bridges)

Expected Land Uses and Expected Maximum Special Tax Revenues

Land Use	**Expected Units / Acres**	**Base Special Tax (FY 2020-21) ***	**Expected Maximum Special Tax Revenues (FY 2020-21) ***
Single Family Detached Property	306 SFD Units	$1,600 per SFD Unit	$489,600
Other Property	0 Acres	$11,017 per Acre	$0
Expected Maximum Special Tax Revenues (FY 2020-21 $)			**$489,600**

* On July 1, 2021, 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.

TWELVE BRIDGES COMMUNITY FACILITIES DISTRICT
SUMMARY AND RECOMMENDATIONS

Applicant:	Taylor Morrison of California LLC, A California Limited Liability Corporation
Action:	Approval
Amount:	$16,360,000
Purpose:	Approve Resolutions Forming CMFA Community Facilities District No. 2020-10 (City of Lincoln—Twelve Bridges), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election
Activity:	BOLD/ Community Facilities District
Meeting:	October 9, 2020

Background and Resolutions:

The CMFA's BOLD Program ("BOLD") utilizes the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 et seq.) (the "Act") to raise revenues for the infrastructure needs of local agencies in California. The City of Lincoln (the "City") is a member of the CMFA and a participant in BOLD. Taylor Morrison (the "Developer") previously submitted an application to the CMFA to use BOLD in relation to the Developer's proposed development of certain property located in the City. The CMFA and the City previously accepted such application, and on August 28, 2020, 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 9, 2020 will complete the formation of the community facilities district and authorize the levying of special taxes and incurrence of bonded indebtedness for the community facilities district.

As an initial step in using BOLD for the financing of public infrastructure to be owned by a local agency such as the City, the CMFA needs to form a community facilities district. On August 28, 2020, 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. 2020-10 (City of Lincoln – Twelve Bridges) (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. 2020-10 (City of Lincoln – Twelve Bridges).

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. 2020-10 (City of Lincoln – Twelve Bridges) (the "Resolution Determining Necessity").

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. 2020-10 (City of Lincoln – Twelve Bridges) (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 City Recorder for Placer County. A resolution meeting the requirements of the Act is presented at this meeting in the form of a Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in California Municipal Finance Authority Community Facilities District No. 2020-10 (City of Lincoln – Twelve Bridges) (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 9, 2020, the ordinance can be finally adopted at a subsequent Board meeting.

The Project:

Taylor Morrison is developing 77.8 gross acres (69.4 net acres) of property in the City of Lincoln. Taylor Morrison will develop for sale 308 single-family homes for sale to individual homeowners. These will include:

- Arlington at Twelve Bridges—150 units ranging in size from 1,706-2,321. Expected starting price of mid-$400k;
- Belmont at Twelve Bridges—62 units ranging in size from 2,143-2,777. Expected starting price in the high-$400k;
- Saratoga at Twelve Bridges—96 units ranging in size from 2,777-3,032. Expected starting price in the low-$500k.

Land Development Status:

- Phase 1: Final Map recorded (115 lots). Physical development complete pending final tract acceptance from the City.
- Phase 2: Final Map expected Q4 2020 (97 lots). Land development is in process with completion anticipated Q4 2020.
- Phase 3: Final Map processing not yet started (94 lots). Mass grading complete. Improvement plans are under review by the City of Lincoln. Development is anticipated to start Q4 2020 and be complete Q2 2021.
- Total lot count is 306 (2 less than initially reported on the BOLD Application)

Home Construction Status:

- Model complex consists of eight (8) homes representing three (3) product lines and a 960 s.f. pit set temporary trailer which serves as the main sales office for all product lines. The sales trailer has been open to the public since early June 2020.
- The model homes are not yet open to the public, but final occupancy for all models is anticipated to be granted by the City of Lincoln.
- 45 homes are under construction to include the 8 models, 7 spec homes, and 30 sold homes.
- 54 homes are sold/under contract with 14 sold homes scheduled to start upon issuance of building permit. An additional 10 spec homes are also scheduled to start upon issuance of building permit.
- First closing scheduled for mid-November 2020. A total of 19 homes are anticipated to close in 2020.

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 $16,360,000 on behalf of the CFD and all improvement areas therein.

<u>Authorized Facilities</u>:

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

Transportation Improvements
Wastewater System Improvements
Potable and Non-Potable Water System Improvements
Drainage System Improvements
Landscaping and Open Space Improvements
Park, Parkways, and Trails

Other Public Improvements
Assessment District No. 95-1 Bond Payoff

The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

City of Lincoln

- City Water Connection Fee
- City Sewer Fees
- Public Facilities Element Fees
- City Transportation Fee
- City Drainage Fee

Placer County

- County Capital Facilities Fee

Placer County Transportation Agency

- SPRTA Tier 1 Fee

Western Placer Unified School District

- School Impact Fee

Authorized facilities also include Administrative and Incidental Expenses.

Future Action:

The Ordinance Levying Special Taxes will need to be finally adopted at a future meeting of the Board of Directors. Bonds payable from the special taxes are expected to be issued in the first quarter of 2021, subject to further resolution and approval. This project may be pooled with other projects as a pooled financing or may be issued on a stand-alone basis.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolution of Formation, the Resolution Determining Necessity to Incur Bonded Indebtedness in an amount not to exceed $16,360,000, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.

California Municipal Finance Authority
Statement of Income and Expense vs. Budget
July 2020 through September 2020

	Jul - Sep 20	Budget	$ Over Budget
Income			
Annual Fee Income	1,214,339	1,200,000	14,339
Application Fee Income	3,000	2,500	500
Issuance Fees	964,435	650,000	314,435
Total Income	2,181,774	1,852,500	329,274
Expense			
Charitable Grants - Restricted	0	25,000	-25,000
Charitable Grants -Unrestricted	408,686	563,075	-154,389
Professional Fees	1,195,276	989,000	206,276
JPA Member Distributions	317,978	217,000	100,978
Outside Services	2,785	1,000	1,785
Bank Service Charges	2,064	800	1,264
Insurance	26,902	27,500	-598
Marketing	10,500	15,000	-4,500
Travel & Entertainment	0	4,500	-4,500
Total Expense	1,964,191	1,842,875	121,316
Net Ordinary Income	217,583	9,625	207,958
Interest Income	459	375	84
Net Income	**218,042**	**10,000**	**208,042**

California Municipal Finance Authority
Statement of Income and Expense
July 2020 through September 2020

	Jul - Sep 20	Jul - Sep 19	$ Change
Income			
Annual Fee Income	1,214,339	1,147,541	66,798
Application Fee Income	3,000	0	3,000
Issuance Fees	964,435	631,852	332,583
Other Income - PACE	0	175,000	-175,000
Total Income	2,181,774	1,954,393	227,381
Expense			
Charitable Grants - Restricted	0	14,406	-14,406
Charitable Grants -Unrestricted	408,686	268,424	140,262
Professional Fees	1,195,276	955,924	239,352
JPA Member Distributions	317,978	113,170	204,808
Outside Services	2,785	2,145	640
Bank Service Charges	2,064	1,739	325
Insurance	26,902	23,881	3,021
Marketing	10,500	15,400	-4,900
Travel & Entertainment	0	4,033	-4,033
Total Expense	1,964,191	1,399,122	565,069
Net Ordinary Income	217,583	555,271	-337,688
Interest Income	459	559	-100
Net Income	**218,042**	**555,830**	**-337,788**

California Municipal Finance Authority
Statement of Financial Position
As of September 30, 2020

	Sep 30, 20	Sep 30, 19	$ Change
ASSETS			
Wells Checking (#4713)	871,526	1,294,090	-422,564
Wells CDLAC (#8131)	6,460,481	2,721,952	3,738,529
Total Checking/Savings	7,332,007	4,016,042	3,315,965
Accounts Receivable	39,137	42,285	-3,148
Prepaid Expenses	88,803	63,009	25,794
TOTAL ASSETS	**7,459,947**	**4,121,336**	**3,338,611**
LIABILITIES & EQUITY			
Liabilities			
Accounts Payable	65,835	133,178	-67,343
Accrued Expenses	64,037	92,006	-27,969
Refundable Deposits	6,460,481	2,721,952	3,738,529
Total Liabilities	6,590,353	2,947,136	3,643,217
Equity			
Retained Earnings	651,552	618,370	33,182
Net Income	218,042	555,829	-337,787
Total Equity	869,594	1,174,199	-304,605
TOTAL LIABILITIES & EQUITY	**7,459,947**	**4,121,335**	**3,338,612**

INFORMATIONAL ITEMS FOR THE CMFA
SUMMARY AND RECOMMENDATIONS

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

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

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

PROCEDURAL ITEMS FOR THE CFSC
SUMMARY AND RECOMMENDATIONS

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

Index of Charities

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 40,000 8/7/2020 List Date 8/7/2020

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;

Family Promise of the Verdugos

PO BOX 1307

BURBANK , CA 91507 County Los Angeles

http://familypromiseverdugos.org

FEIN 26-2458342 Founded: 2010

Previous Donation: (•) Yes ( ) No 35,000 6/28/2019 List Date 6/28/2019

Mission:

To assist families experiencing homelessness gain indpendence by transitioning into permanent housing and employment with the support of our community.

Family Promise of the Verdugos, FPV, opened in July 2010. It is one of over 201 networks across the country affiliated with Family Promise, a national non-profit organization committed to helping homeless families to achieve lasting independence. Family Promise helps mobilize communities by providing safe shelter, meals, and support services for homeless families. With the help of local congregations and volunteers, Family Promise of the Verdugos serves the geographic area that includes: Burbank, Glendale, North Hollywood, Pasadena, La Crescenta and Eagle Rock, California.

Impact:

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

Financial Information: IRS Form 990 for FY 2019

Revenues:	Amount	%	Notes
Government/Earned	$225,404	42.6%	
Contributions	301,108	56.9%	
Other	2,564	0.5%	
Total Revenue:	$529,076	100.0%	
Expenses:			
Program	$465,695	82.7%	
Administration	97,600	17.3%	
Fund Raising			
Total Expenses:	$563,295	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($34,219)		
Net Assets:	$357,087		

BOD: Kathy Sessinghaus; Jessa Freemyer; Patrick Garney; Darrin Borders; Jodi Reneaud; Kenny Pawlek; Dawn Greenwood; Frieda Hovsepian; Pastor Todd Leonard; Diana Moreno; Carol Nunez; Christine Rumfola; Dan Soderstrom; Joylene Wagner; +3

Give Every Child A Chance

322 Sun West Place

Manteca , CA 95337 County San Joaquin

www.gecac.net

FEIN 68-0399384 Founded: 1997

Previous Donation: (•) Yes ( ) No 10,000 6/26/2020 List Date 6/26/2020

Mission:

We believe every child should be given a chance to be successful. We further believe that community volunteers; working as academic mentors and tutors, together with the school districts will provide free assistance to children struggling in school the opportunity to improve academically and become successful lifelong learners. It is our mission to give every child a chance! From the founders, board of directors, community partners, corporate sponsors, mentor tutors, every aspect of GECAC is driven by the generosity of community volunteers. Because of the efforts of literally hundreds of volunteers, GECAC is able to offer its tutoring services AT NO COST. Churches, businesses, civic clubs, educational and governmental organizations, youth programming have all joined forces to work for the benefit of our children. We are committed to developing and maintaining a quality mentor program that will have a positive impact on the lives of children in our community.

Impact:

A donation would assist the program in the furtherance of their mission

Financial Information: IRS Form 990 for FY 2019

Revenues:	Amount	%	Notes
Government/Earned	$1,698,888	76.2%	
Contributions	452,057	20.3%	
Other	77,137	3.5%	
Total Revenue:	$2,228,082	100.0%	
Expenses:			
Program	$1,834,593	86.6%	
Administration	261,119	12.3%	
Fund Raising	21,544	1.0%	
Total Expenses:	$2,117,256	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$110,826		
Net Assets:	$2,311,275		

BOD: Marilyn Boston; Gariela Nuno; Teresa Clarke; Stephanie James; Eddie Torres; Traci Holzer; Jon Serafin; John Capri; Ryan Gerding; Lori Little; Jennifer Marek; Jay Holmes; Marla Nunes; Evelyn Moore; Wes Chamberlain; Bob Elliott; Tevani Liotard; Judy

Manteca CAPS Corporation aka Valley CAPS

178 S. Austin Road

Manteca , CA 95336 County San Joaquin

www.valleycaps.org

FEIN 94-2399162 Founded: 1976

Previous Donation: (•) Yes ( ) No 10,000 10/4/2019 List Date 10/8/2020

Mission:

Our Mission Statement: To be a leading Day Program for Adults with Developmental Disabilities, by providing consumer-centered services, empowering them to achieve their full potential and beyond, maximizing their quality of life according to their choices.

Impact:

A donation would assist the program to provide services.

Financial Information: IRS Form 990 for FY 2019

Revenues:	Amount	%	Notes
Government/Earned	$3,472,293	98.6%	
Contributions	23,923	0.7%	
Other	24,864	0.7%	
Total Revenue:	$3,521,080	100.0%	
Expenses:			
Program	$3,377,220	85.9%	
Administration	552,881	14.1%	
Fund Raising			
Total Expenses:	$3,930,101	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	($409,021)		
Net Assets:	$4,885,583		

BOD: Karen McLaughlin; Diane Givens; Donna Shanon; Carol Bone; Carolyne Claybaugh; Ben Cantu; Mike Dillman; Lantz Ray; Bob Moore; Elaine Thompson; Dave Cox

North Valley Community Foundation

1811 Concord Ave., Suite 220

Chico , CA 95928 County Butte

https://www.nvcf.org/

FEIN 68-0161455 Founded: 1994

Previous Donation: (●) Yes ( ) No 15,000 4/5/2019 List Date 9/18/2020

Mission:

Our neighbors need help. The North Valley Community Foundation has activated its Wildfire Relief and Recovery Fund to support those displaced by wildfires, including the lightning fires in Glenn and Tehama counties.

This fund will raise money to support nonprofits and agencies providing immediate assistance to evacuees, animals and others impacted by the fires in Glenn and Tehama counties and will expand as needed to support those displaced by the recent fires in our area.

Impact:

The donation would be given to various direct service organizations affected by the wild fires.

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$361,482	3.2%	Send check to Fire Relief, North Valley Community Foundation; The Foundation Building; 1811 Concord Ave., Ste. 220; Chico, CA 95928
Contributions	10,346,207	91.4%	
Other	617,683	5.5%	
Total Revenue:	$11,325,372	100.0%	
Expenses:			
Program	$2,889,060	86.9%	
Administration	433,697	13.1%	
Fund Raising			
Total Expenses:	$3,322,757	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$8,002,615		
Net Assets:	$25,311,607		

BOD: Sherry Holbrook; Vanessa Sundin; Debbie Rossi; Diane Ruby; Earl Jessee; Janet Weitbrock; Joe Wilson; Farshad Azad; Alexa Benson-Valavanis; Monoah Mohanraj

People Assisting The Homeless (PATH)

340 North Madison Avenue

Los Angeles , CA 90004 County Santa Barbara

epath.org

FEIN 95-3950196 Founded: 1984

Previous Donation: ○ Yes ● No List Date 3/27/2020

Mission:

Our mission is to end homelessness for individuals, families, and communities. PATH envisions a world where every person has a home. Our values include creative collaborations, strategic leadership, empowerment for all, and passionate commitment.

On July 1, 2015, Casa Esperanza Homeless Shelter merged with PATH to become PATH Santa Barbara. We are very happy to be a part of the Santa Barbara community, working to rebuild lives and strengthen neighborhoods.

In Santa Barbara we provide a variety of services for our neighbors experiencing homelessness that include employment, outreach, housing navigation, interim housing, and rapid rehousing.

Impact:

A donation would be restricted to their Santa Barbara location

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$39,407,647	82.7%	
Contributions	8,173,635	17.1%	
Other	88,713	0.2%	
Total Revenue:	$47,669,995	100.0%	
Expenses:			
Program	$38,725,989	84.4%	
Administration	6,294,108	13.7%	
Fund Raising	859,009	1.9%	
Total Expenses:	$45,879,106	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$1,790,889		
Net Assets:	$10,074,366		

BOD: Harreld Adams; Ron Fox; David Alden; Michael Goldberg; Stanley Schneider; Shane Goldsmith; Julie Summers; Myrna Hant; Brian Tucker; Terry Bird; Marsha Jones Moutrie; Dylan Ward; Jame Blumenfeld; Mark Jones, Sr.; Cathy Watts; + 12 others

United Service Organizations, Inc.

2111 Wilson Blvd

Arlington, VA , CA 22201 County Los Angeles

https://bobhope.uso.org/

FEIN 13-1610451 Founded: 1941

Previous Donation: ○ Yes ◉ No List Date 3/13/2020

Mission:

Bob Hope USO provides USO services, programming and outreach at six centers and dozens of military installations across 51,000 square miles in Southern and Central California, from San Luis Obispo to the San Diego County Line.

A 501c3 non-profit organization operating centers around the world including at LAX, Ontario International Airport, Orange County at John Wayne Airport, Palm Springs International Airport, Military Entrance Processing Station Los Angeles and at March ARB Deployment Center.

The USO is not part of the federal government. A congressionally chartered, private organization, the USO relies on the generosity of individuals, organizations and corporations to support its activities, and is powered by a family of volunteers to accomplish our mission of connection.

Impact:

A donation would be directed to the **Bob Hope USO**

Financial Information: IRS Form 990 for FY 2018

Revenues:	Amount	%	Notes
Government/Earned	$20,419,020	15.1%	
Contributions	114,342,925	84.4%	
Other	793,853	0.6%	
Total Revenue:	$135,555,798	100.0%	
Expenses:			
Program	$90,292,808	69.7%	
Administration	13,282,155	10.3%	
Fund Raising	25,984,825	20.1%	
Total Expenses:	$129,559,788	100.0%	
Excess/(Deficit) of Revenues Over Expenses:	$5,996,010		
Net Assets:	$92,238,132		

BOD: 26 Members - none on our BOD

	Food Bank	City	Counties Served	Last Donated To	Previous Date
1	Alameda County Community Food Bank	Oakland	Alameda County	6/26/2020	
2	ATCAA Food Bank - Tuolumne County	Jamestown	Tuolumne County	5/8/2020	1/10/2020
3	Community Action Agency of Butte County - North State Food Bank	Chico	Butte, Colusa, Glenn, Plumas, Sierra, and Tehama County	5/8/2020	1/31/2020
4	California Emergency Foodlink	Sacramento	Sacramento County	6/26/2020	
5	Central California Food Bank	Fresno	Fresno County	4/24/2020	
6	Community Action Partnership of Kern	Bakersfield	Kern County	6/26/2020	
7	Community Action Partnership of San Bernardino County	San Bernardino	San Bernardino County	6/12/2020	
8	Community Action of Napa Valley Food Bank	Napa	Napa County	6/26/2020	
9	Community Food Bank of San Benito County	Hollister	San Benito County	1/10/2020	
10	Dignity Health Connected Living	Redding	Shasta County	1/10/2020	
11	Emergency Food Bank	Stockton	San Joaquin County	6/26/2020	
12	Feeding San Diego	San Diego	San Diego County	6/26/2020	
13	FIND - Food In Need of Distribution	Indio	Riverside County	8/7/2020	3/20/2020
14	Food Bank of Contra Costa & Solano	Concord	Contra Costa and Solano County	5/8/2020	
15	Food Bank of El Dorado County	Cameron Park	Alpine and El Dorado County	1/10/2020	
16	Food Bank for Monterey County	Salinas	Monterey County	6/26/2020	
17	Food for People	Eureka	Humboldt County	1/10/2020	
18	FOOD Share of Ventura County	Oxnard	Ventura County	6/26/2020	
19	Foodbank of Santa Barbara	Santa Barbara	Santa Barbara County	6/26/2020	
20	FoodLink for Tulare County	Exeter	Tulare County	6/26/2020	
21	Imperial Valley Food Bank	Imperial	Imperial County	8/7/2020	1/10/2020
22	Interfaith Council of Amador	Jackson	Amador County	6/26/2020	
23	The Jacobs & Cushman San Diego Food Bank	San Diego	San Diego County	1/10/2020	
24	Kings Community Action Organization	Hanford	Kings County	1/10/2020	

25	Los Angeles Regional Food Bank	Los Angeles	Los Angeles County	5/15/2020	1/10/2020
26	Mendocino Food & Nutrition Program - The Fort Bragg Food Bank	Fort Bragg	Mendocino County	1/31/2020	
27	Merced County Food Bank	Merced	Merced County	6/26/2020	
28	Orange County Food Bank	Garden Grove	Orange County	4/3/2020	1/10/2020
29	Placer Food Bank	Roseville	Placer County	6/26/2020	
30	Redwood Empire Food Bank	Santa Rosa	Sonoma County	6/26/2020	10/27/2017
31	The Resource Connection Food Bank	San Andreas	Calaveras County	1/10/2020	
32	Sacramento Food Bank and Family Services	Sacramento	Sacramento County	3/20/2020	
33	SF-Marin Food Bank	San Francisco	Marin and San Francisco County	4/3/2020	
34	Second Harvest of Silicon Valley	San Jose	Santa Clara and San Mateo County	6/26/2020	
35	Second Harvest Food Bank San Joaquin & Stanislaus	Manteca	San Joaquin and Stanislaus County	6/26/2020	10/4/2019
36	Second Harvest Food Bank Orange County	Irvine	Orange County	3/20/2020	1/10/2020
37	Second Harvest Food Bank Santa Cruz County	Watsonville	Santa Cruz County	6/26/2020	
38	SLO Food Bank	San Luis Obispo	San Luis Obispo County	6/26/2020	
39	Westside Food Bank	Santa Monica	Los Angeles County	6/26/2020	
40	Yolo Food Bank	Woodland	Yolo County	6/26/2020	2/7/2014
41	Yuba-Sutter Food Bank	Yuba City	Sutter and Yuba County	6/26/2020	

California Foundation For Stronger Communities

Statement of Income and Expense vs. Budget

July 2020 through September 2020

	Jul - Sep 20	Budget	$ Over Budget
Income			
CMFA Unrestricted Grants	405,000	559,592	-154,592
CMFA Operations Grants	3,686	3,483	203
Unrestricted Income	408,686	563,075	-154,389
CMFA Restricted Grants	12,694	25,000	-12,306
Total Income	421,380	588,075	-166,695
Expense			
Unrestricted Charity Payments	405,000	559,592	-154,592
Restricted Charity Payments	12,694	25,000	-12,306
Charitable Payments	417,694	584,592	-166,898
Accounting Fees	3,485	3,483	2
Office Supplies	201	0	201
Total Expense	421,380	588,075	-166,695
Net Ordinary Income	0	0	0
Interest Income	51	15	36
Net Income	**51**	**15**	**36**

California Foundation For Stronger Communities

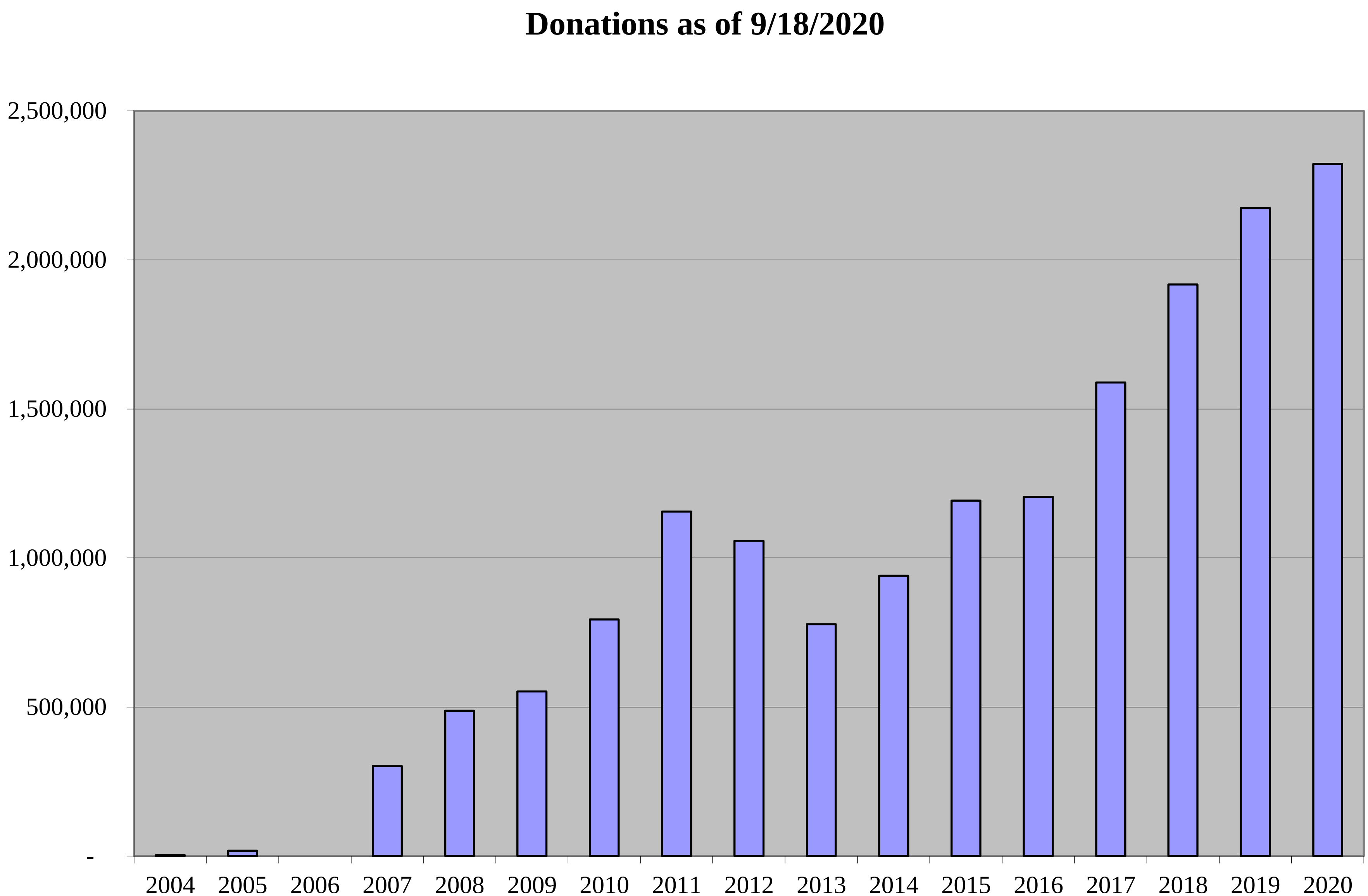
Statement of Income and Expense

July 2020 through September 2020

	Jul - Sep 20	Jul - Sep 19	$ Change
Income			
CMFA Unrestricted Grants	405,000	265,000	140,000
CMFA Operations Grants	3,686	3,424	262
Unrestricted Income	408,686	268,424	140,262
CMFA Restricted Grants	12,694	14,406	-1,712
Total Income	421,380	282,830	138,550
Expense			
Unrestricted Charity Payments	405,000	265,000	140,000
Restricted Charity Payments	12,694	14,406	-1,712
Charitable Payments	417,694	279,406	138,288
Accounting Fees	3,485	3,424	61
Office Supplies	201	0	201
Total Expense	421,380	282,830	138,550
Net Ordinary Income	0	0	0
Interest Income	51	26	25
Net Income	**51**	**26**	**25**

California Foundation For Stronger Communities
Statement of Financial Position
As of September 30, 2020

	Sep 30, 20	Sep 30, 19	$ Change
ASSETS			
Wells Fargo Checking (#4721)	5,618	5,467	151
Accounts Receivable	17,182	31,291	-14,109
TOTAL ASSETS	**22,800**	**36,758**	**-13,958**
LIABILITIES & EQUITY			
Accrued Expenses	17,182	31,291	-14,109
Total Liabilities	17,182	31,291	-14,109
Equity			
Retained Earnings	5,567	5,442	125
Net Income	51	26	25
Total Equity	5,618	5,468	150
TOTAL LIABILITIES & EQUITY	**22,800**	**36,759**	**-13,959**


Donations as of 9/18/2020
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
2020