



HEATHER GLEN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Community Housing Opportunities Corporation (CHOC)
Action:	Initial Resolution
Amount:	\$15,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Davis, Yolo County, California
Activity:	Affordable Housing
Meeting:	June 11, 2021

Background:

The Community Housing Opportunities Corporation (“CHOC”) exists to empower families through the increase of available affordable housing, substantially improving the quality of life for very low to moderate income households. This is achieved through the development of high quality, affordable, and environmentally sensitive housing; advocating for affordable housing programs; the efficient leveraging of all corporate resources; and the continuing, shared dialogue between CHOC residents, staff and board members.

Established in 1984 as a non-profit producer and advocate of affordable housing in Davis, California, CHOC empowers families through the creation of high-quality, affordable and sustainable communities. CHOC was initially engaged to build 515 of 1800 units of inclusionary housing adopted by the City of Davis during the 1980’s.

Today, CHOC has extended its sphere of influence, now sponsoring over \$150 million in affordable housing development, and with its property management subsidiary Sterling Asset Management Company, managing a 1,350-unit multi-family housing portfolio encompassing a 50-mile radius of Davis.

Their regional growth reflects CHOC’s successful track record of quality housing, responsible ownership, and effective property management. This is the CMFA’s third project with CHOC.

The Project:

The Heather Glen Apartments is the acquisition and rehabilitation of a 62-unit multifamily affordable housing apartments project. The project is located at 2324 Shasta Drive, Davis, CA. The project is made up of two- and three-bedroom units. Onsite amenities include a community building, laundry, bike storage, parking, tot-lots and a community garden. The Heather Glen project will be restricted to households earning between 30% and 60% of AMI. The Project will offer adult education services, family services, after school program and resident financial help services. The Project is located near several public transportation options, banks, parks, hospitals and other services and amenities. This financing will preserve a total of 61 units of affordable housing in the City of Davis for the next 55 years.

The City of Davis:

The City of Davis is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$7,189 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond:	\$ 11,502,820
LIH Tax Credit Equity:	\$ 1,257,027
Extended HCD RHCD Loan:	\$ 3,813,956
Extended City of Davis Loan:	\$ 64,504
Seller Carryback:	\$ 757,736
Sponsor Loan:	\$ 4,181,914
Deferred Developer Fee:	\$ 917,837
GP Equity:	\$ 1,000
Total Sources:	\$ 22,496,794

Uses of Funds:

Land Acquisition:	\$ 390,000
Building Acquisition:	\$ 8,500,000
Rehabilitation:	\$ 6,635,920
Architectural & Engineering:	\$ 625,000
Legal & Professional:	\$ 576,800
Construction Interest & Fees:	\$ 681,473
Contingency:	\$ 1,477,184
Developer Fee:	\$ 2,718,837
Other Costs*:	\$ 514,841
Costs of Issuance:	\$ 376,739
Total Uses:	\$ 22,496,794

Terms of Transaction:

Amount:	\$15,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2022

Public Benefit:

A total of 61 households will continue to enjoy high quality, independent, affordable housing in the City of Davis, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
11% (7 Units) restricted to 30% or less of area median income households; and
25% (15 Units) restricted to 35% or less of area median income households; and
11% (7 Units) restricted to 50% or less of area median income households; and
53% (32 Units) restricted to 60% or less of area median income households.
Unit Mix: 2- and 3-bedroom units
Term of Restriction: 55 years

Finance Team:

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

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$15,000,000 for the Heather Glen Apartments affordable multi-family housing facility located in the City of Davis, County of Yolo California.

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

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



REPUBLIC SERVICES, INC. PROJECT SUMMARY AND RECOMMENDATIONS

Applicant:	Republic Services, Inc.
Action:	Final Resolution
Amount:	\$202,045,000
Purpose:	Finance the Acquisition, Construction, Improvement, Renovation and Equipping of Solid Waste Disposal Facilities Located in Multiple Municipalities Throughout CA.
Activity:	Pollution Control
Meeting:	June 11, 2021

Background:

Republic Services, Inc. (the “Company” or “Republic”) is the second largest provider of non-hazardous solid waste collection, transfer, disposal, recycling, and environmental services in the United States, as measured by revenue. As of December 31, 2020, the Company, through its subsidiaries, operated facilities in 41 states through 345 collection operations, 220 transfer stations, 186 active landfills, 76 recycling processing centers, 6 treatment, recovery and disposal facilities, 9 salt water disposal wells, and 7 deep injection wells. As of December 31, 2020, through its subsidiaries, the Company was also engaged in 75 landfill gas-to-energy and renewable energy projects and had post-closure responsibility for 128 closed landfills. The Company was incorporated as a Delaware corporation in 1996.

The Project:

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

service. The CMFA expects to issue its revenue bonds designated as the “California Municipal Finance Authority Solid Waste Disposal Refunding Revenue Bonds (Republic Services, Inc. Project)” and the “California Municipal Finance Authority Solid Waste Disposal Revenue Bonds (Republic Services, Inc. Project)” in one or more series or subseries, at one time or from time to time, and with such other or further series or subseries designations as may be approved by the Authorized Signatory (defined below) executing the same, in an aggregate principal amount not to exceed two hundred two million forty-five thousand dollars (\$202,045,000), provided that the new money portion of the principal of the Bonds shall not exceed the Allocation. A full list of project location can be found on the attached Exhibit A.

Cities and Counties:

The projects are located in the Cities or unincorporated communities of Anaheim, Daly City, Fairfield, Fresno, Rancho Cordova, Richmond, San Diego, San Jose, and Stockton and the Counties of Alameda, Contra Costa, Fresno, Imperial, Los Angeles, Merced, Orange, Sacramento, San Diego, San Joaquin, San Mateo, Santa Clara, Solano and Sonoma, and other locations where Republic Services, Inc. and its affiliated have operations. The municipalities are members of the Authority and have held TEFRA hearings. The Cities and Counties will share a prorated portion of the issuance fees as part of CMFA’s fee sharing. Additionally, local non-profits will also benefit through charitable donations.

Proposed Financing(s):

Sources:	Proceeds from Bond Issuance:	\$	202,045,000
	Total Sources:	\$	202,045,000
Uses of Funds:			
	New Facilities:	\$	73,000,000
	Refunding:	\$	127,045,000
	Cost of Issuance:		2,000,000
	Total Uses	\$	202,045,000

Terms of Transaction:

Amount:	\$202,045,000
Rate Mode:	Multi-modal
Estimated Rating:	Standard & Poor’s BBB+
Maturity:	2051
Collateral:	Unsecured
Estimated Closing:	July 2021

Public Benefit:

This transaction will maintain numerous high-quality full-time jobs. In addition, the cities and counties will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes and other local revenues generated through various vendors and businesses supporting the Borrower. The environment will benefit from lower emissions due to cleaner trucks. Improving capacity and efficiency in many locations will reduce air pollution by reducing the length of truck routes and the number of trucks on the road due to the centralization

of transfer stations within the service areas. Also, improvements to the leachate collection and treatment systems, and additions and improvements to the methane gas systems at landfills will better protect the citizens within the State of California.

Finance Team:

Underwriter:	BofA Securities, Inc.
Underwriter Counsel:	Chapman and Cutler LLP
Co-Bond Counsel:	Ballard Spahr LLP and Jones Hall, APLC
Borrower Counsel:	Covington & Burling LLP
Issuer Counsel:	Jones Hall, APLC
Trustee:	Wells Fargo Bank, National Association
Rating Agency:	S&P Global Ratings

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution in the amount of up to \$202,045,000 in solid waste disposal revenue bonds for the benefit of Republic Services, Inc. to finance the acquisition, construction, improvement, renovation and equipping of solid waste disposal facilities located throughout California.

*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.

Exhibit A

Location Legal Name	Site Address	County	Asset Type	Total
Republic Waste Services of Southern California, LLC	1131 N. Blue Gum St, Anaheim, CA 92806	Orange	MRF/Transfer Station, Equipment	18,000,000
Allied Waste Services of North America, LLC	3326 Fitzgerald Road, Rancho Cordova, CA 95742	Sacramento	Trucks, Containers, Equipment	7,300,000
Republic Services Vasco Road, LLC	4001 N. Vasco Road, Livermore, CA 94551	Alameda	MRF/Transfer Station, Landfill, Equipment	27,200,000
Keller Canyon Landfill Company	901 Bailey Road, Pittsburg, CA 94565	Contra Costa	Containers/equipment, Landfill	36,800,000
Allied Waste Systems, Inc.	441 N. Buchanan Cir, Pacheco, CA 94553	Contra Costa	Trucks, Containers	16,500,000
West Contra Costa Sanitary Landfill, Inc.	One Parr Boulevard, Richmond, CA 94806	Contra Costa	Equipment, Landfill	5,700,000
West County Resource Recovery, Inc.	101 Pittsburg Ave, Richmond, CA 94801	Contra Costa	Equipment	5,700,000
Richmond Sanitary Service, Inc.	3260 Blume Dr Ste 100, Richmond, CA 94806	Contra Costa	Equipment	5,700,000
Allied Waste Services of North America, LLC	5501 N. Golden State Blvd, Fresno, CA 93722	Fresno	Trucks, Containers	10,200,000
Allied Waste Transfer Services of California, LLC	10463 N. Rice Road, Fresno, CA 93730	Fresno	Equipment	100,000
Allied Waste Transportation, Inc.	3354 Dogwood Road, Imperial, CA 92251	Imperial	Trucks, Containers	10,000,000
Imperial Landfill, Inc.	104 East Robinson Road, Imperial, CA 92251	Imperial	Landfill	8,200,000
Browning-Ferris Industries of California, Inc.	14747 San Fernando Road, Sylmar, CA 91342	Los Angeles	Landfill	172,000,000
Otay Landfill, Inc.	1700 Maxwell Road, Chula Vista, CA 91910	San Diego	Landfill	32,400,000
Allied Waste Systems, Inc.	8364 Clairmont Mesa Blvd, San Diego, CA 92111	San Diego	Trucks, Containers	8,700,000
Sycamore Landfill, Inc.	8514 Mast Boulevard, Santee, CA 92071	San Diego	Equipment, Landfill	72,200,000
Borrego Landfill, Inc.	2449 Palm Canyon Drive, Borrego Springs, CA 92004	San Diego	Trucks, Landfill	5,100,000
Ramona Landfill, Inc.	20630 Pamo Road, Ramona, CA 92065	San Diego	Trucks	100,000
Independent Trucking	1145 W. Charter Way, Stockton, CA 95206	San Joaquin	Trucks	100,000
Sunrise Sanitation Service, Inc.	1145 W. Charter Way, Stockton, CA 95206	San Joaquin	Trucks, Containers	6,200,000
Sunset Disposal Service, Inc.	1145 W. Charter Way, Stockton, CA 95206	San Joaquin	Containers	300,000
Delta Container Corporation	1145 W. Charter Way, Stockton, CA 95206	San Joaquin	Trucks, Containers	7,400,000
Forward, Inc.	9999 S. Austin Road, Manteca, CA 95336	San Joaquin	Landfill	15,900,000
Allied Waste Services of North America, LLC	1680 Edgeworth Ave, Daly City, CA 94015	San Mateo	Trucks, Containers	21,800,000
Browning-Ferris Industries of California, Inc.	12310 San Mateo Rd (Hwy 92), Half Moon Bay, CA 94015	San Mateo	Equipment, Landfill	69,800,000
International Disposal Corp. of California	1601 Dixon Landing Road, Milpitas, CA 95035	Santa Clara	Landfill	81,500,000
Solano Garbage Company	2901 Industrial Ct, Fairfield, CA 94533	Solano	Equipment	7,000,000
Potrero Hills Landfill	3675 Potrero Hills Lane, Suisun City, CA 94585	Solano	Landfill	5,000,000
Republic Services of Sonoma County, Inc.	500 Mecham Road, Petaluma, CA 94952	Sonoma	Landfill	32,700,000



LA MAESTRA COMMUNITY HEALTH CENTERS SUMMARY AND RECOMMENDATIONS

Applicant:	La Maestra Family Clinic, Inc.
Action:	Final Resolution
Amount:	\$15,000,000
Purpose:	Finance and Refinance Certain Facilities Located in the Cities of El Cajon, National City and San Diego, County of San Diego, California
Activity:	Healthcare Facilities
Meeting:	June 11, 2021

Background:

La Maestra Family Clinic, Inc., doing business as La Maestra Community Health Centers (“La Maestra” or the “Corporation”), is a California nonprofit public benefit corporation. La Maestra was established in 1991 and owns and operates 15 primary care sites, ten dental suites, and three school-based health centers in central, east and south San Diego County, California. The Corporation has been providing programs and services to more than 45,000 individuals annually. Of these, 84% of patients were living at or below 200% of the federal poverty level and 57% preferred to be provided care in a language other than English.

The community of City Heights served by La Maestra is federally designated as a Medically Underserved Area and a Medically Underserved Population. There are no county hospitals in San Diego and the small network of community clinics, like La Maestra, provides the only existing safety net.

In fiscal year 2020, the Corporation provided billable healthcare services for approximately 165,197 visits for different programs at its facilities. In addition to revenues from operations, federal, State, private foundation and local grants as well as individual donations support the Corporation.

The Corporation’s clinical services include integrative primary and specialty care, and preventive care including chronic disease management, screening, health management, physical exams, immunizations, comprehensive perinatal services, cardiology, women’s health care, in-house lab services, specialty referrals, mental health and substance use disorder counseling, medication assisted treatment (“MAT”), and integrated behavioral health, naturopathic services, chiropractic,

preventive and restorative dentistry, podiatry, job training, housing assistance, insurance eligibility, and a food pantry, among others. All health care is provided on an outpatient basis. The Corporation also provides health education and social services. La Maestra Family Dental Clinics provide a wide range of comprehensive oral health care services including free screenings, diagnostic, preventive and restorative procedures, endodontics, periodontics, prosthetics, and oral surgery.

The Project:

La Maestra Family Clinic, Inc. will use proceeds from the bonds to; (1) prepay an outstanding taxable loan which was incurred to finance a health clinic at 4066, 4074, 4082 Fairmount Avenue, in San Diego, California, (2) finance the acquisition and renovation of a building at 205-217 Highland Avenue, National City, California, for use as a new health clinic, and (3) refinance the acquisition and finance the renovation of a building at 181 Rea Avenue in El Cajon, California, for use as a new health clinic.

The County of San Diego:

The County of San Diego is a member of the CMFA and held a TEFRA hearing on May 18, 2021. Upon closing, the County is expected to receive approximately \$14,572 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	\$ 13,670,000
Equity Contribution:	<u>\$ 1,518,602</u>
Total Sources:	\$ 15,188,602

Uses of Funds:

Building Acquisition:	\$ 6,075,000
Rehabilitation:	\$ 1,553,000
DSRF:	\$ 583,804
Insurance:	\$ 742,426
Loan Repayment:	\$ 5,925,000
Cost of Issuance:	<u>\$ 309,372</u>
Total Uses:	\$ 15,188,602

Terms of Transaction:

Amount:	\$15,000,000
Maturity:	30 years
Bond Rating:	Standard & Poor’s AA- (based on CalMortgage)
Credit Enhancement:	CalMortgage
Collateral:	CalMortgage, Deed of Trust
Bond Purchasers:	Institutional & Retail Investors
Estimated Closing:	July 2021

Public Benefit:

The Corporation has been providing programs and services to more than 45,000 individuals annually. Of these, 84% of patients were living at or below 200% of the federal poverty level and 57% preferred to be provided care in a language other than English.

Finance Team:

Underwriter:	Piper Sandler & Co.
Bond Counsel:	Quint & Thimmig, LLP
Issuer Counsel:	Jones Hall APLC
Municipal Advisor:	Wulff, Hansen & Co.
Credit Enhancement Provider:	Office of Statewide Health Planning and Development (Cal-Mortgage)
Underwriter Counsel:	McDougal, Love, Boehmer, Foley, Lyon & Canlas, APC
Disclosure/Borrower Counsel:	Jennings, Strouss & Salmon P.L.C.
Trustee:	U.S. Bank National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$15,000,000 for the La Maestra Community Health Centers project located in the City of San Diego, County of San Diego, 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.