



**SPONSORSHIP OF THE NON-PROFIT HOUSING ASSOCIATION
OF NORTHERN CALIFORNIA AFFORDABLE HOUSING
LEADERSHIP AWARDS**

Subject: Sponsorship of The NPH Housing Leadership Awards

Meeting: April 7, 2023

Background:

It is expected that affordable housing leaders, peers, developers, advocates, and experts and cross-sector partners will attend the awards. As a sponsor, the benefits will be supporting NPH, exposure to hundreds of conference attendees and acknowledgment in NPH online publications.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Benefactor Sponsorship of \$5,000 for the Non-Profit Housing Association of Northern California (NPH) the Affordable Housing Leadership Awards and the Annual Affordable Housing Conference.



CALIFORNIA CONTRACT CITIES ASSOCIATION CONFERENCE

Subject: California Contract Cities Association Dinner Sponsorship

Meeting: April 7, 2023

Background:

The Mission of the California Contract Cities Associations (CCCA) is: *“To assist member cities by advocating and advancing the benefits of the contracting model, protecting local control, embracing public/private partnerships and providing educational opportunities for our membership”*. Many of the CCCA member cities are current CMFA members and have previously worked with the CMFA to promote public benefit projects in their jurisdictions.

The California Contract Cities Association's Annual Municipal Seminar is designed to provide opportunities to hear from industry leaders, build and enhance skills and get the latest on cities working together through Finance, Public Safety, and the power of Women and Latinos.

The conference will be held May 18-21, 2023, in Indian Wells. The requested sponsorship will not exceed \$4,500.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a \$4,500 sponsorship for the California Contract Cities Association's Annual Municipal Seminar Dinner.



MONUMENT SPRINGS COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant: Guntert Family and Elliott Homes, Inc.

Amount: \$23,400,000

Action: Approval

Purpose: Approve Waiver of 2nd Reading and Adoption of Ordinance
Levying Special Taxes within CMFA Community Facilities
District No. 2022-4 (City of Rocklin – Monument Springs)
Improvement Area No. 1

Activity: BOLD/ Community Facilities District

Meeting: April 7, 2023

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 Rocklin (the “City”) is a member of the CMFA and a participant in BOLD. Guntert Family and Elliott Homes, Inc. (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 November 18, 2022 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 No. 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1, and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

On March 17, 2023, 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. 2022-4:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No.

- 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1 (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. 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1 (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. 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1 (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. 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1 (the “Resolution Declaring Election Results”).

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2022-4 at the April 7, 2023, 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 County.

The Project:

Improvement Area No. 1 of the CFD will include 95 single family units known as Vista Oaks. Improvement Area No. 1 will include three final maps. The final map for the first 41 lots was recorded in October of 2022. No development has been started to-date but site development is anticipated to commence in the Spring of 2023.

Additional property will be annexed into the CFD in the future. The exact timing of the annexation is yet to be determined.

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 not to exceed \$23,400,000 on behalf of the CFD and all improvement areas therein.

Future Action:

Bonds payable from the special taxes are expected to be issued in late 2023 or early 2024, subject to further resolution and approval. The Monument Springs CFD will be pooled with other CFDs and sold as a combined financing. It is expected that bonds for the CFD will be pooled with other districts in late 2023 or early 2024.

Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2022-4 (City of Rocklin – Monument Springs) (the “CFD”) include the following public improvements, development impact fees funding public improvements, and formation and administrative expenses.

Facilities:

The CFD is authorized to finance the purchase, construction, expansion, improvement, or rehabilitation of any real or other tangible property with an estimated useful life of five years or longer, together with the planning and design work that is directly related to the purchase, construction, expansion, or rehabilitation of any real or tangible property (collectively, the “Facilities”), including, but not be limited to, transportation facilities, water, sewer and storm drain facilities, parks, parkways, and open space.

Fees Financing Public Improvements:

Authorized facilities include development impact fees paid and not otherwise reimbursed, whether City, County, or other local agency fees. The authorized facilities include, but are not limited to, capital facilities funded by the following fees:

City of Rocklin

- Traffic Fee
- Public Facilities Fee

Other Local Agencies

- Placer County – Public Facilities Impact Fee
- South Placer Regional Transportation Authority Fee

Authorized facilities also include Formation, Administrative, and other Incidental Expenses as authorized by the Mello-Roos Act.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2022-4 (City of Rocklin – Monument Springs) Improvement Area No. 1.



SUNBOW COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant: Lennar

Amount: \$53,000,000

Action: Approval

Purpose: Approve Waiver of 2nd Reading and Adoption of Ordinance Levying Special Taxes within CMFA Community Facilities District No. 2022-27 (City of Chula Vista – Sunbow)

Activity: BOLD/ Community Facilities District

Meeting: April 7, 2023

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 Chula Vista (the “City”) is a member of the CMFA and a participant in BOLD. Lennar (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 February 3, 2023 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 No. 2022-27 (City of Chula Vista – Sunbow), and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

On March 17, 2023, 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. 2022-27:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2022-27 (City of Chula Vista – Sunbow) (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. 2022-27 (City of Chula Vista – Sunbow) (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. 2022-27 (City of Chula Vista – Sunbow) (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. 2022-27 (City of Chula Vista – Sunbow) (the “Resolution Declaring Election Results”).

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2022-27 at the April 7, 2023, 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 County.

The Project:

The CFD is comprised of 135.7 acres, 44.2 of which are planned for residential development and .9 acres containing a community facility site. The development includes 718 for sale units comprised of 184 high density multifamily units and 534 medium density single family units. Lennar is developing the entire project and will build and sell the units to homebuyers.

All discretionary approvals for the project have been received and the final map for all 718 units will be recorded by the end of Q1 2023. Home construction is planned to start early 2023 and will be open for sale in August/September 2023. Construction on both unit types will commence at the same time with the final build out anticipated to occur in 2029.

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 not to exceed \$53,000,000 on behalf of the CFD and all improvement areas therein.

Future Action:

The Sunbow CFD is a large district that will likely issue more than one series of bonds over time. As a result, it will not be pooled with other financings but instead will have bonds issued over

time. Depending on development status, the first improvement area may issue bonds as early as Q1 2024.

Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2022-27 (City of Chula Vista – Sunbow) (the “CFD”) include the following public improvements, development impact fees funding public improvements, and formation and administrative expenses.

Facilities:

The CFD is authorized to finance the purchase, construction, expansion, improvement, or rehabilitation of any real or other tangible property with an estimated useful life of five years or longer, together with the planning and design work that is directly related to the purchase, construction, expansion, or rehabilitation of any real or tangible property (collectively, the “Facilities”), including, but not be limited to, transportation facilities, water, sewer and storm drain facilities, parks, parkways, and open space.

Fees Financing Public Improvements:

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 levied in connection with development of the property, whether by the City of Chula Vista (City), the County of San Diego (County), or any other local agency. By way of example and not limitation, authorized facilities include facilities to be constructed using the following development impact fees levied by the city:

- Eastern Transportation Fees
- Traffic Signal Fees
- Park Benefit Fee
- Poggie Sewer Basin DIF
- Public Facilities DIF
- Sewer Capacity Charges

Authorized facilities also include Formation, Administrative, and other Incidental Expenses as authorized by the Mello-Roos Act.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2022-27 (City of Chula Vista – Sunbow).



**PACIFIC AGAVE & PACIFIC LILY COMMUNITY FACILITIES
DISTRICT
SUMMARY AND RECOMMENDATIONS**

Applicant: Pacific Communities Builder, LLC

Amount: \$8,550,000

Action: Approval

Purpose: Approve Waiver of 2nd Reading and Adoption of Ordinance Levying Special Taxes within CMFA Community Facilities District No. 2023-1 (City of Lancaster – Pacific Agave & Lily)

Activity: BOLD/ Community Facilities District

Meeting: April 7, 2023

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 Lancaster (the “City”) is a member of the CMFA and a participant in BOLD. Pacific Communities Builder, LLC (the “Developer”) previously submitted an application to the CMFA to use BOLD in relation to the Developer’s proposed development of certain property located in the City.

On February 3, 2023, 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. 2023-1 (City of Lancaster – Pacific Agave & Lily) (the “CFD”), and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

On March 17, 2023, 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. 2023-1:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2023-1 (City of Lancaster – Pacific Agave & Lily) (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. 2023-1 (City of Lancaster – Pacific Agave & Lily) (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. 2023-1 (City of Lancaster – Pacific Agave & Lily) (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. 2023-1 (City of Lancaster – Pacific Agave & Lily) (the “Resolution Declaring Election Results”).

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2023-1 at the April 7, 2023, 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 County.

The Project:

The proposed CFD includes two developments: Pacific Agave, comprised of 18.7 acres and Pacific Lily comprised of 30 acres. Agave is planned to include 108 single family lots and Lily will include 150 single family lots. Agave and Lily are being developed by Pacific Communities Builder, Inc. who will develop the lots, build homes and sell to homebuyers.

Final maps for both Agave and Lily have been submitted and are awaiting final approval. Construction of homes in Agave and Lily will commence early to mid-2023.

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 not to exceed \$8,550,000 on behalf of the CFD and all improvement areas therein.

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 2023 or 2024, subject to further resolution and approval. This project will be pooled with other projects as a pooled financing.

Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-1 (City of Lancaster – Pacific Agave & Pacific Lily) (the “CFD”) include the following public improvements, development impact fees funding public improvements, and formation and administrative expenses.

Fees Financing Public Improvements:

Facilities include those financed by development impact fees paid and not otherwise reimbursed, whether City, County, or other local agency fees, including but not limited to the following:

City of Lancaster:

- Traffic Signals
- Traffic Impact
- Drainage Facilities
- Park Facilities – Park Development
- Park Facilities – Admin Offices
- Park Facilities – Corporate Yard
- Park In Lieu
- Open Space

Other Local Agencies:

- Los Angeles County Sanitation District No. 14

Authorized facilities also include Formation, Administrative, and other Incidental Expenses as authorized by the Mello-Roos Act.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2023-1 (City of Lancaster – Pacific Agave & Lily).



MORGAN KNOLLS COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant: KB Homes – Sacramento Division

Amount: \$4,800,000

Action: Approval

Purpose: Approve Waiver of 2nd Reading and Adoption of Ordinance Levying Special Taxes within CMFA Community Facilities District No. 2023-3 (County of Placer – Morgan Knolls)

Activity: BOLD/ Community Facilities District

Meeting: April 7, 2023

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. KB Homes – Sacramento Division (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.

On February 24, 2023 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 No. 2023-3 (County of Placer – Morgan Knolls), and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

On March 17, 2023, 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. 2023-3:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2023-3 (County of Placer – Morgan Knolls) (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. 2023-3 (County of Placer – Morgan Knolls) (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. 2023-3 (County of Placer – Morgan Knolls) (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. 2023-3 (County of Placer – Morgan Knolls) (the “Resolution Declaring Election Results”).

Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2023-3 at the April 7, 2023, 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 County.

The Project:

The proposed CFD includes approximately 17.5 acres, all of which are proposed for the development. The CFD is planned to include 58 single-family residences between 1,996 and 3,246 square feet. KB Homes is developing the property and will also build 100% of the homes.

The final map has been recorded for the development, and all lots are in finished condition with infrastructure construction complete. First home sales commenced December 2022 and are expected to conclude February 2024.

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 not to exceed \$4,800,000 on behalf of the CFD and all improvement areas therein.

Future Action:

Bonds payable from the special taxes are expected to be issued in late 2023 or early 2024, subject to further resolution and approval. The Morgan Knolls CFD will be pooled with other CFDs and sold as a combined financing.

Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-3 (County of Placer – Morgan Knolls) (the “CFD”) include the following public improvements, development impact fees funding public improvements, and formation and administrative expenses.

Facilities:

The CFD is authorized to finance the purchase, construction, expansion, improvement, or rehabilitation of any real or other tangible property with an estimated useful life of five years or longer, together with the planning and design work that is directly related to the purchase, construction, expansion, or rehabilitation of any real or tangible property (collectively, the “Facilities”), including, but not be limited to, transportation facilities, water, sewer and storm drain facilities, parks, parkways, and open space.

Fees Financing Public Improvements:

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 levied in connection with development of the property, whether by the County of Placer (“County”) or any other local agency. By way of example and not limitation, authorized facilities include, but are not limited to, facilities authorized by the Mello-Roos Act to be funded by the following fees:

- County Traffic Fee
- County Park Impact Fee
- County Capital Facilities Fee
- Dry Creek Joint Elementary School District Fee
- Roseville Joint Union High School District Fee
- South Placer Wastewater Authority (SPWA) Sewer Fee
- South Placer Regional Transportation Authority (SPRTA) Transportation Fee

Authorized facilities also include Formation, Administrative, and other Incidental Expenses as authorized by the Mello-Roos Act.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Ordinance Levying Special Taxes within the CMFA Community Facilities District No. 2023-3 (County of Placer – Morgan Knolls).



VIGIL LIGHT SENIOR APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	PEP Housing
Action:	Initial Resolution
Amount:	\$35,000,000
Purpose:	Finance an Affordable Multifamily Rental Housing Project Located in the City of Santa Rosa, Sonoma County, California
Activity:	Affordable Housing
Meeting:	April 7, 2023

Background:

The story of PEP Housing began when a group of clergy and civic leaders in Petaluma came together to troubleshoot a situation that was considered unacceptable. These citizens were appalled to discover that many of the elderly in their community were living out their senior years in converted garages, storage units, and tents without heat or running water. The founders began to meet regularly as volunteers, believing that other community volunteers could and would join them in an effort to sponsor and manage housing for low-income seniors living on limited, fixed incomes. In 1978, Petaluma Ecumenical Properties was established. As a result of their efforts way back then, the organization now known as PEP Housing has developed and manages 17 affordable housing properties with 473 apartments accommodating 500 low-income seniors, with several more properties in development.

When the need is as great as a 5-year waitlist for housing would indicate, their work is never done. PEP Housing development staff is constantly on the lookout for opportunities to develop new affordable housing projects. Their goal is to bring quality affordable housing to other communities that can benefit from their successful affordable housing model and maintaining the lowest rental rates in the North Bay. Toward this end, PEP Housing has expanded their development projects into other parts of the Northern California as project opportunities have come forward due to their growing reputation as an industry leader in development of service-enriched housing for seniors.

The Project:

Vigil Light Senior Apartments is an existing 49-unit senior housing garden-style project (including a manager's unit) located at 1945 Long Drive in Santa Rosa. The campus is comprised of fourteen single-story buildings housing 36 one-bedroom and 12 studio units in a park-like setting. The campus is well-located in Santa Rosa and includes ample on and off-street parking. A Safeway grocery store, CVS Pharmacy, and the Flamingo One Stop Shopping Center are each located adjacent to the Vigil Light campus. The Santa Rosa Creek Trail is less than a quarter mile away and accessible via sidewalks. The campus is well served by three Santa Rosa City Bus lines offering service to downtown Santa Rosa. Surrounding properties are predominantly low-rise residential, commercial, and retail developments, with a low-rise hotel and athletic facility located immediately to the east. Rehabilitation will include new flooring, painting, interior doors, blinds, cabinets, plumbing fixtures and lighting fixtures to all interior units. Exterior rehabilitation will include replacing all siding, all windows and roofs, as well as new landscaping. This financing will preserve 48 units of affordable housing for Santa Rosa households for the next 55 years.

The City of Santa Rosa:

The City of Santa Rosa is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$11,846 as part of the CMFA's sharing of Issuance Fees.

Proposed Construction Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 17,924,778
Taxable Bond Proceeds:	\$ 1,030,316
LIH Tax Credit Equity:	\$ 4,304,535
Vigil Light Inc. Grant:	\$ 1,500,000
Santa Rosa Loan:	\$ 2,220,000
Deferred Developer Fee:	<u>\$ 3,981,072</u>
Total Sources:	\$ 30,960,701

Uses of Funds:

Land/Building Acquisition Cost:	\$ 8,250,000
Rehabilitation:	\$ 14,820,868
Architectural & Engineering:	\$ 800,940
Legal & Professional:	\$ 422,845
Financing Cost:	\$ 2,425,965
Total Other Cost*:	\$ 2,079,285
Developer Cost:	\$ 2,000,000
Costs of Issuance:	<u>\$ 160,798</u>
Total Uses:	\$ 30,960,701

Terms of Transaction:

Amount:	\$35,000,000
Maturity:	17 years
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	December 2023

Public Benefit:

A total of 48 households will continue to be able to enjoy high quality, independent, affordable housing in the City of Santa Rosa for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
25% (12 Units) restricted to 30% of area median income households; and
75% (36 Units) restricted to 50% of area median income households.
Unit Mix: Studio and 1-bedroom units
Term of Restriction: 55 years

Finance Team:

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

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$35,000,000 for the Vigil Light Senior Apartments multifamily affordable housing project located in the City of Santa Rosa, Sonoma County, California.

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

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



ALOSTA GARDENS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Bold Communities

Action: Final Resolution

Amount: \$55,000,000

Purpose: Finance Affordable Rental Housing Facilities Located in the City of Azusa, Los Angeles County, California

Activity: Affordable Housing

Meeting: April 7, 2023

Background:

Founded by President Michael Miller, Bold Communities (“Bold”) is a minority-led organization that was established in 2021. From 2014-2018 Michael Miller served as acquisitions and project manager at Thomas Safran & Associates Development, Inc. (“TSA”), an established affordable housing developer in Los Angeles. At TSA, Mr. Miller managed the acquisition, design, entitlement, finance and construction process of projects in development, while garnering considerable experience in cultivating public-private partnerships and complex deal structuring that use Low-Income Housing Tax Credits and/or Tax-Exempt bonds.

Bold Communities is focused on building bold, innovative, socially conscious, economically viable projects that enhance the lives of residents and tenants and complements the fabric of the communities in which it invests.

The Project:

The Alost Gardens Apartments project is the acquisition and rehabilitation of a 61-unit, low-rise, garden-style multifamily apartment complex with a HAP contract expiring in 2024. 60 units are restricted to households with incomes of 30%-60% of AMI. The project is made up of one-, two- and three-bedroom units. Amenities include a community room and playground. The project is in close proximity to public transit, a public park, pharmacy and grocery store. Services offered include health and wellness programs and instructor-led skill building classes. This financing will preserve 60-units of affordable housing for the residents of the City of Azusa for another 55 years.

The City of Azusa:

The City of Azusa is a member of the CMFA and held a TEFRA hearing on March 20, 2023. Upon closing, the City is expected to receive approximately \$15,437 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 32,619,348	\$ 18,769,366
Taxable Bond Proceeds:	\$ 10,242,650	\$ 0
LIH Tax Credit Equity:	\$ 3,425,408	\$ 28,532,040
Deferred Developer Fee:	\$ 5,944,000	\$ 4,930,000
Seller Note:	<u>\$ 10,231,314</u>	<u>\$ 10,231,314</u>
Total Sources:	\$ 62,462,720	\$ 62,462,720

Uses of Funds:

Land and Acquisition:	\$ 35,230,000
Rehabilitation Costs:	\$ 10,893,140
Construction Hard Cost Contingency:	\$ 1,066,814
Soft Cost Contingency:	\$ 384,182
Relocation:	\$ 600,000
Architectural/Engineering:	\$ 396,858
Const. Interest, Perm. Financing:	\$ 4,601,399
Legal Fees:	\$ 305,000
Reserves:	\$ 403,108
Other Project Costs*:	\$ 1,152,219
Developer Costs:	<u>\$ 7,430,000</u>
Total Uses:	\$ 62,462,720

Terms of Transaction:

Amount:	\$55,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Direct Purchase from Institutional Buyer
Estimated Closing:	April 2023

Public Benefit:

A total of 60 households will continue to enjoy high quality, independent, affordable housing in the City of Azusa for another 55 years.

Percent of Restricted Rental Units in the Project: 100%

70% (42 Units) restricted to 30% or less of area median income households; and
5% (3 Units) restricted to 35% or less of area median income households; and
12% (7 Units) restricted to 50% or less of area median income households; and
1% (1 Unit) restricted to 55% or less of area median income households; and
12% (7 Units) restricted to 60% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	Allianz Life Insurance Company of North America
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Katten Muchin Rosenman LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$55,000,000 for the Alostia Gardens Apartments affordable housing facility located in the City of Azusa, 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.



RODEO GATEWAY SENIOR APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	EAH Inc.
Action:	Final Resolution
Amount:	\$20,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the Unincorporated Community of Rodeo, Contra Costa County, California
Activity:	Affordable Housing
Meeting:	April 7, 2023

Background:

EAH Housing (“EAH”) is a nonprofit corporation founded with the belief that attractive affordable housing is the cornerstone to sustainable, living communities. Established in 1968, EAH has become one of the largest and most respected nonprofit housing development and management organizations in the western United States. With a staff of over 450, EAH develops low-income housing, manages 100 properties in California and Hawaii, and plays a leadership role in local, regional and national housing advocacy efforts.

Starting from grass-roots origins in response to the death of Dr. Martin Luther King Jr., EAH now serves over 20,000 seniors, families, students, people with disabilities, frail elderly and the formerly homeless. Combining award-winning design, innovative on-site services and a commitment to people, EAH reflects the distinctive personality of each community.

EAH is dedicated to building communities that enhance the surrounding neighborhoods. The organization has developed 92 properties with an aggregate value of more than \$1 billion and manages 9,800 units in 50 municipalities in California and Hawaii. EAH has received multiple national awards for property management, eleven design awards and numerous commendations from legislators on the federal, state and local levels.

The Project:

The Rodeo Gateway Senior Apartments is the rehabilitation of a 50-unit senior affordable apartment building located at 710 Willow Avenue, Rodeo, CA. The property was built by EAH Housing in 2001 and the senior community is currently financed through the HUD Section 202 project rental assistance contract (PRAC) Program. The existing population at Rodeo Gateway includes senior households, 62 years or older. Residents pay 30% of their income toward rent with the remainder paid by HUD. Under the current financing, 20 of the units are restricted at or below 30% AMI (restricted through CCC Project Agreement - HOME Program), 4 units are restricted at or below 40% AMI (restricted through CCC Project Agreement - HOME Program). All 50 units are restricted at or below 50% AMI per HUD PRAC contract. The unit mix includes 49 one-bedroom units and 1 two-bedroom manager's unit.

Rodeo Gateway consists of one (1) three-story, wood-framed slab on grade apartment building. The property includes a covered entry, community room with full kitchen, community courtyard with sitting areas and built in BBQ, laundry facilities, sunroom with computer lab and air conditioning, elevator and property management office. Each unit has its own AC/Heater and a bedroom heater unit. Units have emergency alert buttons that are monitored 24/7. Emergency maintenance is available after hours and on weekends. The property also provides free Wi-Fi to its residents.

The scope of the rehabilitation will include: reconfiguring 6 units to meet current ADA/UFAS accessibility requirements; all common and public areas to be fully accessible including ADA parking modifications and accessible path of travel; roof and window replacement, repaint exterior; energy efficiency improvements including increase attic insulation to R-49, new solar carports and electric car charger, and potential back up battery storage or generator for some function during PG&E Public Safety Power Shutoff (PSPS) events; new entry door hardware, elevator upgrade, and common area improvements including community room and modification of flex space; as well as improvements to unit finishes, cabinets, lighting, paint, appliances, LED lighting, and HVAC systems. This financing will preserve 49 units of affordable senior housing for low-income households of the Rodeo area for the next 55 years.

The County of Contra Costa:

The County of Contra Costa is a member of the CMFA and is scheduled to hold a TEFRA hearing on April 18, 2023. The County is expected to receive approximately \$9,397 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 15,035,454	\$ 4,539,000
LIH Tax Credit Equity:	\$ 0	\$ 10,358,335
Deferred Developer Fee:	\$ 107,631	\$ 107,631
Deferred Costs:	\$ 2,335,048	\$ 0
Seller Carryback Loan:	\$ 4,252,928	\$ 4,252,928
LP Equity:	\$ 918,833	\$ 0
Assumed Contra Costa RDA Loan:	\$ 2,503,517	\$ 2,503,517
Assumed Contra Costa HOME/CDBG Loan:	\$ 2,351,555	\$ 2,351,555
New Contra Costa CDBG Loan:	\$ 2,200,000	\$ 2,200,000
Sponsor 50% Test Loan:	\$ 0	\$ 3,392,000
Total Sources:	\$ 29,704,966	\$ 29,704,966

Uses of Funds:

Land and Acquisition:	\$ 12,600,000
Rehabilitation Costs:	\$ 8,184,717
Construction Hard Cost Contingency:	\$ 828,067
Soft Cost Contingency:	\$ 495,847
Relocation:	\$ 1,005,861
Architectural/Engineering:	\$ 915,762
Const. Interest, Perm. Financing:	\$ 2,038,778
Legal Fees:	\$ 120,000
Reserves:	\$ 313,178
Other Project Costs*:	\$ 702,756
Developer Fee:	\$ 2,500,000
Total Uses:	\$ 29,704,966

Terms of Transaction:

Amount:	\$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Closing:	April 2023

Public Benefit:

A total of 49 senior households will continue to be able to enjoy high quality, independent, affordable housing in Rodeo for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
41% (20 Units) restricted to 30% or less of area median income households; and
8% (4 Units) restricted to 40% or less of area median income households; and
49% (24 Units) restricted to 50% or less of area median income households; and
2% (1 Unit) restricted to 60% or less of area median income households.
Unit Mix: 1-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Umpqua Bank
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Davis Wright Tremaine LLP
Borrower Counsel:	Bocarsly Emden Cowan Esmail & Arndt LLP
Financial Advisor:	California Housing Partnership Corporation

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$20,000,000 for the Rodeo Gateway Senior Apartments affordable multi-family housing facility located in the Unincorporated Community of Rodeo, Contra Costa County, California.

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

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FRIENDSHIP SENIOR HOUSING APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Community Housing Development Corporation of North Richmond
Action:	Final Resolution
Amount:	\$42,000,000
Purpose:	Finance an Affordable Multi-Family Rental Housing Facility Located in the City of Oakland, Alameda County, California
Activity:	Affordable Housing
Meeting:	April 7, 2023

Background:

Community Housing Development Corporation of North Richmond (“CHDC”) was founded in 1990 by local leaders in North Richmond working to eliminate blight, improve housing opportunities for current and future residents, and create better economic conditions. It emerged from a housing committee of the North Richmond Neighborhood House and received early support from several local faith-based organizations.

Today, CHDC has added over 200 owner-occupied homes to the Richmond area along with street improvements, public services, senior and family rental housing; CHDC is a leader in the greater Richmond area in affordable homeownership and quality rental housing, and CHDC is recognized statewide for its asset-building programs for low-income households.

CHDC provides a broad range of affordable housing opportunities and services to enable low/moderate income residents to gain better housing and financial stability. Their unique approach to community development engages residents at the grassroots level and ensures that the whole neighborhood benefits from the affordable housing and neighborhood services provided.

CHDC serves households throughout Contra Costa County and beyond. The majority of their clients live in the greater Richmond area. They serve people of all income levels but specialize in serving low- and moderate-income families. A large majority of their clients have incomes below 80% of the area median income.

The Project:

Friendship Senior Housing Apartments is a new construction project located in Oakland on a .5-acre site. The project consists of 49 restricted rental units and 1 unrestricted manager's unit. The project will have 15 studio units and 34 one-bedroom units. Ten units will be set aside for homeless seniors with mental illness. Alameda County's Coordinated Entry System will be used to identify homeless households. The building will be a four-story development, 3 floors type 5 over one-story of type 1 and with a mat slab foundation. Common amenities include a large community/activity room with a kitchen, a computer lounge, lounge/social areas on each floor to promote resident interaction, laundry facilities, and a beautifully landscaped open courtyard. Each unit will have blinds, carpet, coat closets, ceiling fans, ovens, refrigerators with icemaker, dishwashers, and garbage disposals. The construction is expected to begin May 2023 and be completed in April 2025. This financing will create 49 units of affordable housing for the City of Oakland for the next 55 years.

The City of Oakland:

The City of Oakland is a member of the CMFA and held a TEFRA hearing on March 15, 2023. Upon closing, the City is expected to receive approximately \$14,108 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 22,500,000	\$ 4,955,000
Taxable Bond Proceeds:	\$ 7,153,110	\$ 0
LIH Tax Credit Equity:	\$ 3,816,654	\$ 19,083,268
Developer Equity:	\$ 100	\$ 100
Deferred Developer Fee:	\$ 318,102	\$ 318,102
Deferred Costs:	\$ 3,332,094	\$ 0
City of Oakland:	\$ 6,350,000	\$ 6,350,000
DTSC/ECRG:	\$ 803,000	\$ 0
Lessor Note:	\$ 1,700,000	\$ 1,700,000
HCD MHP:	\$ 0	\$ 10,500,000
HCD No Place Like Home:	\$ 0	\$ 3,066,590
Total Sources:	\$ 45,973,060	\$ 45,973,060

Uses of Funds:

Land and Acquisition:	\$ 2,953,500
Construction Costs:	\$ 30,809,488
Construction Hard Cost Contingency:	\$ 1,473,574
Soft Cost Contingency:	\$ 197,943
Architectural/Engineering:	\$ 1,675,833
Construction Interest, Perm. Financing:	\$ 3,073,031
Legal Fees:	\$ 285,000
Reserves:	\$ 1,481,565
Other Soft Costs*:	\$ 1,580,024
Developer Fee:	\$ 2,443,102
Total Uses:	\$ 45,973,060

Terms of Transaction:

Amount:	\$42,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2023

Public Benefit:

A total of 49 households will be able to enjoy high quality, independent, affordable housing in the City of Oakland for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%

20% (10 Units) restricted to 20% or less of area median income households; and

70% (34 Units) restricted to 30% or less of area median income households; and

10% (5 Units) restricted to 40% or less of area median income households.

Unit Mix: Studio and 1-bedroom units

Term of Restriction: 55 years

Finance Team

Lender:	Citi Community Capital
Bond Counsel:	Jones Hall, APLC
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	FisherBroyles
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	Devine & Gong, Inc.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$42,000,000 for the Friendship Senior Housing Apartments affordable housing facility located in the City of Oakland, Alameda County, California.

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

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ALDERSLY GARDEN RETIREMENT COMMUNITY SUMMARY AND RECOMMENDATIONS

Applicant: Aldersly

Action: Final Resolution

Amount: \$65,000,000

Purpose: Finance Continuing Care Retirement Facilities Located in the City of San Rafael, Marin County, California

Activity: Healthcare

Meeting: April 7, 2023

Background:

Aldersly, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code (the “Corporation”), owns a life plan community called Aldersly Garden Retirement Community (the “Community” or “Aldersly”). Originally founded and incorporated in 1921 by Danish organizations as a retirement home serving the Danish-American communities in California and Nevada, the Community has for many years welcomed anyone who meets its financial and other admission criteria. The Corporation is dedicated to serving the needs of its senior residents in the Danish tradition and spirit of respecting and caring for the elderly. The name Aldersly means “shelter for the aging.”

As a life plan community, Aldersly offers a continuum of care in residential living, assisted living, memory care and extended care. The Community is situated on an approximately 3.5 acre campus of landscaped gardens in the City of San Rafael, County of Marin, California. The Community is a licensed residential care facility for the elderly.

The Project:

The Corporation will use the proceeds of the Bonds, together with other available funds, for the purpose of (i) refunding the outstanding principal amount of the California Statewide Communities Development Authority Revenue Refunding Bonds, Series 2015A (Aldersly) (the “Series 2015A Bonds”), \$5,225,000 of which are currently outstanding; (ii) financing the construction, improvement, furnishing and equipping of an expansion project and related facilities and amenities (the “Project”) at the life plan community owned and operated by the Corporation; (iii) funding Bond Reserve Accounts for the benefit of the Bonds; (iv) paying the insurance premium to the Department (defined herein); (v) paying a portion of the interest on the Bonds during the construction of the Project; and (vi) paying costs of issuance of the Bonds.

The County of Marin:

The County of Marin is a member of the CMFA and held and approved a TEFRA hearing on March 21, 2023. Upon closing, the County is expected to receive approximately \$14,987 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bonds:	\$ 55,140,000
Taxable Bonds:	\$ 4,785,000
Premium:	\$ 2,577,766
Equity Contribution:	\$ 7,048,424
2015 Debt Service Funds:	\$ 464,425
2015 DSRF:	<u>\$ 468,625</u>
Total Sources:	\$ 70,484,240

Uses of Funds:

New Construction:	\$ 54,913,687
Refinancing:	\$ 5,670,253
Capitalized Interest:	\$ 3,295,198
Debt Service Reserve Fund:	\$ 2,285,800
Cost of Issuance:	<u>\$ 4,319,302</u>
Total Uses:	\$ 70,484,240

Terms of Transaction:

Amount:	\$65,000,000
Rating:	S & P’s AA- (based on CalMortgage)
Maturity:	30 years
Credit Enhancement:	CalMortgage
Collateral:	Deed of Trust & Gross Revenue Pledge
Bond Purchasers:	Institutional & Retail Investors
Estimated Closing:	April 2023

Public Benefit:

The Aldersly financing will provide for the construction and equipping of a new 35-unit residential living building and position this not-for-profit organization to continue to offer high quality senior living care to its current and future residents.

Finance Team:

Underwriter:	Ziegler
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Underwriter Counsel:	Chapman and Cutler LLP
Credit Enhancement Provider:	Department of Health Care Access and Information - CalMortgage
Borrower Counsel:	Hanson Bridgett LLP
Financial Advisor:	Hendrickson Consulting

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$65,000,000 for the Aldersly Garden Retirement Community located in the City of San Rafael, Marin 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.



BRENTWOOD CROSSING APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Danco Group

Action: Final Resolution

Amount: \$10,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of Bakersfield, Kern County, California

Activity: Affordable Housing

Meeting: April 7, 2023

Amendment:

The CMFA Board approved a Final Resolution on September 17, 2021, with a not to exceed amount of \$25,000,000. An additional Resolution for \$5,000,000 was approved on February 24, 2023, to cover a supplemental allocation due to project cost increases. The project has now added a taxable tail to the supplemental and will require an increased Final Resolution. The Board of the CMFA will be asked to approve an additional Final Resolution to cover the supplemental allocation and taxable tail for a not to exceed amount of \$10,000,000 to ensure compliance with the 50% test.

Background:

For over 27 years, the Danco Group of Companies has built and strengthened its foundation by truly understanding and meeting the specific objectives of its customers. Comprised of six distinct companies, the Danco Group is an alliance which enables its individual company's greater capacity for meeting and exceeding customers' conditions of satisfaction. They see it as their mission not just to develop and build buildings, but to produce the best possible situation for each customer and each community.

Founder, President, and CEO, Dan Johnson is a life-long resident of Humboldt County, which is the location of their corporate office and primary place of business. Starting Danco Builders in 1986, Dan continued to develop and grow new business over time. Today, the Danco Group of Companies offers commercial and residential construction, market rate and affordable housing

development, senior assisted living management and development, and property management services.

Danco Development is a development company specializing in the master planning of communities and neighborhoods in Humboldt County. With a focus on brownfield redevelopment and infill projects, their mission is to provide the necessary infrastructure for the natural growth of their community. They do so by entitling lots for housing and the sale or lease of commercial buildings. Whether it is the addition of a new community neighborhood or an addition to one that already exists, their focus is effective contribution to the economic and social development of the area.

The Project:

The Brentwood Crossing Apartments project is the new construction of 58 total homes, composed of 30 two-bedroom units, 20 three-bedroom units, and 8 four-bedroom units. Each unit is a single-family-style dwelling with front, back and side yards. Each home will have a one-car garage and a two-car driveway. One of the 3-bedroom units will serve as the on-site manager's unit. The homes are organized around typical streets, except the sidewalks are set back from the curb with a landscaped parkway. The homes will be located on an 11.18-acre parcel in the middle of a developing area of Bakersfield. Existing neighborhoods and commercial businesses border the property to the east, west and south, while to the north lies land slated for residential development. There is an elementary school and a middle school right next door to the east, a bus line that passes every half hour weekdays between 6 AM and 10 PM, and many other services close by. Located at the center of the property is the Common Building, with a community gathering room, manager's office, community kitchen, fitness center, computer lab, and laundry room. The community room spills out onto shaded patios and into the surrounding playgrounds and playfields. The playground is outdoors, has an accessible entrance point, and is over 600 sq. ft. It will be surfaced with natural or synthetic protective material and has an array of diverse play equipment. This financing will create 57 units of affordable housing in the City of Bakersfield for the next 55 years.

The City of Bakersfield:

The City of Bakersfield is a member of the CMFA and held a TEFRA hearing on June 6, 2021. Upon closing, the City received \$17,193 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond:	\$ 16,700,000	\$ 7,540,000
Taxable Bond:	\$ 10,940,000	\$ 0
LIH Tax Credit Equity:	\$ 5,347,664	\$ 16,190,886
Farm Labor Credits:	\$ 0	\$ 3,891,533
Developer Note	\$ 0	\$ 2,133,145
USDA Loan:	\$ 0	\$ 3,000,000
Redstone Solar Tax Credit Equity:	\$ 0	\$ 232,100
Total Sources:	\$ 32,987,664	\$ 32,987,664

Uses of Funds:

Land Cost/ Acquisition:	\$ 1,200,000
Construction Costs:	\$ 22,197,838
Contingency Costs:	\$ 600,000
Architectural/ Engineering:	\$ 698,554
Construction Interest & Perm Financing:	\$ 1,855,631
Legal Fees:	\$ 155,000
Reserves:	\$ 308,921
Other Costs*:	\$ 3,104,461
Developer Fee:	\$ <u>2,867,259</u>
Total Uses:	\$ 32,987,664

Terms of Transaction:

Amount:	\$10,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	April 2023

Public Benefit:

A total of 57 households will be able to enjoy high quality, independent, affordable housing in the City of Bakersfield for the next 55 years.

Percent of Restricted Rental Units in the Project: 100%
18% (10 Units) restricted to 30% or less of area median income households; and
40% (23 Unit) restricted to 40% or less of area median income households; and
42% (24 Units) restricted to 50% or less of area median income households.
Unit Mix: 2-, 3- & 4-bedroom units
Term of Restriction: 55 years

Finance Team:

Lender:	Pacific Western Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Spencer Fane LLP
Financial Advisor:	Miller Housing Advisors, LLC

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$10,000,000 for the Brentwood Crossing Apartments affordable housing facility located in the City of Bakersfield, Kern 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.

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PROFESSIONAL SERVICES CONTRACT SUMMARY AND RECOMMENDATIONS

Presenter: Professional Services Subcommittee

Subject: Financial Advisory and Administrative Services Contract

Action: Renewal

Meeting: April 7, 2023

Background:

CMFA entered into its current contract for professional, advisory and administrative services on January 24, 2020 after a request for proposals process. After an extension of 90 days, expires on April 25, 2023. On February 3, 2023, the Board of Directors directed the Professional Services Subcommittee and staff to negotiate a renewal agreement with Sierra Management Group, LLC, as its professional, advisory and administrative services consultant.

Requested Action:

Approve a new contract with Sierra Management Group, LLC, for an additional five-year period on the terms set forth in the proposed contract distributed to the Board prior to the meeting.

Alternatives:

The board can direct the subcommittee and staff to negotiate a new contract with Sierra Management Group, LLC on different terms.

The board can also direct staff to undertake a request for proposals process with or without interviews. This process will likely take 6-8 weeks minimum, maybe longer, and would require another extension of the existing contract.

Recommendation:

The Executive Director recommends the approval a new professional, advisory and administrative services contract for an additional five years on the terms set forth in the proposed agreement distributed to the Board prior to the meeting.