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## **SPONSORSHIP OF THE CENTURY HOUSING “WRITTEN IN THE STARS” EVENT**

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**Subject:** Sponsorship of The Century Housing “Written in the Stars”  
Event

**Meeting:** August 4, 2023

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**Background:**

Century Villages at Cabrillo, Inc. is the nonprofit entity affiliated with Century Housing Corporation, and is organizing the annual fundraiser, “Written in the Stars”, to support the work of the Oasis Residential team, who provides essential on-site services to thousands of residents living at Century affordable developments.

The event will celebrate and support the impact Century Housing has made on thousands of lives this past year, keeping formerly unhoused Veterans, individuals, children and families in a safe home and welcoming community.

The “Written in the Stars” event will take place on Thursday, September 14, 2023, at the Hotel Maya in Long Beach, CA.

**Recommendation:**

The Executive Director recommends that the CMFA Board of Directors approve a Supporting Sponsorship of \$5,000 for the Century Housing “Written in the Stars” event.



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## **SPONSORSHIP OF THE NON-PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA AFFORDABLE HOUSING CONFERENCE**

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**Subject:** Sponsorship of The NPH Affordable Housing Conference

**Meeting:** August 4, 2023

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### **Background:**

Since 1979, the Non-Profit Housing Association of Northern California (NPH) has been the collective voice of affordable housing for the Bay Area.

NPH's Annual Conference provides affordable housing leaders with the tools, knowledge, and networks to move forward in collaborative, transformative ways that advance affordable housing and build a future where every community is one of opportunity and where everyone has a safe and affordable place to live.

The 44<sup>th</sup> Annual NPH Affordable Housing Conference will take place on Friday, October 6, 2023 at the San Francisco Marriott Marquis.

### **Recommendation:**

The Executive Director recommends that the CMFA Board of Directors approve a Benefactor Sponsorship of \$5,000 for the 44<sup>th</sup> Annual NPH Affordable Housing Conference.



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## **SPONSORSHIP OF THE ASIAN AMERICANS IN PUBLIC FINANCE ANNUAL BREAKFAST EVENT**

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**Subject:** Sponsorship of the Asian Americans in Public Finance  
Annual Breakfast Event

**Meeting:** August 4, 2023

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**Background:**

Founded in 2003, Asian Americans in Public Finance (AAPF) is national network of municipal issuer representatives, credit analysts, attorneys, municipal advisors, investment bankers and trustees who are committed to advancing diversity, equity & inclusion across the industry.

This year marks AAPF's 20th anniversary, and they remain committed to addressing the under-representation of Asian Americans in public and private sector leadership – not just to promote career success, but to ensure inclusion and diversity.

Sponsorship benefits include recognition on the AAPF website and other promotional materials, and designated seating at the California Bond Buyer Conference.

**Recommendation:**

The Executive Director recommends that the CMFA Board of Directors approve a Platinum Sponsorship of \$2,500 to sponsor the Asian Americans in Public Finance annual breakfast event at the California Bond Buyer Conference.



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## **MAGNOLIA VILLAGE COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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Applicant: Williams Homes

Amount: \$3,200,000

Action: Approval

Purpose: Approve Waiver of 2nd Reading and Adoption of Ordinance  
Levying Special Taxes within CMFA Community Facilities  
District No. 2023-6 (City of Lincoln – Magnolia Village)

Activity: BOLD/ Community Facilities District

Meeting: August 4, 2023

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### 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. Williams Homes (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 June 2, 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. 2023-6 (City of Lincoln – Magnolia Village), and a resolution stating its intention to incur bonded indebtedness for such CFD (the “Resolution of Intention to Incur Bonded Indebtedness”).

On July 14, 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. 2023-6:

- Resolution of the Board of Directors of the California Municipal Finance Authority Forming California Municipal Finance Authority Community Facilities District No. 2023-6 (City of Lincoln – Magnolia Village) (the “Resolution of Formation”).

- Resolution of the Board of Directors of the California Municipal Finance Authority Determining Necessity to Incur Bonded Indebtedness and Other Debt in and for California Municipal Finance Authority Community Facilities District No. 2023-6 (City of Lincoln – Magnolia Village) (the “Resolution Determining Necessity”).
- Resolution of the Board of Directors of the California Municipal Finance Authority Calling Special Election in and for California Municipal Finance Authority Community Facilities District No. 2023-6 (City of Lincoln – Magnolia Village) (the “Resolution Calling Election”).
- Resolution of the Board of Directors of the California Municipal Finance Authority Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien in and for Each Improvement Area in California Municipal Finance Authority Community Facilities District No. 2023-6 (City of Lincoln – Magnolia Village) (the “Resolution Declaring Election Results”).

#### Ordinance:

The final legislative act for the formation of California Municipal Finance Authority Community Facilities District No. 2023-6 at the July 14, 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 2.4 acres, all of which are proposed for the development. The CFD is anticipated to yield 32 attached single-family homes (condominiums). Williams Homes will develop the lots, build, and sell the homes.

The final map has been recorded for the CFD and grading is planned to commence in Q3 2023. Backbone infrastructure should commence in Q3 2023. Construction is planned to finish by the end of 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 \$3,200,000 on behalf of the CFD and all improvement areas therein.

#### Future Action:

The Magnolia Village CFD will likely be pooled with other like-sized CFDs, and sold as a combined financing. Depending on development status, the Magnolia Village project will likely be included in pooled financing at the end of 2023 or 2024.

### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-6 (City of Lincoln – Magnolia Village) (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.

#### Public Facilities Financed Through Development Impact Fees:

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 Lincoln:

- Traffic Mitigation Fee
- Community Services Fee (Drainage Component only)
- Parks and Recreation Fee
- Water Connection Fee
- Community Services Fee (Other Components)
- Sewer Connection Fee

#### Joint Powers Authority (JPA): City of Lincoln/Sewer Maintenance District 1 Wastewater Authority (LiSWA):

- Sewer Connection Fee

#### Other Local Agencies:

- Placer County Capital Facilities Impact Fee
- South Placer Regional Transportation Authority (SPRTA) Fee
- Western Placer Unified School District (WPUSD) 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. 2023-6 (City of Lincoln – Magnolia Village).



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## **AVID CENTER SUMMARY AND RECOMMENDATIONS**

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Applicant: “AVID” Advancement Via Individual Determination

Action: Amending Final Resolution

Amount: \$30,000,000

Purpose: Finance Facilities for AVID located in the City of San Diego, San Diego County, California.

Activity: Educational Headquarters Facilities

Meeting: August 4, 2023

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### Amending Resolution – July 14, 2023

The Board of the CMFA approved a Final resolution on November 18, 2016. The CMFA has been asked to approve a First Amendment to the 2017 Master Loan Agreement to update financial terms and coverage ratios among other technical changes.

### Background:

AVID, Advancement Via Individual Determination, is a non-profit, proven college readiness system that closes the achievement gap by accelerating the performance of underrepresented students so that these students, and all students across a campus may succeed in college, career and life. AVID impacts over a million students in grades K–12 and in 43 post-secondary institutions, and is implemented in almost 5,000 schools in 44 states, D.C., and 16 countries and territories

When Mary Catherine Swanson began AVID in 1980, she relied on her fourteen years of teaching experience and research to develop each aspect that was incorporated into the program. Through research and collaboration with postsecondary faculty, she found the important skills necessary for a student to be successful at the postsecondary level. The Cornell note-taking technique, the strong emphasis on academic reading and writing skills, and student collaboration all came from the diligent research of Mary Catherine and her team of teachers and professors.

Mary Catherine Swanson started working as a high school English teacher in 1966, teaching remedial to advanced English classes and began teaching at Clairemont High School in San Diego in 1970. In 1974, she and two fellow English teachers developed an academically rigorous English elective course called “Project English” that included academic rigor and an

individualized approach to each student's unique interests. In 1977 Mary Catherine completed her Master's thesis in education. In her thesis she identified the key components of a program that could help all students succeed in rigorous English classes. These components form the foundation of AVID, including its philosophy, practices, and curriculum and include:

1. A non-traditional classroom setting meeting the academic and emotional needs of individual students
2. The teacher as advisor/counselor/student advocate
3. An emphasis on objective data
4. The student at the center of decision-making regarding educational goals
5. A student contract outlining willingness to work and setting learning goals
6. Student support from teachers and skilled, trained tutors
7. A curriculum emphasizing academic reading and writing
8. Reliance on the Socratic process.

#### The Project:

The proceeds of the Obligations will be loaned to AVID Center, a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Borrower") in order to: (1) finance the acquisition of a 92,463 square foot headquarters and office building located at 9797 Aero Drive, San Diego, CA 92123; (2) finance capital improvements and fixtures, furniture and equipment for said facility and (3) pay certain expenses incurred in connection with the issuance of the Obligations. The financed facilities will be owned and operated by the Borrower.

#### The County of San Diego:

The County of San Diego is a member of the CMFA and held a TEFRA hearing on November 15, 2016. Upon closing, the County is expected to receive \$8,996 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Financing:

##### Sources of Funds:

Tax-Exempt Bonds:	\$ 23,980,952
Taxable Bonds:	\$ 5,234,048
Equity:	<u>\$ 9,425,720</u>
Total Sources:	\$ 38,640,720

##### Uses of Funds:

Land Acquisition:	\$ 30,235,000
Rehabilitation:	\$ 6,500,000
FFE:	\$ 1,000,000
Cost of Issuance:	<u>\$ 905,720</u>
Total Uses:	\$ 38,640,720



Terms of Transaction:

Amount:	\$30,000,000
Maturity:	March 2026
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Anticipating Closing:	December 2016

Public Benefit:

The financing will enable AVID to continue to improve the educational opportunities of students. AVID train's educators to use proven practices in order to prepare students for success in high school, college, and a career, especially students traditionally underrepresented in higher education. AVID has over 180 employees and will continue to educate teachers to better support underrepresented students throughout the US.

Finance Team:

Placement Agent:	Zions Bank, N.A.
Lender:	California Bank & Trust
Bond Counsel:	Jones Hall, APLC
Issuer's Counsel:	Jones Hall, APLC
Lender's Counsel:	Bryan Cave LLP
Borrower's Counsel:	Butler Snow LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors authorize to approve a Resolution to amend the Master Loan Agreement for AVID located in the City of San Diego, County of San Diego, California.



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## SAN DIEGO MISSION ROAD APARTMENTS SUMMARY AND RECOMMENDATIONS

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Applicant: Klein Financial Corporation

Action: Initial Resolution

Amount: \$150,000,000

Purpose: Finance an Affordable Multi-Family Rental Housing Facility Located in the City of San Diego, San Diego County, California

Activity: Affordable Housing

Meeting: August 4, 2023

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### Background:

Klein Financial Corporation is a real estate investment, development and consulting firm specializing in tax-exempt bond multi-family residential development.

Klein Financial Corporation, founded in 1984 by Robert N. Klein, II, was created to meet a need in the real estate financing sector for innovative solutions to the lack of affordable housing mortgage financing. The firm provides financial, development, governmental, tax credit and other advisory services to clients pursuing the development of affordable housing and other real estate development opportunities which utilize governmental subsidy programs. Klein Financial Corporation also develops real estate projects as a principal to validate new financial technologies and/or innovative project legal and capital structures it designs.

Klein Financial Corporation has designed, structured, developed, or consolidated approximately \$7 billion in bond financing for private developers and governmental agencies. Klein Financial Corporation has developed or financed more than 50 properties throughout California, Colorado, Nevada, and Arizona, consisting of approximately 13,500 units.

### The Project:

The San Diego Mission Road Apartments is a new construction of affordable multifamily apartments located in the City of San Diego. The proposed development will be a 291-unit new construction project, with 58 units restricted to 40 – 50% of AMI. The affordable units will be a mix of 32 studio units, 10 one-bedroom units, and 16 two-bedroom units. Amenities planned to be added with the new development include a fitness center, pool, community room, in-unit laundry, vaulted ceilings, gated parking, and balconies. The CMFA financing will create 58 new units of affordable housing in the City of San Diego for the 55-year regulatory period.

### The County of San Diego:

The County of San Diego is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately \$29,167 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Recycled Bonds:	\$ 135,000,000
BUILD Subsidies:	\$ 700,000
Equity:	<u>\$ 35,200,000</u>
Total Sources:	\$ 170,900,000

#### Uses of Funds:

Land Acquisition:	\$ 13,800,000
New Construction:	\$ 124,247,354
Architectural & Engineering:	\$ 4,468,014
Legal & Professional:	\$ 350,000
Permits, Marketing, FFE:	\$ 4,486,940
Property Taxes & Insurance:	\$ 2,589,247
Financing Fee & Interest:	\$ 5,637,574
Developer Fee:	\$ 13,315,121
Costs of Issuance:	<u>\$ 2,005,750</u>
Total Uses:	\$ 170,900,000

### Terms of Transaction:

Amount:	\$150,000,000
Maturity:	30 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	July 2024

Public Benefit:

A total of 58 households will be able to enjoy high quality, independent, affordable housing in the City of San Diego, California for the next 30 years.

Percent of Restricted Rental Units in the Project: 20%  
19% (11 Units) restricted to 40% or less of area median income households; and  
81% (47 Units) restricted to 50% or less of area median income households.  
Unit Mix: Studio, 1-, & 2-bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	Mizuho Capital Markets, LLC
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Lender Counsel:	Greenberg Traurig, LLP
Borrower Counsel:	Cox Castle, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$150,000,000 for the San Diego Mission Road Apartments affordable multi-family housing facility located in the City of San Diego, San Diego County, California.

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

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



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## **HUNT’S GROVE AND LA PRADERA APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: BRIDGE Housing

Action: Initial Resolution

Amount: \$30,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility  
Located in the Cities of St. Helena and Calistoga, County of  
Napa, California

Activity: Affordable Housing

Meeting: August 4, 2023

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### **Background:**

BRIDGE Housing Corporation (“BRIDGE”) is one of the country’s premier developers of affordable housing and master planned developments. Their mission is to produce large volumes of high-quality homes for seniors and families of very low, low and moderate incomes. Since beginning active operations in 1983, BRIDGE has participated in the development of over 18,000 housing units in over 80 California communities, valued at more than \$3 billion. BRIDGE Property Management Company has had the management capacity to maintain quality standards and community responsiveness in nearly 8,000 rental units.

BRIDGE builds a range of housing types that both fit comfortably into their surroundings and act as a catalyst for revitalizing and strengthening neighborhoods. BRIDGE not only specializes in bringing affordable housing to all income levels, but it also works to develop housing for all age levels. BRIDGE has been a leader in providing high-quality affordable housing for seniors, helping to enhance the lives of all members of a community. The vast majority of the homes built by BRIDGE are affordable to families who earn approximately \$15,000 - \$50,000. The remainder is primarily affordable to households with moderate incomes. Approximately 78% of BRIDGE units are rentals; the balance of which is comprised of for-sale units affordable to first time homebuyers. BRIDGE is known for creating award winning affordable homes that not only depict the character of the community, but also display the same quality of design and construction as market rate housing.

### The Project:

La Pradera Apartments is an acquisition/ rehabilitation project that was placed in service in 1994 and consists of 48 units in 6 two-story buildings. The site area is approximately 197,736 square feet or 4.50 acres. The property contains an asphalt-paved drive and parking areas which are accessed from Brannan Street. The property includes 1, one-story common area leasing office/community room building and 6, two-story apartment buildings. Amenities include a community room, a landscaped children's play area, a turf field, and extensive community gardens.

Hunt's Grove is an acquisition/ rehabilitation project that was placed in service in 1992 and consists of 56 units in 7, two-story buildings. The site area is approximately 218,236 square feet or 5.01 acres. The property contains an asphalt-paved drive and parking areas which are accessed from Hunt Avenue. The property includes 1, one-story common area community room building and 7, two-story apartment buildings. Amenities include children's play areas, a playing field, a recreational building, community gardens, and extensive landscaping.

The proposed projects are a rehabilitation of primarily the exterior envelope of the buildings. Primary scope items include exterior façade elements that have significant water damage over 30 years or are at the end of their useful life/warranty period, energy upgrades, and life-safety and accessibility improvements. The Capital Needs Assessment report required by TCAC will further confirm building systems and other components that are at the end of their useful life and need to be replaced, plus provide a replacement reserve analysis. The total project will consist of 104 units restricted to 50-60% AMI. This financing will create 102 units of affordable housing for the Cities of St. Helena and Calistoga for the next 55 years.

### The County of Napa:

The County of Napa will need to become a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the County is expected to receive approximately \$12,554 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 17,257,737
Recycled Bond Proceeds:	\$ 3,065,633
Seller Carryback Loan:	\$ 3,585,176
Accr. Deferred Int. - Seller Carryback Loan:	\$ 228,950
RHCP - La Pradera:	\$ 3,816,033
Accr. Deferred Int. - RHCP - La Pradera:	\$ 243,693
Calistoga Loan:	\$ 270,733
Accrued Deferred Interest – Calistoga Loan:	\$ 17,289
RHCP - Hunts Grove:	\$ 1,237,688
Accr. Deferred Int. - RHCP - Hunts Grove:	\$ 79,039
St Helena Loan:	\$ 431,141
Accrued Deferred Interest - St Helena Loan:	\$ 27,533
Costs Deferred Until Conversion:	\$ 1,872,581
Deferred Developer Fee:	\$ 674,361

GP Capital - Sponsor:	\$ 100
GP Capital - La Pradera Reserves:	\$ 400,000
GP Capital - Hunts Grove Reserves:	\$ 400,000
Limited Partners:	\$ <u>1,270,803</u>
Total Sources:	\$ 34,878,490

Uses of Funds:

Land Acquisition Cost:	\$ 475,000
Building Acquisition:	\$ 17,375,000
Hard Costs:	\$ 7,722,000
Soft Costs:	\$ 4,739,748
Contingency:	\$ 1,171,405
Financing/Cost of Issuance:	\$ 159,606
Cash Developer Fee:	\$ 2,000,000
Accrued Soft Loan Interest:	\$ 587,275
Deferred Developer Fee:	\$ <u>648,456</u>
Total Uses:	\$ 34,878,490

Terms of Transaction:

Amount:	\$30,000,000
Maturity:	17 Years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	June 2024

Public Benefit:

A total of 102 low-income households will be able to enjoy high quality, independent, affordable housing in the County of Napa.

Percent of Restricted Rental Units in the Project: 100%  
 50% (51 Units) restricted to 50% or less of area median income households; and  
 50% (51 Units) restricted to 60% or less of area median income households.  
 Unit Mix: 1-, 2- & 3- bedroom units  
 Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
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 \$30,000,000 for the Hunt's Grove and La Pradera Apartments affordable multi-family housing facilities located in the Cities of St. Helena and Calistoga, Napa 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.





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## **AVALON COURTYARD APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Thomas Safran & Associates
Action:	Initial Resolution
Amount:	\$20,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Carson, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### **Background:**

Building on more than three decades of strength and experience, Thomas Safran & Associates (“TSA”) has emerged as a leader in the development of affordable housing in Southern California. TSA has developed over 3,500 units and continuously strives to provide premiere housing for seniors and families.

Their rental communities traditionally house 75 to 250 units. Additionally, TSA has developed mixed use and market rate projects.

Their developments are created with excellence in design and with amenities to assist their residents. Such features include basketball courts, playgrounds, large community rooms, wireless internet access, computer rooms, libraries, teen rooms, childcare centers, exercise facilities and other high-quality amenities. While building and managing profitable housing for their investors, their highest goal is to enhance the world in which we live and to enrich the lives of the people who reside in their buildings.

### The Project:

The Avalon Courtyard Apartments is an acquisition/ rehabilitation project for seniors. The project is a 92 unit 3-story apartment building located on a 1.39-acre lot and contains a partial subterranean parking garage. The apartment building is wood-frame construction and was completed in 1995. 91 units are 1- bedroom, 1- bathroom resident units, with one 2-bedroom, 1-bathroom unit for the manager. Rent will be restricted to 50-60% of AMI. Amenities will include a recreation room, exercise equipment, library, computer room, laundry room, ping-pong table, and on-site management. This financing will preserve 91 units of affordable housing for the City of Carson for another 55 years.

### The City of Carson:

The City of Carson is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$9,375 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bonds:	\$ 15,000,000
Deferred Developer Fee:	\$ 2,966,092
NOI During Construction:	\$ 510,702
City Subordinate Debt:	\$ 5,556,950
Tax Credit Equity:	<u>\$ 5,305,635</u>
Total Sources:	\$ 29,339,379

#### Uses of Funds:

Land Acquisition:	\$ 2,137,500
Building Acquisition:	\$ 12,112,500
Rehabilitation:	\$ 8,825,652
Architectural & Engineering:	\$ 450,000
Legal & Professional:	\$ 200,485
Soft Costs:	\$ 1,121,942
Financing Costs:	\$ 357,055
Reserves:	\$ 265,017
Developer Fee:	\$ 3,665,387
Costs of Issuance:	<u>\$ 203,841</u>
Total Uses:	\$ 29,339,379

### Terms of Transaction:

Amount:	\$20,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2024

Public Benefit:

A total of 91 households will be able to enjoy high quality, independent, affordable housing in the City of Carson, California for 55 years.

Percent of Restricted Rental Units in the Project: 100%  
51% (46 Units) restricted to 50% or less of area median income households; and  
49% (45 Units) restricted to 60% 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:	Bocarsly Emden Cowal Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$20,000,000 for the Avalon Courtyard Apartments affordable multi-family housing facility located in the City of Carson, Los Angeles 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.



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## **ABAJO DEL SOL APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Valued Housing / Barker Management
Action:	Initial Resolution
Amount:	\$10,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Monterey Park, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### Background:

Barker Management Incorporated (“BMI”) was formed in 1972 with the concept of providing quality property management services to the affordable housing market.

BMI began managing federally assisted housing, expanding over the years, to include conventional housing and commercial developments; however, its specialty continues to be the management of affordable housing.

Presently BMI manages properties that include a variety of subsidies from various agencies of programs including United States Department of Housing and Urban Development (HUD), Community, Federal and State Low Income Housing Tax Credits, State Bond Issuers, Federal Home Loan Bank’s Affordable Housing program and other state and local funding sources.

Valued Housing (“Valued”) was organized by the principals of Barker Management, Incorporated (“BMI”) in 2006 to facilitate the construction and preservation of affordable housing. Valued has developed and preserved over 2000 units utilizing extensive knowledge of the California multifamily housing revenue bond program, HUD Section 202 and 236 programs and both the 9% and 4% California low-income housing tax credit programs.

### The Project:

The Abajo Del Sol Apartments is an acquisition/ rehabilitation project located at 1000 Abajo Street in the City of Monterey Park. The project is a 60-unit apartment building with 1- bedroom units restricted to 50-60% AMI. Amenities will include a community room, laundry room, underground parking, and secured access. Services will be provided through WCH Resident Services, who will help residents gain computer skills, improve English-language fluency, strengthen academic performance, receive onsite healthcare and education, and more. This financing will preserve 60 units of affordable housing for the City of Monterey Park for another 55 years.

### The City of Monterey Park:

The City of Monterey Park is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$4,375 as part of the CMFA's sharing of Issuance Fees.

### Proposed Construction Financing:

#### Sources of Funds:

Tax-Exempt Bonds Proceeds:	\$ 5,000,000
Recycled TE Bond Proceeds:	\$ 2,000,000
Seller Loan:	\$ 1,000,000
Seller's Reserves:	\$ 417,000
NOI During Construction:	\$ 653,000
Def. Developer Fee:	\$ 1,111,643
Equity:	<u>\$ 3,620,000</u>
Total Sources:	\$ 13,801,643

#### Uses of Funds:

Land Acquisition:	\$ 1,000,000
Building Acquisition:	\$ 4,200,000
Rehabilitation:	\$ 4,680,000
Architectural & Engineering:	\$ 400,000
Legal & Professional:	\$ 335,000
Capitalized Interest:	\$ 630,000
Relocation:	\$ 366,000
Developer Fee:	\$ 1,632,593
TCAC Operating Reserve:	\$ 194,000
Soft Costs:	\$ 57,675
Costs of Issuance:	<u>\$ 306,375</u>
Total Uses:	\$ 13,801,643

Terms of Transaction:

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

Public Benefit:

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

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

Finance Team:

Lender:	R4 Capital Funding
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Bocarsly Emden Cowal Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$10,000,000 for the Abajo Del Sol Apartments affordable multi-family housing facility located in the City of Monterey Park, Los Angeles 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.



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## **GIBSON DRIVE I APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Shae Properties LLC
Action:	Initial Resolution
Amount:	\$100,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Roseville, Placer County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### Informational:

This project is reviewing multiple strategies to earn a CDLAC volume cap award. The project will apply as one large project “Gibson Drive I” or as two separate projects “Gibson Drive II” and “Gibson Drive III”. The CDLAC application requires an Inducement Resolution to reflect the correct not to exceed amount and unit mix. Due to this process, there are 3 virtually identical staff reports that coordinate to the not to exceed and unit mix.

### Background:

Shea Properties, headquartered in Aliso Viejo, California, is a diversified real estate company responsible for the acquisition, design, development, construction, leasing, and management of business parks, shopping centers, apartment communities, and mixed-use environments. Currently, Shea Properties owns and operates approximately 10,000 apartment units and 6 million square feet of office, industrial and retail space in California, Colorado, and Washington, with a strong pipeline of future projects.

Shea Properties has expanded over the years through a number of significant land and portfolio acquisitions. In 1997, it purchased the California-based Mission Viejo Company which included 900 acres of land in Aliso Viejo, California and more than 22,000 acres of land in Highlands Ranch, Colorado. In 2006, the company established deeper roots in Colorado with the purchase of

the highly regarded Denver Technological Center and Meridian International Business Center just outside of Denver.

Shea Properties is known for its unique approach to transforming land into premier living, working and shopping environments. By identifying the highest potential value and optimal use for any given property and applying a highly focused development strategy, the company is able to use its diverse experience to create successful retail, business, and residential developments. They manage all aspects of development from start to finish.

#### The Project:

The Gibson Drive Apartments project is a new construction of a 365-unit multi-family apartment development that is 100% affordable with income restrictions ranging from 30% to 80% AMI. The building will be a 3 story walk up type V construction with solar facility per State and CDLAC / TCAC requirements. A total of \$75,000,000 in tax exempt bonds will be needed to finance the project. Given that the CDLAC Northern region pool is limited to not more than \$58m per allocation round, the Shae Properties will apply to CDLAC in 2 phases consisting of 261 units with approximately \$55,335,000 in TE bonds and Ph 2 consisting of 95 units with \$19,643,500 in TE bonds. It is anticipated that CDLAC will establish a surplus pool in round 3 of 2023 and that both phases will receive an allocation. If both phases receive a bond allocation, the ownerships would be merged and have the same management and development team. It is important to note that the project will not be applying for state tax credits. In lieu of State Tax Credit Equity, Shea Properties will provide a subordinate gap loan. On-site after school and adult education programs will be provided on the property. Amenities will include a fitness center, pool, spa, business center, tot lots, computer lab, picnic areas, and clubhouse. This financing will create 352 units of affordable housing for the City of Roseville for 55 years.

#### The City of Roseville:

The City of Roseville is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$24,737 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Construction Financing:

##### Sources of Funds:

Tax-Exempt Bonds:	\$ 74,978,500
Recycled TE Bond Proceeds:	\$ 18,446,000
Subordinate Land Loan:	\$ 8,500,000
Accrued Interest - Sub Land Loan:	\$ 1,803,000
Deferred Developer Fee:	\$ 14,918,000
Lease up and Seasoning NOI:	\$ 3,706,000
Subordinate Gap Loan:	\$ 7,071,000
Accrued Interest - Sub Gap Loan:	\$ 2,105,000
Equity:	<u>\$ 25,853,500</u>
Total Sources:	\$ 157,381,000



Uses of Funds:

Land Acquisition:	\$ 8,500,000
New Construction:	\$ 92,038,000
Operating Reserve:	\$ 1,789,000
Architectural & Engineering:	\$ 3,268,000
Legal & Professional:	\$ 939,000
Insurance:	\$ 1,501,000
Permits & Fees:	\$ 13,210,000
Loan Fee & Closing Costs:	\$ 1,019,000
Construction Loan Int.:	\$ 13,534,000
Developer Fee:	\$ 15,193,000
Contingency:	\$ 5,212,000
Costs of Issuance:	<u>\$ 1,178,000</u>
Total Uses:	\$ 157,381,000

Terms of Transaction:

Amount:	\$100,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2024

Public Benefit:

A total of 352 households will be able to enjoy high quality, independent, affordable housing in the City of Roseville, California for 55 years.

Percent of Restricted Rental Units in the Project: 100%

11% (39 Units) restricted to 30% or less of area median income households; and  
21% (73 Units) restricted to 50% or less of area median income households; and  
44% (154 Units) restricted to 60% or less of area median income households; and  
26% (90 Units) restricted to 80% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	Citi Community Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Cox Castle & Nicholson LLP
Financial Advisor:	Max Nardoni & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$100,000,000 for the Gibson Drive Apartments affordable multi-family housing facility located in the City of Roseville, Placer 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.



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## **GIBSON DRIVE PHASE II APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Shae Properties LLC

Action: Initial Resolution

Amount: \$75,000,000

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

Activity: Affordable Housing

Meeting: August 4, 2023

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### **Informational:**

This project is reviewing multiple strategies to earn a CDLAC volume cap award. The project will apply as one large project “Gibson Drive I” or as two separate projects “Gibson Drive II” and “Gibson Drive III”. The CDLAC application requires an Inducement Resolution to reflect the correct not to exceed amount and unit mix. Due to this process, there are 3 virtually identical staff reports that coordinate to the not to exceed and unit mix.

### **Background:**

Shea Properties, headquartered in Aliso Viejo, California, is a diversified real estate company responsible for the acquisition, design, development, construction, leasing, and management of business parks, shopping centers, apartment communities, and mixed-use environments. Currently, Shea Properties owns and operates approximately 10,000 apartment units and 6 million square feet of office, industrial and retail space in California, Colorado, and Washington, with a strong pipeline of future projects.

Shea Properties has expanded over the years through a number of significant land and portfolio acquisitions. In 1997, it purchased the California-based Mission Viejo Company which included 900 acres of land in Aliso Viejo, California and more than 22,000 acres of land in Highlands Ranch, Colorado. In 2006, the company established deeper roots in Colorado with the purchase of

the highly regarded Denver Technological Center and Meridian International Business Center just outside of Denver.

Shea Properties is known for its unique approach to transforming land into premier living, working and shopping environments. By identifying the highest potential value and optimal use for any given property and applying a highly focused development strategy, the company is able to use its diverse experience to create successful retail, business, and residential developments. They manage all aspects of development from start to finish.

#### The Project:

The Gibson Drive Apartments project is a new construction of a 365-unit multi-family apartment development that is 100% affordable with income restrictions ranging from 30% to 80% AMI. The building will be a 3 story walk up type V construction with solar facility per State and CDLAC / TCAC requirements. A total of \$75,000,000 in tax exempt bonds will be needed to finance the project. Given that the CDLAC Northern region pool is limited to not more than \$58m per allocation round, the Shea Properties will apply to CDLAC in 2 phases consisting of 261 units with approximately \$55,335,000 in TE bonds and Ph 2 consisting of 95 units with \$19,643,500 in TE bonds. It is anticipated that CDLAC will establish a surplus pool in round 3 of 2023 and that both phases will receive an allocation. If both phases receive a bond allocation, the ownerships would be merged and have the same management and development team. It is important to note that the project will not be applying for state tax credits. In lieu of State Tax Credit Equity, Shea Properties will provide a subordinate gap loan. On-site after school and adult education programs will be provided on the property. Amenities will include a fitness center, pool, spa, business center, tot lots, computer lab, picnic areas, and clubhouse. This financing will create 352 units of affordable housing for the City of Roseville for 55 years.

#### The City of Roseville:

The City of Roseville is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$20,629 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Construction Financing:

##### Sources of Funds:

Tax-Exempt Bonds:	\$ 74,978,500
Recycled TE Bond Proceeds:	\$ 18,446,000
Subordinate Land Loan:	\$ 8,500,000
Accrued Interest - Sub Land Loan:	\$ 1,803,000
Deferred Developer Fee:	\$ 14,918,000
Lease up and Seasoning NOI:	\$ 3,706,000
Subordinate Gap Loan:	\$ 7,071,000
Accrued Interest - Sub Gap Loan:	\$ 2,105,000
Equity:	<u>\$ 25,853,500</u>
Total Sources:	\$ 157,381,000

Uses of Funds:

Land Acquisition:	\$ 8,500,000
New Construction:	\$ 92,038,000
Operating Reserve:	\$ 1,789,000
Architectural & Engineering:	\$ 3,268,000
Legal & Professional:	\$ 939,000
Insurance:	\$ 1,501,000
Permits & Fees:	\$ 13,210,000
Loan Fee & Closing Costs:	\$ 1,019,000
Construction Loan Int.:	\$ 13,534,000
Developer Fee:	\$ 15,193,000
Contingency:	\$ 5,212,000
Costs of Issuance:	\$ 1,178,000
Total Uses:	\$ 157,381,000

Terms of Transaction:

Amount:	\$75,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2024

Public Benefit:

A total of 259 households will be able to enjoy high quality, independent, affordable housing in the City of Roseville, California for 55 years.

Percent of Restricted Rental Units in the Project: 100%

11% (28 Units) restricted to 30% or less of area median income households; and  
21% (54 Units) restricted to 50% or less of area median income households; and  
43% (112 Units) restricted to 60% or less of area median income households; and  
25% (65 Units) restricted to 80% or less of area median income households.

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

Term of Restriction: 55 years

Finance Team:

Lender:	Citi Community Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Cox Castle & Nicholson LLP
Financial Advisor:	Max Nardoni & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$75,000,000 for the Gibson Drive Phase I Apartments affordable multi-family housing facility located in the City of Roseville, Placer 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.



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## **GIBSON DRIVE PHASE III APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Shae Properties LLC
Action:	Initial Resolution
Amount:	\$30,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Roseville, Placer County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### **Informational:**

This project is reviewing multiple strategies to earn a CDLAC volume cap award. The project will apply as one large project “Gibson Drive I” or as two separate projects “Gibson Drive II” and “Gibson Drive III”. The CDLAC application requires an Inducement Resolution to reflect the correct not to exceed amount and unit mix. Due to this process, there are 3 virtually identical staff reports that coordinate to the not to exceed and unit mix.

### **Background:**

Shea Properties, headquartered in Aliso Viejo, California, is a diversified real estate company responsible for the acquisition, design, development, construction, leasing, and management of business parks, shopping centers, apartment communities, and mixed-use environments. Currently, Shea Properties owns and operates approximately 10,000 apartment units and 6 million square feet of office, industrial and retail space in California, Colorado, and Washington, with a strong pipeline of future projects.

Shea Properties has expanded over the years through a number of significant land and portfolio acquisitions. In 1997, it purchased the California-based Mission Viejo Company which included 900 acres of land in Aliso Viejo, California and more than 22,000 acres of land in Highlands Ranch, Colorado. In 2006, the company established deeper roots in Colorado with the purchase of

the highly regarded Denver Technological Center and Meridian International Business Center just outside of Denver.

Shea Properties is known for its unique approach to transforming land into premier living, working and shopping environments. By identifying the highest potential value and optimal use for any given property and applying a highly focused development strategy, the company is able to use its diverse experience to create successful retail, business, and residential developments. They manage all aspects of development from start to finish.

#### The Project:

The Gibson Drive Apartments project is a new construction of a 365-unit multi-family apartment development that is 100% affordable with income restrictions ranging from 30% to 80% AMI. The building will be a 3 story walk up type V construction with solar facility per State and CDLAC / TCAC requirements. A total of \$75,000,000 in tax exempt bonds will be needed to finance the project. Given that the CDLAC Northern region pool is limited to not more than \$58m per allocation round, the Shae Properties will apply to CDLAC in 2 phases consisting of 261 units with approximately \$55,335,000 in TE bonds and Ph 2 consisting of 95 units with \$19,643,500 in TE bonds. It is anticipated that CDLAC will establish a surplus pool in round 3 of 2023 and that both phases will receive an allocation. If both phases receive a bond allocation, the ownerships would be merged and have the same management and development team. It is important to note that the project will not be applying for state tax credits. In lieu of State Tax Credit Equity, Shea Properties will provide a subordinate gap loan. On-site after school and adult education programs will be provided on the property. Amenities will include a fitness center, pool, spa, business center, tot lots, computer lab, picnic areas, and clubhouse. This financing will create 352 units of affordable housing for the City of Roseville for 55 years.

#### The City of Roseville:

The City of Roseville is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$13,275 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Construction Financing:

##### Sources of Funds:

Tax-Exempt Bonds:	\$ 74,978,500
Recycled TE Bond Proceeds:	\$ 18,446,000
Subordinate Land Loan:	\$ 8,500,000
Accrued Interest - Sub Land Loan:	\$ 1,803,000
Deferred Developer Fee:	\$ 14,918,000
Lease up and Seasoning NOI:	\$ 3,706,000
Subordinate Gap Loan:	\$ 7,071,000
Accrued Interest - Sub Gap Loan:	\$ 2,105,000
Equity:	<u>\$ 25,853,500</u>
Total Sources:	\$ 157,381,000



Uses of Funds:

Land Acquisition:	\$ 8,500,000
New Construction:	\$ 92,038,000
Operating Reserve:	\$ 1,789,000
Architectural & Engineering:	\$ 3,268,000
Legal & Professional:	\$ 939,000
Insurance:	\$ 1,501,000
Permits & Fees:	\$ 13,210,000
Loan Fee & Closing Costs:	\$ 1,019,000
Construction Loan Int.:	\$ 13,534,000
Developer Fee:	\$ 15,193,000
Contingency:	\$ 5,212,000
Costs of Issuance:	\$ 1,178,000
Total Uses:	\$ 157,381,000

Terms of Transaction:

Amount:	\$30,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	May 2024

Public Benefit:

A total of 93 households will be able to enjoy high quality, independent, affordable housing in the City of Roseville, California for 55 years.

Percent of Restricted Rental Units in the Project: 100%

11% (11 Units) restricted to 30% or less of area median income households; and  
21% (19 Units) restricted to 50% or less of area median income households; and  
44% (41 Units) restricted to 60% or less of area median income households; and  
24% (22 Units) restricted to 80% or less of area median income households.  
Unit Mix: 1-, 2-, and 3- bedroom units  
Term of Restriction: 55 years

Finance Team:

Lender:	Citi Community Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	TBD
Borrower Counsel:	Cox Castle & Nicholson LLP
Financial Advisor:	Max Nardoni & Associates

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve an Initial Resolution of \$30,000,000 for the Gibson Drive Phase II Apartments affordable multi-family housing facility located in the City of Roseville, Placer 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.



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## **PARKSIDE FLATS SUMMARY AND RECOMMENDATIONS**

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Applicant: Integrity Housing

Action: Amending Final Resolution

Amount: \$72,500,000

Purpose: Finance an Affordable Multifamily Rental Housing Project  
Located in the City of Fairfield, Solano County, California

Activity: Affordable Housing

Meeting: August 4, 2023

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### Amendment – May 19, 2023:

The Parkside Flats Final Resolution was approved on May 19, 2023. The bonds for the project will be issued as a Limited Offering instead of a Public Offering. The Limited Offering requires a Placement Agent Agreement, and the Final Resolution language will be amended to reflect the changes.

### Background:

Integrity Housing, a dba of Affordable Housing Alliance II, Inc., was launched in 2010 when it separated from an affiliate affordable housing developer with which its team had worked since 1999. The purpose for the separation was to focus on a mission driven approach toward the creation of mixed income affordable housing through new development and the acquisition of existing multifamily properties. It is the belief of Integrity Housing that communities of mixed income create a better environment for growth and positive life changes in the moderate to low-income residents it serves as well as provides a good model for being a welcome addition to the neighboring communities.

Integrity Housing's mission is to create and sustain quality affordable communities for low-income seniors and families by bringing people, partners and resources together. With this effort their goal is to enrich the lives of our residents and respect the culture and architecture of those they serve. They take the role of fiscal accountability to their partners, government agencies, investors and lenders seriously and highly value their trusted alliance to fulfill their mission.

Since 1999 the team at Integrity Housing has built diverse and extensive experience in all areas of multi-family and affordable housing. The staff's broad expertise in all aspects of affordable housing allows Integrity Housing to effectively and efficiently build its portfolio.

#### The Project:

The Parkside Flats Apartments project is the new construction of a 168-unit affordable housing development to be located at 1600 Woolner Avenue in the City of Fairfield. The Project will offer 168 one, two, and three-bedroom units restricted to tenants earning 50 and 80 percent of the area median income or below. The Project's units will be contained in six three-story garden-style residential buildings, in addition to a one-story community building/leasing office.

The site is approximately 4.84 acres, or 210,830 square feet, in size. According to the City of Fairfield, the Project site is located in the "Heart of Fairfield" planning area, and is currently zoned HR, which is intended for medium-density multifamily residential development. The Project site has frontage along the north side of Woolner Avenue and the west side of Gregory Lane. The Project's neighborhood is mixed-use, consisting of office, industrial, commercial, retail, and recreational uses, as well as single-family homes and multifamily uses.

The site has good viability from Woolner Avenue and Gregory Lane. The Project's unit amenities include patios/balconies, blinds, central heating and air conditioning, coat closets, and ceiling fans. Appliances include refrigerators, ranges/ovens, dishwashers, garbage disposals, microwaves, and washer/dryers. The Project's common area amenities include a business center/computer lab, clubhouse, courtyard, exercise facility, swimming pool/hot tub, on-site management, recreation areas, exterior storage, and common area Wi-Fi. In addition, the Project will feature a designated resident services space, which will be utilized to provide resident programs including an after-school program/homework club for children Monday through Thursday. Additional programs include financial literacy, resume building, healthy cooking, and group fitness classes. Additional classes may be added based on the needs of tenants. The Project's security features include limited access, courtesy patrol, a gated perimeter, and video surveillance. The financing of this project will result in the addition of affordable housing for 168 low-income households in the City of Fairfield for 30 years.

#### The City of Fairfield:

The City of Fairfield is a member of the CMFA and held a TEFRA hearing on October 18, 2022. Upon closing, the City is expected to receive approximately \$20,833 as part of the CMFA's sharing of Issuance Fees.

#### Proposed Financing:

##### Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 63,800,000
County Funding:	\$ 600,000
Lease Up Cash Flow:	<u>\$ 2,144,579</u>
Total Sources:	\$ 66,544,579

**Uses of Funds:**

Land Acquisition:	\$ 1,630,000
New Construction:	\$ 39,285,958
Soft Costs:	\$ 10,089,957
Reserves:	\$ 10,656,655
Other Misc Costs*:	\$ 182,009
Developer Fee:	\$ 3,500,000
Cost of Issuance:	<u>\$ 1,200,000</u>
Total Uses:	\$ 66,544,579

**Terms of Transaction:**

Amount:	\$72,500,000
Maturity:	30 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Limited Offering - Qualified Institutional Buyers and Accredited Investors
Estimated Closing:	September 2023

**Public Benefit:**

A total of 168 households will be able to enjoy high quality, independent, affordable housing in the City of Fairfield for the next 30 years.

Percent of Restricted Rental Units in the Project: 100%  
20% (34 Units) restricted to 50% of area median income households; and  
80% (134 Units) restricted to 80% of area median income households.  
Unit Mix: 1-, 2- and 3- bedroom units  
Term of Restriction: 30 years

**Finance Team:**

Placement Agent:	Piper Sandler & Co.
Bond Counsel:	Orrick, Herrington & Sutcliffe, LLP
Issuer Counsel:	Jones Hall, APLC
Placement Agent Counsel:	Kutak Rock LLP
Borrower Counsel:	Chernove & Associates

**Recommendation:**

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$72,500,000 for the Parkside Flats Apartments multifamily affordable housing project located in the City of Fairfield, Solano 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.



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## **HOTEL FRESNO APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	APEC International, LLC
Action:	Resolution
Amount:	\$3,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Fresno, Fresno County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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Amending Resolution – February 22, 2019, April 5, 2019, December 10, 2021, and June 24, 2022, Final Resolution

The CMFA previously approved amendments to the Final Resolution on February 22, 2019, April 5, 2019, December 10, 2021 and June 24, 2022. There has also been a Final Resolution on the Supplemental Allocation of \$1,400,000. The borrower has requested that the CMFA approve a second supplemental resolution of \$3,000,000. There have been significant cost overruns, so the project needs an additional allocation to meet the 50% test.

### Original Staff Report Below:

#### Background:

APEC International has completed several development projects throughout Los Angeles, California. The firm was founded by Eugene H. Kim in 1988 as a design and construction company that would fully utilize his expertise and experience. In 1989, Keely Hahn joined APEC, bringing her expertise in construction management, cost control, and scheduling. Built on this foundation, APEC has established itself as a successful real estate development firm, design build firm, and general contractor.

As a developer, APEC is committed to socially responsible development. As such, APEC will only participate in developments which will fit within the fabric of a neighborhood and will improve the quality of the social construct and built environment of that community.

The financial strength and stability of APEC provides the capability to competitively deliver quality construction. Projects are consistently completed within the guaranteed maximum contract price, utilizing Ms. Hahn's construction management systems, cost control expertise, and accurate construction scheduling.

The types of projects completed by APEC include multi-family communities (new construction and rehabilitation), institutional projects, commercial office buildings, banks, shopping centers, and specialty projects.

### The Project:

The Hotel Fresno project will consist of the complete renovation of the existing vacant Hotel Fresno. The Hotel Fresno project will be a mixed-use project consisting of 40 restricted affordable housing units at 50% AMI, 38 units at 80% AMI, and 1 unrestricted manager unit with light retail commercial uses on the first floor of the building. The overall project residential units and residential support areas such as the community room, computer room, sitting areas, and management offices will be located on floors 2-7 and the basement floor. The ground floor commercial space will be designated for light retail/commercial, all within the footprint of the existing structure. All units will have central heat and air conditioning. The building will have controlled access, laundry rooms, and free WIFI. In addition to the Hotel Fresno building, the project will also include an outdoor recreation/play area to be located on an adjacent property to the rear of the existing building. The project will have access to 41 parking spaces for the affordable housing tenants and manager on adjacent property southeast of the building. This financing will create 40 units of affordable housing and another 38 units at 80% for the City of Fresno for the next 55 years.

### The City of Fresno:

The City of Fresno is a member of the CMFA and held a TEFRA hearing on November 8, 2018. Upon closing, the City received \$9,687 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:	\$ 15,500,000	\$ 6,452,880
LIH Tax Credit Equity:	\$ 4,239,826	\$ 7,846,668
Deferred Developer Fee:	\$ 0	\$ 1,400,000
Deferred Costs:	\$ 1,671,596	\$ 0
Deep Green Housing Grant:	\$ 3,037,676	\$ 3,037,676
Fresno/Housing Successor Agency:	\$ 1,900,000	\$ 1,900,000
AHSC Loan:	\$ 0	\$ 1,762,324
APEC International Loan:	\$ 0	\$ 596,606
Historical Tax Credit:	\$ 0	\$ 3,352,944
Total Sources:	\$ 26,349,098	\$ 26,349,098



**Uses of Funds:**

Acquisition/Land Purchase:	\$ 3,325,608
Rehabilitation:	\$ 15,509,448
Contractor Overhead & Profit:	\$ 1,162,088
Architectural:	\$ 465,009
Survey & Engineering:	\$ 325,000
Construction Interest & Fees:	\$ 1,688,593
Permanent Financing:	\$ 111,793
Legal Fees:	\$ 166,000
Reserves:	\$ 215,000
Appraisal:	\$ 14,500
Hard Cost Contingency:	\$ 1,367,969
Local Development Impact Fees:	\$ 25,000
Other Project Costs*:	\$ 573,090
Developer Costs:	<u>\$ 1,400,000</u>
Total Uses:	\$ 26,349,098

**Terms of Transaction:**

Amount:	\$3,000,000
Maturity:	17 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Closed:	June 2019

**Public Benefit:**

A total of 40 low-income households and 38 moderate income households will be able to enjoy high quality, independent, affordable housing in the City of Fresno, California for the next 55 years.

Percent of Restricted Rental Units in the Project: 51%  
51% (40 Units) restricted to 50% or less of area median income households.  
Unit Mix: One-, two- and three-bedroom units  
Term of Restriction: 55 years

**Finance Team:**

Lender:	Bank of Hope
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall APLC
Lender Counsel:	Nevers, Palazzo, Packard, Wildermuth & Wynner
Borrower Counsel:	Bocarsly Emden Cowal Esmail & Arndt LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Resolution to approve a second supplemental pledge and assignment agreement for Hotel Fresno Apartments affordable multi-family housing facility located in the City of Fresno, Fresno 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.



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## **THE CARITAS CORPORATION SUMMARY AND RECOMMENDATIONS**

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Applicant:	The Caritas Corporation
Action:	Final Resolution
Amount:	\$50,000,000
Purpose:	Finance the Costs of the Acquisition, Construction and Improvement of Mobile Home Parks Located in the City of Los Angeles, County of Los Angeles, California
Activity:	Affordable Housing (Mobile Home Park)
Meeting:	August 4, 2023

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### Background:

The Caritas Corporation (“Caritas”) is a California non-profit public benefit corporation. The mission of The Caritas Corporation is to own and operate affordable housing projects and create vibrant communities where quality of life, resident involvement and caring are priorities.

The Caritas Corporation, based in Irvine, California, was established on September 16, 1996, and is a California nonprofit public benefit corporation. The Borrower received a determination letter from the Internal Revenue Service as to its status as an organization described in Section 501(c)(3) of the Code dated October 24, 1996. Their goal is to own and operate affordable housing projects (mobile home parks) that help lessen the burden of local government by providing and maintaining affordable housing for persons of low income and means.

Caritas owns and operates 20 mobile home parks throughout California that have a combined 3,667 spaces. Caritas is the second largest non-profit owner and operator of mobile home parks in California.

### The Project:

The proceeds of the Bonds will be loaned by the CMFA to Caritas Acquisitions IX, LLC and Caritas Acquisitions X, LLC (the “Borrowers”) to be used to: (1) finance the Projects, (2) finance a debt service reserve fund for the Bonds, if any; and (3) pay costs of issuance and certain interest with respect to the Bonds.

The term “Projects” means financing and refinancing all or a portion of the costs of the acquisition, construction and improvement of the following mobile home parks:

1. Chatsworth Mobile Home Park is located at 21500 Lassen Street, Los Angeles, California. Chatsworth Mobile Home Park was originally developed in 1965. The property encompasses 21.98 acres and currently provides 198 mobile home spaces.
2. Riviera Mobile Estates is located at 8801 Eaton Avenue, Los Angeles, California. Riviera Mobile Estates was originally developed in 1971 and currently provides 151 mobile home spaces.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and will be asked to hold a TEFRA hearing. Upon closing, the City is expected to receive approximately \$16,166 as part of the CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 50,000,000
Total Sources:	\$ 50,000,000

Uses of Funds:

Project Acquisitions:	\$ 44,000,000
Debt Service Reserve Fund:	\$ 4,000,000
Costs of Issuance:	\$ 2,000,000
Total Uses:	\$ 50,000,000

Terms of Transaction:

Amount:	\$50,000,000
Maturity:	2058
Collateral:	Parity Deeds of Trust on property
Bond Purchasers:	Institutional & Retail
Estimated Closing:	September 2023
Expected Rating:	A- (S&P)

Public Benefit:

Caritas, as a nonprofit, unites people with a purpose to preserve affordable communities that uplift and empower its residents.

With the increasing number of households on fixed or limited incomes and with the scarcity of reliable, long-term, reasonably priced housing in California, Caritas endeavors to create vibrant communities where resident involvement and caring are priorities. In addition to keeping costs down, Caritas works to provide experienced and responsive management of its properties. Residents and Caritas work together to meet ongoing needs, resolve problems and enhance the quality of life throughout its communities.

Finance Team:

Underwriter:	D.A. Davidson & Co.
Underwriter Counsel:	Butler Snow LLP
Bond Counsel:	Squire Patton Boggs (US) LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Dzida, Carey & Steinman PC
Rating Agency:	S&P Global Ratings

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$50,000,000 to finance the acquisition and improvement of mobile home parks located in the City of Los Angeles, County of Los Angeles, 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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## **BERNARDINE SENIOR INDEPENDENT APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Quest Capital Partners
Nonprofit:	Affordable Rent Project
Action:	Final Resolution
Purpose:	Charitable Affordable Housing Grant for an Affordable Rental Housing Facility Located in the City of San Bernardino, San Bernardino County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### Background:

Quest Capital Partners, Inc, an affiliate company of Castle Rock Investors, LLC, specializes in the acquisition and renovation of multi-family properties throughout Southern California. The current strategy is to purchase existing naturally occurring affordable housing and preserve this housing for future low-income residents. Ken Leon, as a key principle, has been operating Quest since 2007 and since 1997, has bought and remodeled thousands of apartment units in Southern California. The vast majority of the properties have been occupied by low to middle income residents.

In 2019, Quest launched its construction division, Alliant Construction with the goal of providing high quality, responsive construction services to its properties and to outside clientele through a detail-oriented project and construction management approach. Ken Leon, as a Class-B general contractor, is the President and Responsible Managing Officer (RMO) of Alliant Construction. Quest has successfully assembled a strong in-house team of local qualified, experienced tradesmen and a stable of excellent subcontractors. Alliant has quickly developed a reputation as a reliable contractor with a knack for going the extra mile. Alliant provides both maintenance, rehab and project management services including tenant improvements, including apartment vacancy turns.

### Nonprofit Partner:

Affordable Rent Project is a nonprofit organization with broad experience developing and maintaining multifamily housing communities that are crucial to providing solutions to the current housing crisis and improving the economic vitality of America's cities by using

innovative yet sound debt financing mechanisms, including combinations of rated and non-rated tax exempt or tax credit bond financing as well as conventional financing. Affordable Rent Project works closely with their owner and developer partners, residents, communities, the United States Department of Housing and Urban Development and social service providers to improve the standard of living in affordable housing developments.

#### The Project:

The Project, located at 363 East Gilbert Street, San Bernardino, CA, is a 3-story, 71-unit apartment building. All of the units will be deed restricted to households that earn 80% of Area Median Income and will be leased to seniors. Since acquiring the asset, ownership has made significant improvements to the property. For example, common areas, including the community recreation room, have been upgraded with new paint, lighting, and flooring. The community room's kitchenette has been replaced. Safety measures have also been upgraded with an updated fire sprinkler system. Security has been improved through perimeter fencing. Approximately ten units have been remodeled with new flooring, paint and appliances. Due to the expected real estate property tax savings, ownership is planning to further invest into the property with capital expenditures towards remodeling the elevator cab, adding security cameras, obtaining solar panels, adding new recreation room furniture and remodeling units as they become vacant. All the apartments are studio and 1-bedroom units with private balconies. The Project also has a case-worker's office for supportive services, rear yard open space, on-site laundry, and both long- and short-term bicycle storage. The project is reserved for seniors 64 years and older. The charitable grant donation will preserve 70 units of affordable housing for 20 years in the City of San Bernardino.

#### The City of San Bernardino:

The City of San Bernardino is a member of the CMFA and has been notified of the anticipated grant donation. Upon closing, the City is expected to receive approximately \$10,650 as part of the CMFA's sharing of Issuance Fees.

#### Terms of Transaction:

Amount: \$10,000 Donation  
Estimated Closing: August 2023

#### Public Benefit:

A total of 70 low-income senior households will be able to enjoy high quality, independent, affordable housing in the City of San Bernardino for the next 20 years. The project was just purchased and will be able to undergo substantial rehabilitation to each unit because of the Welfare Exemption that will be placed on the property.

Percent of Restricted Rental Units in the Project: 100%  
100% (70 Units) restricted to 80% or less of area median income households.  
Unit Mix: Studio and 1-bedroom units  
Term of Restriction: 20 years

Finance Team:

Nonprofit Partner:	Affordable Rent Project
Nonprofit Partner Counsel:	Downs Pham & Kuei LLP
Special Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Downs Pham & Kuei LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution for a donation of \$10,000 for the Bernadine Senior Independent Living Apartments affordable multi-family housing facility located in the City of San Bernardino, San Bernardino County, California.





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## **2025 NEW JERSEY APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant:	Oak Road
Nonprofit:	Step Forward Communities
Action:	Final Resolution
Purpose:	Charitable Affordable Housing Grant for an Affordable Rental Housing Facility Located in the City of Los Angeles, Los Angeles County, California
Activity:	Affordable Housing
Meeting:	August 4, 2023

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### **Background:**

Eleos Ventures (“Eleos”) is a 100% privately financed affordable housing developer arm of Oak Road. Born out of the housing crisis in Los Angeles, which is affecting upwards of 60,000 individuals, Eleos was founded with one goal in mind—bring to the table creative, affordable, actionable solutions to house those vulnerable residents as quickly and efficiently as possible. The principals of Eleos, in an effort to supercharge the delivery of new, affordable units, decided to apply a market-rate mentality to affordable development. This marked departure from the traditional model allows the firm to be light on its feet in terms of acquisition and execution, with a keen focus on schedule and cost which can be much more efficiently controlled and monitored. Eleos has been successful thus far in acquiring, entitling, and permitting 100% deed-restricted affordable housing in Los Angeles, with approximately 1,400 units in various stages of development.

### **Nonprofit Partner:**

Step Forward Communities is a non-profit organization that provides low-income housing, health and social services, education, and development programs for low-income families, seniors, and veterans. They currently own and operate five apartment communities in California with state and federal regulatory agreements requiring social service programs, as well as provide 3rd party social services to other low-income properties.

The mission of Step Forward Communities is to transform resident’s lives by partnering with ethical, high quality and motivated companies to serve communities which need affordable housing and social services for low-income families, seniors and veterans.

### The Project:

The Project, located at 2025 New Jersey St., Los Angeles, CA, is a 3-story, 15-unit apartment new construction project completed in early 2023. All of the units will be deed restricted to house households that earn 80% of Area Median Income and will be leased to individuals with administered rental assistance vouchers. All the apartments are studio and 1-bedroom units, approximately 475 square-feet in size with private balconies. The Project also has a case-worker's office for supportive services, rear yard open space, on-site laundry, and both long- and short-term bicycle storage. The charitable grant donation will preserve 14 units of affordable housing for 20 years in the City of Los Angeles.

### The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and has been notified of the anticipated grant donation. Upon closing, the City is expected to receive approximately \$2,250 as part of the CMFA's sharing of Issuance Fees.

### Terms of Transaction:

Amount: \$10,000 Donation  
Estimated Closing: August 2023

### Public Benefit:

A total of 14 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Los Angeles for the next 20 years. The project is a new construction that will house low-income residents thanks in part to the charitable grant that will allow a Welfare Exemption that will be placed on the property.

Percent of Restricted Rental Units in the Project: 100%  
100% (14 Units) restricted to 80% or less of area median income households.  
Unit Mix: Studio and 1-bedroom units  
Term of Restriction: 20 years

### Finance Team:

Nonprofit Partner: Step Forward Communities  
Nonprofit Partner Counsel: Downs Pham & Kuei LLP  
Special Counsel: Orrick, Herrington & Sutcliffe LLP  
Issuer Counsel: Jones Hall, APLC  
Borrower Counsel: Downs Pham & Kuei LLP

### Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution for a donation of \$10,000 for the 2025 New Jersey Apartments affordable multi-family housing facility located in the City of Los Angeles, Los Angeles County, California.



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## **MARIPOSA CLUB APARTMENTS SUMMARY AND RECOMMENDATIONS**

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Applicant: Prometheus Real Estate Group

Nonprofit Partner: Hearthstone Housing Foundation

Action: Final Resolution

Purpose: Charitable Affordable Housing Grant for an Affordable Rental Housing Facility Located in the City of Mountain View, Santa Clara County, California

Activity: Affordable Housing

Meeting: August 4, 2023

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### **Background:**

In 1965, the founder of Prometheus, Sanford Diller, saw an opportunity to invest in the future of Silicon Valley. Inspired by their namesake, the Greek titan who symbolized innovation and foresight, he built Prometheus Real Estate Group, a company focused on an entrepreneurial spirit. Sanford had the vision to transform apartment living and did so with care and attention applied to every detail. From site selection and design to service and innovation, no detail was considered too small. He also saw an opportunity to change the impersonal nature of the apartment industry. Focusing on connecting with others in a Neighborly way is one of the foundational elements of our company's culture. This sense of belonging is in everything they do, as they bring I AM HOME and I AM HOME AT WORK to life.

This culture of excellence and success enabled Prometheus and the Helen Diller Family Foundations to give back. Sanford set the example and invested in others to carry the torch forward and continues to light our way.

### **Nonprofit Partner:**

Hearthstone Housing Foundation is a 501(c)(3) nonprofit public benefit corporation dedicated to providing service-enriched affordable housing for low-income families, the elderly and the disabled. Hearthstone is also committed to combating community deterioration to lessen the burdens of government.

The mission is carried out by partnering with private developers to build quality housing in areas of need. Since its founding in 1992, Hearthstone and its affiliates have served as a general partner of numerous affordable multifamily housing projects. Today Hearthstone is proud of its nearly 200 properties which thousands of people across the country call home. Hearthstone believes all people should have access to necessary services in order to maintain a self-sufficient and independent lifestyle. Hearthstone and its on-site staff coordinate with local community groups, businesses and non-profit organizations to ensure residents have access to the resources they need to be successful.

#### The Project:

The City of Mountain View currently has a regulatory agreement recorded on the project. The CMFA has been asked to join the current Regulatory Agreement in order for the project to qualify for a Welfare Exemption. The project is located at 660 Mariposa Ave., Mountain View, CA, and is a recently renovated 48-unit apartment building. All of the units will be deed restricted to house households that earn 80% of Area Median Income and will be leased to individuals with administered rental assistance vouchers. All the apartments are studio 1- and 2-bedroom units. The Project also has a rear yard open space, on-site laundry, and both long- and short-term bicycle storage. The charitable grant donation will preserve 48 units of affordable housing for 20 years in the City of Mountain View.

#### The City of Mountain View:

The City of Mountain View is a member of the CMFA and has been notified of the anticipated grant donation. Upon closing, the City is expected to receive approximately \$7,500 as part of the CMFA's sharing of Issuance Fees.

#### Terms of Transaction:

Amount:	\$10,000 Donation
Estimated Closing:	August 2023

#### Public Benefit:

A total of 48 low-income households will be able to enjoy high quality, independent, affordable housing in the City of Mountain View for the next 20 years. The project was recently purchased and renovated. Substantial renovation is still underway for units that turnover.

Percent of Restricted Rental Units in the Project:	100%
100% (48 Units) restricted to 80% or less of area median income households.	
Unit Mix: Studio, 1- and 2-bedroom units	
Term of Restriction: 20 years	

Finance Team:

Nonprofit Partner:	Hearthstone Housing Foundation
Nonprofit Partner Counsel:	Downs Pham & Kuei LLP
Special Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Downs Pham & Kuei LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution for a donation of \$10,000 for the Mariposa Club Apartments affordable multi-family housing facility located in the City of Mountain View, Santa Clara County, California.



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## **PLUMAS LAKE-LEAK COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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Applicant: JAS Land Fund 5, LLC

Amount: \$12,300,000

Action: Approval

Purpose: Approve Resolutions Initiating Formation of CMFA Community Facilities District No. 2023-13 (County of Yuba – Plumas Lake – Leak) and Intention to Incur Bonded Indebtedness

Activity: BOLD/ Community Facilities District

Meeting: August 4, 2023

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### **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 Yuba (the "County") is a member of the CMFA and a participant in BOLD. (JAS Land Fund 5, LLC (the "Developer") has 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 have accepted such application.

The applicant has requested formation of a community facilities district, which will facilitate the future issuance of bonds by the CMFA under the program. Proceeds of bonds will primarily be used to finance public infrastructure facilities to be owned by the County.

As an initial step in using BOLD for the financing, the CMFA needs to form a community facilities district. The proposed community facilities district will be called California Municipal Finance Authority Community Facilities District No. 2023-13 (County of Yuba – Plumas Lake-Leak).

Under the Act, it is a requirement that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to form the CFD, stating the types of public facilities to be financed on behalf of the CFD, setting forth the rate and method of apportionment of a proposed special

tax to be levied in the CFD, and establishing the boundary. 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 its Intention to Establish California Municipal Finance Authority Community Facilities District No. 2023-13 (County of Yuba – Plumas Lake-Leak), and to Levy a Special Tax to Finance the Acquisition and Construction of Certain Public Facilities in and for such Community Facilities District (the “Resolution of Intention to Form CFD”).

It is also a requirement under the Act that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to issue bonds payable from the levy of a special tax within the CFD. A resolution meeting that requirement 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 its Intention to Incur a Bonded Indebtedness in and for the California Municipal Finance Authority Community Facilities District No. 2023-13 (County of Yuba – Plumas Lake-Leak) to Finance the Acquisition and Construction of Certain Public Facilities (the “Resolution of Intention to Incur Bonded Indebtedness”).

#### The Project:

The proposed CFD will include approximately 36.71 developable acres and is planned to include 162 single family residential homes all consisting of the same size. The developer will be developing the lots and then selling them to a single merchant builder, Richmond American Homes.

The developer is currently developing the lots which are all in near finished condition and all are under contract to be purchased by the merchant builder. The final map for the project has been recorded and the first model homes are expected to be delivered by the end of 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 \$12,300,000 on behalf of the CFD and all improvement areas therein.

#### Future Action:

Under the Act, at a future meeting of the CMFA Board of Directors, the Board of Directors will need to hold a public hearing and adopt additional resolutions formally creating the CFD, authorizing the incurrence of bonded indebtedness for the CFD, levying the special tax within the CFD, and certain other related matters. The Plumas Lake-Leak CFD will be pooled with other CFDs and sold as a combined financing. It is expected that bonds for the Plumas Lake-Leak project will be pooled with other districts at some point in 2024.

#### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-13 (County of Yuba – Plumas Lake - Leak) (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.

**Public Facilities Financed Through Development Impact Fees:**

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

- Yuba County Roadway Facilities
- Yuba County Water and Storm Drain Facilities
- Olivehurst Public Utility District Sewer Facilities
- Olivehurst Public Utility District Water and Drainage Facilities

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 Resolution of Intention to Form CFD and the Resolution of Intention to Incur Bonded Indebtedness in an amount not to exceed \$12,300,000.





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## **SUMMERWIND COMMONS COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Calimesa 2 Holding, LLC

**Amount:** \$6,510,000

**Action:** Approval

**Purpose:** Approve Resolutions Initiating Formation of CMFA Community Facilities District No. 2023-14 (City of Calimesa – Summerwind Commons) and Intention to Incur Bonded Indebtedness

**Activity:** BOLD/ Community Facilities District

**Meeting:** August 4, 2023

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### 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 Calimesa (the "City") is a member of the CMFA and a participant in BOLD. Calimesa 2 Holding, LLC (the "Developer") has 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 have accepted such application.

The applicant has requested formation of a community facilities district, which will facilitate the future issuance of bonds by the CMFA under the program. Proceeds of bonds will primarily be used to finance public infrastructure facilities to be owned by the City.

As an initial step in using BOLD for the financing, the CMFA needs to form a community facilities district. The proposed community facilities district will be called California Municipal Finance Authority Community Facilities District No. 2023-14 (City of Calimesa – Summerwind Commons).

Under the Act, it is a requirement that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to form the CFD, stating the types of public facilities to be financed

on behalf of the CFD, setting forth the rate and method of apportionment of a proposed special tax to be levied in the CFD, and establishing the boundary. 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 its Intention to Establish California Municipal Finance Authority Community Facilities District No. 2023-14 (City of Calimesa – Summerwind Commons), and to Levy a Special Tax to Finance the Acquisition and Construction of Certain Public Facilities in and for such Community Facilities District (the “Resolution of Intention to Form CFD”).

It is also a requirement under the Act that the CMFA, as the entity forming the CFD, adopt a resolution stating its intention to issue bonds payable from the levy of a special tax within the CFD. A resolution meeting that requirement 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 its Intention to Incur a Bonded Indebtedness in and for the California Municipal Finance Authority Community Facilities District No. 2023-14 (City of Calimesa – Summerwind Commons) to Finance the Acquisition and Construction of Certain Public Facilities (the “Resolution of Intention to Incur Bonded Indebtedness”).

#### The Project:

The proposed CFD will include approximately 24.68 developable acres and is planned to include 168 single family residential homes ranging from 2,500 to 5,000 square feet. The developer will be developing the lots and then selling them to merchant builders.

The developer is currently in discussions with merchant builders to purchase the lots, with the goal of having all lots sold by the end of the year. Land use and entitlement planning is currently underway and anticipated to be approved by August 2023. The final map is expected to be recorded Q3 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 \$6,510,000 on behalf of the CFD and all improvement areas therein.

#### Future Action:

Under the Act, at a future meeting of the CMFA Board of Directors, the Board of Directors will need to hold a public hearing and adopt additional resolutions formally creating the CFD, authorizing the incurrence of bonded indebtedness for the CFD, levying the special tax within the CFD, and certain other related matters. The Summerwind Commons CFD will be pooled with other CFDs and sold as a combined financing. It is expected that bonds for the Summerwind project will be pooled with other districts in 2024 or 2025.

#### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-14 (City of Calimesa – Summerwind Commons) (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.

#### Public Facilities Financed Through Development Impact Fees:

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 Calimesa (City), the County of Riverside (County), the Western Riverside Council of Governments, or any other local agency. By way of example and not limitation, authorized facilities include facilities to be constructed using the following fees levied by the City:

- City Development Impact Fees

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 Resolution of Intention to Form CFD and the Resolution of Intention to Incur Bonded Indebtedness in an amount not to exceed \$6,510,000.



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## **CROSSROADS WEST COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Randy High Jr./Karna Harrigfeld

**Action:** Approval

**Purpose:** Approve Resolutions Forming CMFA Community Facilities District No. 2022-20 (City of Riverbank – Crossroads West), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

**Activity:** BOLD/ Community Facilities District

**Meeting:** August 4, 2023

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### Background and Resolutions:

On August 5, 2022, pursuant to Resolution No. 22-270 the Board of Directors (the “Board”) of the California Municipal Finance Authority (the “Authority”) established the California Municipal Finance Authority Community Facilities District No. 2022-20 (City of Riverbank – Crossroads West) (the “CFD”). Since the formation of the District, and with the approval of the City, the developer has requested that the rate and method of apportionment of special taxes (the “Rate and Method”) be amended to increase the Expected Maximum Special Tax Revenues (defined in the RMA) from \$84,666 to \$109,600 within Improvement Area No. 2 for Fiscal Year 2022-23, and (ii) increase the bonded indebtedness limit for Improvement Area No. 2 from \$2,900,000 to \$3,700,000, which has the further impact of increasing the CFD Bond Authorization from \$60,000,000 to \$60,800,000.

In order to facilitate this change, a public hearing and landowner election is required. The developers have executed and delivered to the Authority a “Petition, Consent, Waiver and Vote of Landowner” (the “Petition”), pursuant to which the Owners have requested that Rate and Method be revised and amended.

Following the public hearing and landowner election, the Board can then approve the Resolution stating its consideration of proceedings to (i) amend the RMA, and (ii) revise the CFD Bond Authorization to an amount of not to exceed \$3,700,000 for Improvement Area No. 2.

Recommendation:

The Executive Director recommends that the CMFA Board of Directors adopt the Resolutions to approve and adopt the revised Rate and Method and revised indebtedness limit for the CFD and accepts the results of the election as requested and approved by the Owners, as the sole Owners of land within CMFA CFD. No. 2022-20 (City of Riverbank – Crossroads West).



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## **PACIFIC TOPAZ COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Pacific Communities Builder, LLC

**Amount:** \$7,790,000

**Action:** Approval

**Purpose:** Approve Resolutions Forming CMFA Community Facilities District No. 2023-8 (City of Lancaster—Pacific Topaz), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

**Activity:** BOLD/ Community Facilities District

**Meeting:** August 4, 2023

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### 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 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. The CMFA and the City previously accepted such application, and on June 23, 2023, the Board of Directors of 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 August 4, 2023 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 June 23, 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. 2023-8 (City of Lancaster—Pacific Topaz) (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. 2023-8 (City of Lancaster—Pacific Topaz).

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. 2023-8 (City of Lancaster—Pacific Topaz) (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. 2023-8 (City of Lancaster—Pacific Topaz) (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 Los Angeles 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. 2023-8 (City of Lancaster—Pacific Topaz) (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 August 4, 2023, the ordinance can be finally adopted at a subsequent Board meeting.

#### The Project:

The proposed CFD includes approximately 40 acres and will include 208 single family lots. All of the units will be detached single family units and will also be age restricted. The units are planned to be approximately 1,600 square feet. The Developer is developing the property and will also build and sell 100% of the units to homebuyers.

The Developer plans to start grading the site in Q4 2023 or Q1 2024. Vertical construction is expected to commence Q3 2024 with first home sales occurring Q1 2025.

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 \$7,790,000 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 2024 or 2025, 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. 2023-8 (City of Lancaster – Pacific Topaz) (the “CFD”) include the following public improvements, development impact fees funding public improvements, and formation and administrative expenses.

#### Fees Financing Public Facilities:

##### City of Lancaster:

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

##### 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 Resolution of Formation, the Resolution Determining Necessity to Incur Bonded Indebtedness in an amount not to exceed \$7,790,000, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.





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## **VERRADO II COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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Applicant: Beazer Homes Holdings, LLC

Amount: \$2,900,000

Action: Approval

Purpose: Approve Resolutions Forming CMFA Community Facilities District No. 2023-9 (City of Roseville – Verrado II) Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

Activity: BOLD/ Community Facilities District

Meeting: August 4, 2023

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### **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 Roseville (the "City") is a member of the CMFA and a participant in BOLD. Beazer Homes Holdings, 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. The CMFA and the City previously accepted such application, and on June 23, 2023, 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 August 4, 2023 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 June 23, 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. 2023-9 (City of Roseville – Verrado II), 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. 2023-9 (City of Roseville – Verrado II).

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. 2023-9 (City of Roseville – Verrado II).

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. 2023-9 (City of Roseville – Verrado II) (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 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. 2023-9 (City of Roseville – Verrado II) (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 August 4, 2023, the ordinance can be finally adopted at a subsequent Board meeting.

#### The Project:

The proposed CFD includes approximately 10 acres. The CFD is planned to include 63 single-family detached residences and will include 3 different floor plans. The Developer is developing the property and will sell the lots to merchant homebuilders.

The infrastructure for the CFD is complete and all finished lots are expected in 2023. Home closings are expected to occur in December of 2023 with the final closing occurring April of 2025. The final map for the CFD has been recorded.

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 \$2,900,000 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 late 2023, subject to further resolution and approval. The Verrado II CFD will be pooled with other like-sized CFDs and sold as a combined financing. The Verrado II CFD will be included in a pooled financing in 2023.

#### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-9 (City of Roseville – Verrado II) (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.

#### Public Facilities Financed Through Development Impact Fees:

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 Roseville:

- Traffic Mitigation Fee
- Electric Background Development
- Water Connection Fee
- Citywide Parks Fee
- Neighborhood Parks Fee

#### Other Local Agencies:

- Placer County Traffic Mitigation 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 Resolution of Formation, the Resolution Determining Necessity to Incur Bonded Indebtedness in an amount not to exceed \$2,900,000, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.



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## **THE PASEOS AT CARMICHAEL COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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**Applicant:** Homes by Towne

**Amount:** \$ 2,800,000

**Action:** Approval

**Purpose:** Approve Resolutions Forming CMFA Community Facilities District No. 2023-10 (County of Sacramento – The Paseos at Carmichael), Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

**Activity:** BOLD/ Community Facilities District

**Meeting:** August 4, 2023

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### 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 Sacramento (the "County") is a member of CMFA and a participant in BOLD. Homes by Towne (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 June 23, 2023, 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 August 4, 2023 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 June 23, 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. 2023-10 (County of Sacramento – The Paseos at Carmichael), 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. 2023-10 (County of Sacramento – The Paseos at Carmichael).

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 No. 2023-10 (County of Sacramento – The Paseos at Carmichael) (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. 2023-10 (County of Sacramento – The Paseos at Carmichael) (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 Sacramento 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. 2023-10 (County of Sacramento – The Paseos at Carmichael) (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 August 4, 2023, the ordinance can be finally adopted at a subsequent Board meeting.

#### The Project:

The project includes approximately 6.5 acres and is planned to include 46 single family detached homes. There will be a total of three floor plans. Homes by Towne is planning to develop the property and build the homes within the CFD.

The final map has been recorded for the project and all major backbone infrastructure is complete. Model homes are expected to commence in 2023, and all units are expected to be complete within 24 months.

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 \$2,800,000 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 late 2023 subject to further resolution and approval. The Paseos at Carmichael CFD will be pooled with other like-sized CFDs, and sold as a combined financing. The Paseos at Carmichael CFD will be included in a pooled financing in late 2023.

#### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-10 (County of Sacramento – The Paseos at Carmichael) (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.

#### Public Facilities Financed Through Impact Fees:

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

- County of Sacramento, including Sacramento County Transportation Development Fee
- Sacramento Area Sewer District
- Sacramento Regional County Sanitation District

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 Resolution of Formation, the Resolution Determining Necessity to Incur Bonded Indebtedness in an amount not to exceed \$2,800,000, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.





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## **MATTOS RANCH COMMUNITY FACILITIES DISTRICT SUMMARY AND RECOMMENDATIONS**

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Applicant: LGI Homes – California, LLC

Amount: \$2,600,000

Action: Approval

Purpose: Approve Resolutions Forming CMFA Community Facilities District No. 2023-12 (NCLUSD – Mattos Ranch) Authorizing Incurrence of Bonded Indebtedness and Holding Special Landowner Election

Activity: BOLD/ Community Facilities District

Meeting: August 4, 2023

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### 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. Newman Crows Landing Unified School District (the "District") is a member of the CMFA and a participant in BOLD. LGI Homes-California, 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 District. The CMFA and the District previously accepted such application, and on June 23, 2023, 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 August 4, 2023 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 District, the CMFA needs to form a community facilities district. On June 23, 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. 2023-12 (NCLUSD – Mattos Ranch), 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. 2023-12 (NCLUSD – Mattos Ranch).

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. 2023-12 (NCLUSD – Mattos Ranch).

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. 2023-12 (NCLUSD – Mattos Ranch) (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 Stanislaus 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. 2023-12 (NCLUSD – Mattos Ranch) (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 August 4, 2023, the ordinance can be finally adopted at a subsequent Board meeting.

#### The Project:

The proposed CFD includes approximately 34.6 acres. The CFD is planned to include 106 single-family detached residences, and will include 5 different floor plans. The Developer is developing the property and will sell the lots to merchant homebuilders.

The infrastructure for the CFD is 90% complete and lots are in near final condition. Vertical construction began in July with home sales expected to begin in December 2023. The boundary map has been recorded and the final map was recorded in July 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 \$2,600,000 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 late 2023, subject to further resolution and approval. The Mattos Ranch CFD will be pooled with other like-sized CFDs and sold as a combined financing. The Mattos Ranch CFD will be included in a pooled financing in late 2023.

#### Authorized Facilities:

Authorized facilities and costs that may be funded through the California Municipal Finance Authority Community Facilities District No. 2023-12 (NCLUSD – Mattos Ranch) (the “CFD”) for the Newman-Crows Landing Unified School District 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, school facilities.

#### Public Facilities Financed Through Development Impact Fees:

Authorized facilities include development impact fees and/or mitigation payments paid and not otherwise reimbursed, whether fees and/or mitigation payments of the Newman-Crows Landing Unified School District, Stanislaus County, or any other local agency. The authorized facilities include, but are not limited to, capital facilities funded by the following:

- Newman-Crows Landing Unified School District impact fees and/or mitigation payments
- Stanislaus County public facility impact fees

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 Resolution of Formation, the Resolution Determining Necessity, the Resolution Calling Election, the Resolution Declaring Election Results, and introduce the Ordinance.