



MODERA THE ALAMEDA APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Catalyst Impact Fund
Action:	Final Resolution
Amount:	\$120,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City San Jose, Santa Clara County, California
Activity:	Affordable Housing
Meeting:	December 15, 2023

Background:

Catalyst Impact Fund (CIF), is a California Nonprofit Public Benefit Corporation organized “to cultivate innovative solutions to resolve the growing housing crisis in America and to provide safe, affordable rental housing for essential workers and their families.” CIF’s affiliate, Catalyst Housing Group (CHG), is a California Certified Benefit Corporation (B Corp) committed to the relentless pursuit of scalable housing solutions addressing structural wealth, income, and opportunity gaps. CHG currently serves as Project Administrator to CMFA on two CMFA Special Finance Agency-owned Essential Housing communities in Orange County, CA.

The Project:

Modera The Alameda (“Modera”) is a luxury mixed-use apartment community in San Jose, California. The Property was completed in 2018 and consists of 168 market-rate units and 18,151 square feet of ground floor retail (currently 100% leased). Each home features stainless steel appliances, full-size washers and dryers, water-smart fixtures, and plank flooring. Modera provides direct access to leading employers, Diridon Station, Google’s future Downtown West campus, and San Jose State University. The property is located immediately adjacent to Whole Foods, SAP Center, and various other shopping, fitness, and lifestyle amenities. Upon acquiring Modera, CIF will impose a long-term regulatory agreement that avoids the displacement of existing market-rate tenants while restricting future occupancy to 50% and 80% AMI households. This financing will create 168 units of quality affordable housing in the City of San Jose for the next 75 years.

The City of San Jose:

The City of San Jose is a member of the CMFA and held a TEFRA hearing on November 14, 2023. The City is expected to receive approximately \$23,667 as part of the CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 83,890,000
Equity Contribution:	<u>\$ 12,000,000</u>
Total Sources:	\$ 95,890,000

Uses of Funds:

Building Acquisition:	\$ 78,200,000
DSRF:	\$ 3,351,775
Capitalized Interest:	\$ 4,957,780
Coverage Reserves:	\$ 1,136,050
Transfer Taxes:	\$ 716,833
Capital Expenditures:	\$ 2,250,000
Operating Account:	\$ 250,000
Tax Reserves:	\$ 2,303,398
CHG Fees:	\$ 894,547
Costs of Issuance:	<u>\$ 1,829,617</u>
Total Uses:	\$ 95,890,000

Terms of Transaction:

Amount:	\$120,000,000
Maturity:	15 years
Collateral:	Deed of Trust on property
Bond Offering:	Limited Offering
Bond Purchasers:	Institutional and/or Sophisticated Investors
Rating:	Unrated
Estimated Closing:	January 2024

Public Benefit:

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

Percent of Restricted Rental Units in the Project: 100%
20% (34 units) restricted to 50% or less of area median income households; and
80% (134 units) restricted to 80% or less of area median income households.
Unit Mix: Studio, 1-, 2- and 3- bedroom units
Term of Restriction: 75 years

Finance Team:

Underwriter:	Jefferies LLC
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Jones Hall APLC
Underwriter Counsel:	Ballard Spahr LLP
Borrower Counsel:	Tovella Dowling, PC
Project Administrator:	Catalyst Housing Group, LLC
Property Manager:	FPI Management, Inc.
Trustee:	Wilmington Trust, National Association

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a Final Resolution of \$120,000,000 for the Modera the Alameda Apartments affordable housing facility located in the City of San Jose, Santa Clara County, California.

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



SCRIPPS-PITZER COLLEGE SUMMARY AND RECOMMENDATIONS

Applicant:	Scripps and Pitzer Colleges
Action:	Final Resolution
Amount:	\$10,500,000
Purpose:	Finance and Refinance Educational and Administrative Facilities for Scripps College and Pitzer College in the City of Claremont, Los Angeles County, California
Activity:	Private College
Meeting:	December 15, 2023

Background:

Scripps-Pitzer Property Holdings LLC ("SPPH"), a California limited liability company, is owned equally by Scripps College and Pitzer College and was formed for the purpose of owning, developing and managing real assets associated with the KJSD.

Founded in 1963, Pitzer College is a top-ranked liberal arts and sciences college. The College emphasizes environmental and interdisciplinary studies, the arts, humanities and social, behavioral and natural sciences. With approximately 1,000 students, Pitzer College is part of The Claremont Colleges - a unique consortium of five undergraduate colleges and two graduate institutions. The contiguous campuses share numerous programs and facilities. At Pitzer, students have access to all the resources of a major university while enjoying all the benefits of a liberal arts college experience and its personalized approach to education.

Scripps College was founded in 1926 in Claremont, California as one of few institutions dedicated to educating women for lives of commitment and engagement. Since then, Scripps has continued to champion qualities of both mind and spirit in accordance with the vision of its founder, newspaper entrepreneur and philanthropist Ellen Browning Scripps. Scripps today offers a rigorous interdisciplinary curriculum, a robust intellectual community, a commitment to diversity and inclusion, and a rich residential experience designed to shape the next generation of leaders and is part of The Claremont Colleges.

The Project:

The new financing entails the completion of the building out of the third floor of the new construction “the Nucleus” three-story building with approximately 70,092 square feet of total area. The third floor was originally considered to be finished as shell space only. The project will see the completion of the finished space of 20,460 square feet, which would be improved lab and teaching spaces and incorporate 420 square foot prefabricated greenhouse near its the campus northeast corner. In addition, there is some rehabilitation to the existing Science building, and remove of modular buildings form the site.

The City of Claremont

The City of Claremont is a member of the CMFA and is scheduled to hold a TEFRA hearing on January 9, 2024. Upon closing, the City is expected to receive up to \$6,750 as part of the CMFA’s sharing of Issuance Fees.

Project Financing:

Sources of Funds:

Tax-Exempt Loan:	\$	10,000,000
Equity:	\$	<u>7,899,596</u>
Total Sources:	\$	17,899,596

Uses of Funds:

New Construction:	\$	11,728,000
Rehabilitation:	\$	1,326,325
New Machinery/ Equipment:	\$	556,000
Architectural & Engineering:	\$	1,207,500
Permits & Fees:	\$	595,200
Removal of Modulars:	\$	406,868
Parking Improvements:	\$	671,033
Contingency:	\$	<u>1,408,670</u>
Total Uses:	\$	17,899,596

Terms of Transaction:

Amount:	\$10,500,000
Maturity:	10 Years
Collateral:	Deed of Trust on Property
Bond Offering:	Private Placement
Bond Purchasers:	JP Morgan Chase
Estimated Closing:	January 2024

Public Benefit:

This building project will provide additional facilities for education in the sciences for enrolled students of Pitzer College and of Scripps College.

Finance Team:

Lender:	JP Morgan Chase (First Republic Bank)
Lender Counsel:	Hawkins, Delafield, & Wood, LLP
Bond Counsel:	Squires Patton Boggs, LLP
Issuer Counsel:	Jones Hall, APLC
Borrower Counsel:	Squires Patton Boggs, LLP

Recommendation:

The Executive Director recommends that the CMFA Board of Directors approve a final resolution of \$10,500,000 for Scripps College Pitzer College in the City of Claremont, County of Los Angeles, California.

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