



CSCDA
CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY



**AGENDA OF THE
REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY**

June 4, 2015

10:00 a.m.

**League of California Cities
1400 K Street, 3rd Floor
Sacramento, California**

County of Butte
7 County Center Drive
Oroville, CA 95965

709 Portwalk Place,
Redwood City, CA 94061

County of Monterey
168 West Alisal Street
Salinas, CA 93901

- I. Call the Roll (alternates designate which member they are representing).
- II. Consideration of the Minutes of the May 21st Regular Meeting.
- III. Staff Updates.
- IV. Consideration of the Consent Calendar.
- V. Consideration of the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:
 - a. Brethren Manor Senior Care, L.P. (Brethren Manor), City of Long Beach, County of Los Angeles; up to \$19,000,000 in revenue bonds. (Caitlin Lanctot)

This ___ page agenda was posted at 1100 K Street, Sacramento, California on _____, 2015 at __: __ __m,
Signed _____ . Please fax signed page to (925) 933-8457.

- b. Adventist Health System, City of Hanford, County of Kings, City of Selma, County of Fresno, unincorporated St. Helena, County of Napa, City of Roseville, County of Placer, up to \$230,000,000 in revenue bonds. (Scott Carper)
- c. LIH Liberty Village LP, (Liberty Village Apartments), City of Richmond, County of Contra Costa, up to \$14,000,000 in revenue bonds. (Scott Carper)
- d. IH Savannah West Sac, LLC (The Savannah at Southport), City of West Sacramento, County of Yolo, up to \$35,000,000 in revenue bonds. (Caitlin Lancot)

VI. Public Comment.

VII. Adjourn



**CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
CONSENT CALENDAR**

1. Consent Calendar:
 - a. Approval of Wells Fargo Corporate Trust Services Invoice #1192949 for \$3,500.00 for trustee fees related to CSCDA CRA/ERAF Program 2006.
 - b. Approval of Wells Fargo Corporate Trust Services Invoice #1193164 for \$3,000.00 for the CSCDA SCIP 2014A bonds.

Thursday, June 4th, 2015

Note: Persons requiring disability-related modification or accommodation to participate in this public meeting should contact (925) 933-9229, extension 225.

II. Consideration of the Minutes of the May 21st Regular Meeting.

**REGULAR MEETING OF THE
CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY
(CSCDA)**

California State Association of Counties
1100 K Street, Sacramento, California

May 21, 2015

MINUTES

Commission chair Larry Combs called the meeting to order at 10:05 am.

I. Roll Call.

Commission members present: Larry Combs, Terry Schutten, Kevin O'Rourke, Irwin Bornstein, Dan Harrison, alternate commissioner Ron Holly (representing Tim Snellings), and alternate commissioner Brian Moura (unable to vote because cities are fully represented).

CSCDA Executive Director, Catherine Bando was present.

Others present included: Perry Stottlemeyer and Norman Coppinger, League of California Cities; Dorothy Holzem and Graham Knaus, California State Association of Counties; Laura Labanieh and Nancy Parrish, CSAC Finance Corporation; Greg Stepanicich, Richards Watson & Gershon; James Hamill and Jon Penkower, Bridge Strategic Partners; and Mark Paxson, State Treasurer's Office. Caitlin Lanctot, GPM Municipal Advisors; and Tricia Ortiz, Richards Watson & Gershon participated by conference telephone.

II. Approval of minutes—May 7, 2015.

The commission approved the minutes for the regular meeting held May 7, 2015.

Motion to approve by Bornstein; second by Holly; unanimously approved by voice-vote.

III. Staff Updates.

Caitlin mentioned that agenda item IVa will be pulled from today's agenda.

Executive Director Bando updated the commissioners regarding the recent engagement of PMC to build and transition to a new CSCDA website. The site is nearly complete, training has occurred, and the site will launch soon.

IV. Approve the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

- a. This item pulled from today's agenda.

- b. Children of Promise Management LLC (Children of Promise Preparatory Academy), City of Inglewood, County of Los Angeles; up to \$6 million in revenue bonds.

This borrower is an operator of a public charter school in Inglewood and desires to: (i) acquire the school facility: 2-story building, 16,500 square feet, on 0.629 acres; (ii) renovate the facility; and (iii) fund a debt service reserve fund and pay certain issuance costs. The BB+ rated 5.25% fixed rate Series A bonds will mature in 30 years; the 6% fixed rate Series B bonds will mature in five years. Due to their BB+ rating, the bond offering will be limited to qualified institutional investors and accredited investors.

Executive Director Bando recommends approval of the project as submitted, subject to successful TEFRA hearing by City of Inglewood.

Motion to approve the project, as recommended by Executive Director Bando and subject to successful TEFRA hearing, by Schutten; second by Harrison; unanimously approved by voice-vote.

V. Approval of a resolution to: authorize the issuance, sale and delivery of not to exceed \$34 million of the Authority's Statewide Community Infrastructure Program refunding revenue bonds, Series 2015R1; approve the forms of an amended and restated trust agreement, bond purchase agreement, continuing disclosure agreement and escrow agreement; approve a preliminary official statement and authorize the preparation of a final official statement; and to authorize certain other actions in connection with the issuance, sale and delivery of such bonds and implementation of the related financing program. Such bonds are being proposed to be issued to refund the Authority's outstanding Statewide Community Infrastructure Program revenue bonds, Series 2007B, Statewide Community Infrastructure Program revenue bonds, Series 2008A, and Statewide Community Infrastructure Program revenue bonds, Series 2010A.

Due to favorable market conditions, a current refunding of these bonds from 2007, 2008 and 2010, will result in approximate savings of \$9.61 million, which will be credited back to the borrowers.

Executive Director Bando recommends approval of the refinancing as submitted, and recommends the Commission approve the resolution.

Motion to approve the refinancing and the resolution, as recommended by Executive Director Bando, by O'Rourke; second by Holly; unanimously approved by voice-vote.

VI. Approval of a resolution to authorize the issuance, sale and delivery of not to exceed \$34 million of the Authority's California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Refunding Bonds, Series 2015, to authorize the execution and delivery of a supplemental indenture providing for the issuance of such bonds, to approve a bond purchase agreement providing for the sale of such bonds, an official statement, a continuing disclosure certificate and an escrow agreement, and to authorize related actions and the execution of related documents in connection with the issuance, sale and delivery of such bonds. Such bonds are being proposed to be issued to refund the Authority's outstanding California Statewide Communities Development Authority Community Facilities District No. 2007-01 (Orinda Wilder Project), Special Tax Bonds, Series A (2007).

Due to favorable market conditions, a current refunding of these bonds from 2007 will result in approximate savings of \$5.8 million.

Executive Director Bando recommends that the Commission approve the resolution.

Motion to approve the resolution, as recommended by Executive Director Bando, by Harrison; second by Bornstein; unanimously approved by voice-vote.

VII. Public comment.

None.

III. Adjournment.

Commission chair Larry Combs adjourned the meeting at 10:20 am.

Submitted by: Perry Stottlemeyer, League of California Cities staff

*The next regular meeting of the commission is scheduled for
Thursday, June 4, at 10:00 a.m.
in the League of California Cities' office at 1400 K Street, Sacramento, California.*

IV. Consideration of the Consent Calendar.

- a. Approval of Wells Fargo Corporate Trust Services Invoice #1192949 for \$3,500.00 for trustee fees related to CSCDA CRA/ERAF Program 2006.

Fee Invoice

Corporate Trust Services



Invoice Number 1192949	Billing Date 05/13/2015	Due Date 06/12/2015	Amount Due \$3,500.00 <i>Please mail or wire payment to:</i>
CSCDA Luis Castro 2999 Oak Road Suite 710 Walnut Creek, CA 94597			Mailing Address: Wells Fargo Bank WF 8113 P.O. Box 1450 Minneapolis, MN 55485-8113
			Wire Instructions: ABA #: 121000248 DDA #: 1000031565 Swift Code: WFBIUS6S Reference: Invoice #, Acct Name, Attn Name
			ACH Instructions: ABA #: 091000019 DDA #: 1000031565 Memo: Invoice #, Account Name, Attn Name

Please return this portion of the statement with your payment in the envelope provided:

Please retain this portion for your records

Account Number: 20124300
CSCDA CRA/ERAF Program 2006

Administration Charges

For the Period 05/03/2015 through 05/02/2016

Trustee Fee

\$3,500.00

Total Amount Due:

\$3,500.00

Billings past due are subject to an 18% annual finance charge of the balance due.

- b. Approval of Wells Fargo Corporate Services Invoice #1193164 for \$3,000.00 for the CSCDA SCIP 2014A bonds.

Fee Invoice

Corporate Trust Services



Invoice Number 1193164	Billing Date 05/14/2015	Due Date 06/13/2015
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California Statewide Communities Development
Luis Castro
2999 Oak Road, Suite 710

Walnut Creek, CA 94597

Amount Due \$3,000.00
<i>Please mail or wire payment to:</i>
Mailing Address: Wells Fargo Bank WF 8113 P.O. Box 1450 Minneapolis, MN 55485-8113
Wire Instructions: ABA #: 121000248 DDA #: 1000031565 Swift Code: WFBIUS6S Reference: Invoice #, Acct Name, Attn Name
ACH Instructions: ABA #: 091000019 DDA #: 1000031565 Memo: Invoice #, Account Name, Attn Name

Please return this portion of the statement with your payment in the envelope provided:

Please retain this portion for your records

Account Number: 48573200
CSCDA SCIP 2014A

Administration Charges

Trustee Fee

For the Period 05/15/2015 through 05/14/2016

\$3,000.00

Total Amount Due:

\$3,000.00

Billings past due are subject to an 18% annual finance charge of the balance due.

Please address questions to Robert W Schneider Phone - 213-253-7517 Email - Robert.Schneider@wellsfargo.com

- V. Consideration the financing; all necessary actions; the execution and delivery of all necessary documents and authorize any member to sign all necessary financing documents for the following:

- a. Brethren Manor Senior Care, L.P. (Brethren Manor), City of Long Beach, County of Los Angeles; up to \$19,000,000 in revenue bonds. (Caitlin Lancot)

SUMMARY AND APPROVALS

DATE:	JUNE 4, 2015
APPLICANT:	BRETHREN MANOR SENIOR CARE, L.P.
AMOUNT:	UP TO \$19,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE BONDS
PURPOSE:	FINANCE THE ACQUISITION AND REHABILITATION OF BRETHREN MANOR SENIOR APARTMENTS LOCATED AT 3333 PACIFIC PLACE, LONG BEACH, CA
CSCDA PROGRAM:	HOUSING

Background:

The proposed project, Brethren Manor (the “Project”), is a 296-unit property located in Long Beach California. The Project application was filed on January 29, 2015 and induced on February 12, 2015.

Summary:

Brethren Manor Senior Care, L.P. the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$19,000,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will continue to provide 189 studio units and 105 one-bedroom units to low-income seniors in Long Beach, California.

The Project is a 296 unit affordable community for seniors in Long Beach, consisting of 189 studio units, 105 1-bedroom units, and 2 2-bedroom manager units. The property contains a single (two tower) six-story concrete building with a podium parking deck and a two story wood framed recreational building attached. The community is centrally located in close proximity to a public park, a grocery store, a hospital, and transportation. The property has ample indoor and outdoor recreational space, a computer center, fitness room, library, rooftop garden and patio, game room and a multi-purpose room. The rehabilitation will include all new interiors, updated ADA accessibility feature, energy efficient lighting, wireless internet throughout, and new rooftop recreation space. The Sponsor is making significant improvements to the Plumbing, HVAC, and Electrical systems of the building.

The Borrower has previously rehabilitated 21 multifamily housing properties throughout California. This is their fourth financing with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project’s units will be income restricted:
 - 30 units reserved for tenants whose income is at or below 50% AMI
 - 249 units reserved for tenants whose income is at or below 50% AMI
 - 2 management units
 - The term of the income and rental restrictions for the Project will be at least 55 years

- Site Amenities
 - The Project is located within a public transit corridor
 - The Project is located within a 1/2 mile of a public park
 - The Project will provide high speed internet access
 - The Project will provide instructor-led educational, health and wellness, or skill building classes to residents

- Economic Benefits
 - Based upon \$29,270,396 Project costs using a 1.8 multiplier the Project produces \$52,686,713 total economic activity, and at 2.1 jobs per unit produces approximately 622 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

Agency Approvals:

TEFRA Hearing: March 17, 2015, City of Long Beach, unanimous approval.
CDLAC Approval: May 20, 2015

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$19,000,000	64.91%
Developer Equity	\$1,167,640	3.99%
Low Income Housing Tax Credit Equity	\$7,184,299	24.54%
<u>Deferred Costs</u>	<u>\$1,918,457</u>	<u>6.55%</u>
Total Sources	\$29,270,396	100.00%

Uses:

Acquisition Cost	\$15,000,000	51.25%
Hard Constriction Costs	\$7,289,000	24.90%
Architect & Engineering Fees	\$155,000	0.53%
Contractor Overhead & Profit	\$703,000	2.40%
Developer Fee	\$2,168,458	7.41%
Relocation	\$220,000	0.75%
Cost of Issuance	\$565,815	1.93%
Reserves	\$916,000	3.13%
Capitalized Interest	\$709,858	2.43%
<u>Other Soft Costs</u>	<u>\$1,543,265</u>	<u>5.27%</u>
Total Uses	\$29,270,396	100.00%

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento

- Lender: California Bank & Trust, Los Angeles

Financing Structure:

The construction bonds will have a term of 12 months and will carry a fixed interest rate. The Bonds will then convert to the permanent phase for 18 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 5.5%.

Policy Compliance:

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

Financing Approval:

Based on the overall public benefits, approval of the issuance of Bonds by the City of Long Beach, and conformance to the CSCDA Issuance Policies, the Executive Director recommends that the Commission approve the Resolution as submitted to the Commission, which:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

Attachments:

1. Original application

Applicant Information

Primary Contact E-mail: kdavis@lomco.com

Name of Developer: **LOMCO**

TIN or EIN: **95-296980**

Primary Contact

First Name: **Kent**

Last Name: **Davis**

Title: **President**

Address:

Street: **3787 Worsham Avenue**

Suite:

City: **Long Beach**

State: **California**

Zip: **90808**

Phone: **562 444 2425**

Ext:

Fax:

Email: **kdavis@lomco.com**

Borrower Description:

Same as developer ?

Name of Borrowing Entity: **Brethren Manor Senior Care, L.P.**

Type of Entity:

For-profit Corporation

Non-profit Corporation

Partnership

Other (specify)

Will you be applying for State Volume Cap?

Date Organized: **1/2015**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **5**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **700**

Secondary Contact

First Name: **Mary**

Last Name: **Shepstone**

Title: **Executive Coordinator**

Address:

Street : **3787 Worsham Ave**

Suite:

City: **Long Beach**

State: **California**

Zip: **90808**

Phone: **562 444 2440**

Ext:

Fax:

Email: **mshepstone@lomco.com**

Primary Billing Contact

Organization: **LOMCO**

First Name: **Kent**

Last Name: **Davis**

Title: **President**

Address

Street: **3787 Worsham Avenue**

Suite:

City: **Long Beach**

State: **California**

Zip: **90808**

Phone: **562 444 2425**

Ext:

Fax:

Email: **kdavis@lomco.com**

Project Information

Project Information

Project Name: **Brethren Manor**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **Brethren Manor**

Facility Bond Amount: \$25,000,000.00

Project Address:

Street or general location: **3333 Pacific Place**

City: **Long Beach**

State: **California**

Zip: **90806**

County: **Los Angeles**

Is Project located in an unincorporated part of the County? Y N

Total Number of Units:

Market: **2**

Restricted: **294**

Total: **296**

Lot size: **2 acres**

Amenities:

Community Room, exercise room, computer room, library, chapel,

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings):

Concrete

Type of Housing:

New Construction

Acquisition/Rehab

Facility Use:

Family

Senior

Is this an Assisted Living Facility?

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 80

Total Number of Management Units: 2

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	Studio	50	189	713.00	825.00	
2.	1 Bedroom	50	105	764.00	950.00	186.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly/House of Representatives
District #:

Financing Information

Financing Information

Maturity 35 Years

Interest Rate Mode:

Fixed Variable

Type of Offering:

Public Offering Private Placement
 New Construction Acquisition of Existing Facility
 Refunding

(Refunding only) Will you be applying for State Volume Cap? Yes No

Is this a transfer of property to a new owner? Yes No

Construction Financing:

Credit Enhancement None
 Letter of Credit Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Cal Bank & Trust

Permanent Financing:

Credit Enhancement None
 Letter of Credit Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Cal Bank & Trust

Expected Rating:

Unrated

Moody's: S&P: Fitch:

Projected State Allocation Pool:

General Mixed Income Rural

Will the project use Tax-Credit as a source of funding? Y N

Sources and Uses

Sources and Uses

Sources Of Funding

Tax-Exempt Bond Proceeds:	<u>\$20,000,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Projected Tax Credits:	<u>\$8,000,000.00</u>
Developer Equity:	<u>\$1,000,000.00</u>
Other Funds (Describe):	
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
Total Sources:	<u>\$29,000,000.00</u>

Uses:

Land Acquisition:	<u>\$3,000,000.00</u>
Building Acquisition:	<u>\$12,000,000.00</u>
Construction or Remodel:	<u>\$12,000,000.00</u>
Cost of Issuance:	<u>\$1,000,000.00</u>
Capitalized Interest:	<u>\$500,000.00</u>
Reserves:	<u>\$500,000.00</u>
Other Uses (Describe):	
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
<hr/>	<u>\$</u>
Total Uses:	<u>\$29,000,000.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick Herrington

Primary Contact

First Name: Justin

Last Name: **Cooper**

Title: **Attorney**

Address:

Street: **405 Howard Street.**

City: **San Francisco**

Phone: **415 773 5700**

Email: **jcooper@orrick.com**

State: **California**

Ext:

Suite:

Zip: **94105**

Fax:

Bank/Underwriter/Bond Purchaser

Firm Name: Cal Bank & Trust

Primary Contact

First Name: **Mark**

Last Name: **Wolf**

Title: **Vice President**

Address:

Street: **1940 Century Park East**

City: **Los Angeles**

Phone: **310 407 6183**

Email: **mark.wolf@calbt.com**

State: **California**

Ext:

Suite:

Zip: **90067**

Fax:

Financial Advisor

Firm Name: 1410 Partners

Primary Contact

First Name: **John**

Last Name: **McAlister**

Title: **Principal**

Address:

Street: **500 N. First Ave**

City: **Arcadia**

Phone: **626 446 6864**

Email: **jmcAlister@1410partners.com**

State: **California**

Ext:

Suite: **4**

Zip: **91006**

Fax:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

RESOLUTION NO. 15H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$19,000,000 FOR THE FINANCING OF A SENIOR MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS BRETHERN MANOR; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS.

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, construction/rehabilitation and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, Brethren Manor Senior Care, L.P., a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue and sell revenue bonds to assist in the financing of the acquisition, rehabilitation and development of a 296-unit senior multifamily rental housing development to be generally known as Brethren Manor, located in the City of Long Beach, California (collectively, the “Project”);

WHEREAS, on May 20, 2015 the Authority received an allocation in the amount of \$19,000,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, approval of the issuance of the Bonds (as defined herein) as provided herein is conditioned upon the receipt of the Allocation Amount for the Project from CDLAC;

WHEREAS, the City of Long Beach is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$19,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Brethren Manor) 2015 Series P (the “Bonds”), provided that the portion of such Bonds issued as federally tax-exempt obligations shall not exceed the Allocation Amount, and loan the proceeds thereof to the Borrower to assist in

providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and very low income persons;

WHEREAS, the Bonds will be privately placed with California Bank & Trust (the “Bank”), as the initial purchaser of the Bonds, in accordance with the Authority’s private placement policy;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the issuance of the Bonds, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) a Master Agency Agreement (the “Agency Agreement”) to be entered into between the Authority and the Bank, as agent (the “Agent”);

(2) a Master Pledge and Assignment (the “Pledge Agreement”) to be entered into among the Authority, the Agent and the Bank, as bondholder; and

(3) a Regulatory Agreement and Declaration of Restrictive Covenants, to be entered into between the Authority and the Borrower with respect to the Project (the “Regulatory Agreement”).

NOW, THEREFORE, BE IT RESOLVED by the members of the Commission, as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Commission hereby find them to be so.

Section 2. Pursuant to the JPA Law and the Pledge Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Bonds (Brethren Manor) 2015 Series P,” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$19,000,000; provided that the aggregate principal amount of any tax-exempt Bonds issued shall not exceed the Allocation Amount. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Pledge Agreement, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Pledge Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Pledge Agreement, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Pledge Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 14R-58 of the Authority, adopted on November 6, 2014) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Pledge Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond August 1, 2059), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Bonds shall be as provided in the Pledge Agreement as finally executed.

Section 4. The Agency Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Agency Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Regulatory Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The Authority is hereby authorized to sell the Bonds to the Bank pursuant to the terms and conditions of the Pledge Agreement.

Section 7. The Bonds, when executed, shall be delivered to the Agent for registration. The Agent is hereby requested and directed to register the Bonds by executing the certificate of registration appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the Agent. Such instructions shall provide for the delivery of the Bonds to the purchasers thereof upon payment of the purchase price thereof.

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of

deed of trust and such other documents as described in the Pledge Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Bonds or any redemption of the Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Pledge Agreement and other documents approved herein.

Section 10. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 4, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on June 4, 2015.

By _____
Authorized Signatory

- b. Adventist Health System, City of Hanford, County of Kings, City of Selma, County of Fresno, unincorporated St. Helena, County of Napa, City of Roseville County of Placer, up to \$230,000,000 in revenue bonds. (Scott Carper)

SUMMARY AND RECOMMENDATIONS

APPLICANT:	ADVENTIST HEALTH SYSTEM / WEST
AMOUNT:	UP TO \$230.0 MILLION OF TAX-EXEMPT REVENUE BONDS
PURPOSE:	CURRENT REFUND THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY HEALTH FACILITY REVENUE BONDS (ADVENTIST HEALTH SYSTEM/WEST) 2005 SERIES A & FINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT, EQUIPPING, RENOVATION, REHABILITATION AND REMODELING OF HEALTH CARE FACILITIES OF SOME OF THE MEMBERS OF THE OBLIGATED GROUP.
PRIMARY ACTIVITY:	MEDICAL HOSPITAL
CSCDA PROGRAM:	QUALIFIED 501(C)(3) NONPROFIT BONDS

Background:

Adventist Health System/West, doing business as Adventist Health, is a faith-based, not-for-profit corporation that leads an integrated health care delivery system serving communities in California, Hawaii, Oregon and Washington. Adventist Health's workforce of 29,200 includes more than 21,100 employees, 4,500 medical staff physicians, and 3,600 volunteers. Founded on Seventh-day Adventist health values, Adventist Health provides compassionate care in 19 hospitals, more than 260 clinics (hospital-based, rural health and physician clinics), 14 home care agencies, seven hospice agencies and four joint-venture retirement centers.

The central business and core competency of the Corporation and its affiliated entities is the delivery of services to improve the health of the communities they serve. The System's health care facilities have a rich tradition of consistent service over an extended period of time in their communities. Serving these communities typically involves delivery of hospital services, as well as the services of physicians and other health care professionals, through the continuum of care. Adventist Health currently operates more than 180 physician clinics, hospital-based clinics and rural health clinics in Washington, Oregon and California. Adventist Health controls or manages 17 nonprofit corporations that own or lease and operate hospital and other health care facilities. The hospital facilities range in size from 25 to 515 licensed beds. Each controlled hospital corporation is separately incorporated, and each constitutes an organization described in Section 501(c)(3) of the Code.

Adventist Health is seeking to finance the current refunding of the California Statewide Communities Development Authority Health Facility Revenue Bonds (Adventist Health System/West) 2005 Series A & finance the acquisition, construction, improvement, equipping, renovation, rehabilitation and remodeling of health care facilities of some of the Members of the Obligated Group.

In accordance with 501(c)(3) Nonprofit Benefit Guidelines, the following economic development criteria, along with other project public benefits, are relevant in connection with the Authority's consideration of the project:

- A significant and growing opportunity for the creation and retention of employment
- Each facility being a significant factor in the economic development of an area, promoting residential and commercial development and increasing the tax base
- Several facilities providing the educational background and vocational training which is a necessary element to the development and retention of a capable work force

Economic Development:

- Adventist employs more than 21,100 staff and has more than 4,500 active physicians throughout its nineteen acute care and support facilities in California, Hawaii, Oregon and Washington. Adventist operates fourteen of its acute care facilities in California.
- Adventist's role in the fourteen California communities served has generated the establishment of medical clinics, pharmacies, rehabilitation centers and other medical related businesses to assist those in need of continued medical care. In addition, many Adventist employees live, eat, and shop within those communities and support the local economy.
- Adventist provides financial support and education programs for continuous learning, internships, and formal education programs to employees in all communities which are necessary for the development and retention of a capable work force.

Public Benefit:

- Health care resource – Adventist operates health care facilities throughout California, Hawaii, Oregon and Washington. The Adventist system controls or manages 19 acute care facilities with more than 2,700 beds, 21,100 employees, numerous clinics and outpatient facilities, 14 home care agencies, seven hospice agencies and four joint-venture retirement centers.
- Emergency care – Adventist provides 24-hour emergency care to all individuals, regardless of their ability to pay.
- Facility upgrades– Approximately \$42 million of Adventist's proposed financing includes improving or remodeling of Adventist's Health's facilities
- Community outreach – Adventist and its affiliate hospitals support a wide range of activities and resources that promote health and wellness and increase access to healthcare services for vulnerable populations. Services include pediatric, adult and senior immunization clinics, organized assistance to families enrolling in state-funded programs such as Medi-Cal and Health Families, parenting and breast feeding classes to

caregivers at homeless shelters, community colleges, and domestic violence shelters, and holiday events and food drives for underserved children, to name a few.

In 2014, Adventist provided more than \$334.3 million in total community benefits, including total quantifiable benefits for the poor and broader community.

- Research – Adventist contributed more than \$20.7 million in 2014 for education and research programs.
- Medi-Cal, Medicaid and Medicare acceptance – Adventist provides health care and helps to subsidize the cost of service for patients who participate in government sponsored programs such as Medi-Cal, Medicaid, and Medicare. For 2014, Adventist subsidized more than \$208.7 million for the unpaid cost of federal, state, and local programs.
- Non-reimbursed community benefit costs – For 2014, Adventist provided more than \$104.8 million in benefits for the poor, including traditional charity care charges of approximately \$74.8 million and nonbilled services of approximately \$29.9 million.

TEFRA Approval Information:

The cities of Hanford (4/21/15), Selma (4/20/15) and Napa (5/5/15) have conducted the necessary TEFRA hearings and approved the Authority’s issuance of bonds for the respective Projects.

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Underwriter: B.C. Ziegler & Co.
- Co-Manager: Wells Fargo Securities

Financing Structure:

The bonds will mature in no more than thirty years and will be issued as fixed rate tax-exempt obligations. The bonds are expected to be rated “A” from S&P and Fitch. The Underwriter and Co-Manager will publicly offer the fixed rate bonds, in minimum denominations of \$5,000. Adventist Health will be saving over \$16 million through this refunding. The authorized not-to-exceed amount of bonds to be issued is \$230 million. This financing will comply with the Authority’s policies for the issuance of publicly offered securities.

Estimated Sources and Uses:

Sources:

Bond Amount	\$ 186,175,000
Net Premium	\$ 16,476,455
<u>Series 2005A DSRF</u>	<u>\$ 16,276,371</u>
Total Sources	\$ 218,927,926

Uses:

Project Fund	\$ 42,000,000
Refunded Bonds	\$ 174,131,208
Underwriter's Discount	\$ 1,042,580
<u>Cost of Issuance</u>	<u>\$ 1,754,037</u>
Total Uses	\$ 218,927,826

Executive Director Approval:

Based on the overall Project meeting the Benefit Guidelines for 501(c)(3) Healthcare Facilities detailed on Attachment 1 and CSCDA's issuance guidelines, the Executive Director recommends that Commission approve the Resolution as submitted to the Commission, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents in connection with the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all Necessary documents.

Benefit Guidelines for 501(c)(3) Nonprofit Healthcare Facilities

In 1991, CSCDA adopted economic development benefit guidelines based upon the finding that the nonprofit facility promotes economic development within the jurisdiction of a CSCDA Program Participant. Effective March 1, 2006, the CSCDA Commission adopted health care benefit guidelines to be considered in conjunction with the CSCDA economic development guidelines with respect to proposed bond issues for 501(c)(3) nonprofit healthcare facilities.

Economic Development Benefit*

A significant and growing opportunity for the creation and retention of employment to the California economy and the enhancement of the quality of life of local Program Participant residents;

The facility being a significant factor in the economic development of an area, promoting residential, commercial and industrial development and increasing the tax base; or

The facility providing the educational background and vocational training which is a necessary element to the development and retention of a capable work force.

Health Care Benefit*

Health care resource – consideration given to quality of life for Program Participant and other area residents for access to quality medical care in general;

Emergency care – consideration given to quality of life for Program Participant and other area residents; whether the health care facility provides 24-hour emergency care to all individuals, regardless of ability to pay;

Facility upgrades and increased patient capacity - consideration given to quality of life for Program Participant patients, health facility employees, physicians and staff for new, improved or expanded medical facilities;

SB1953 compliance - consideration given to quality of life for Program Participant patients, health facility employees, physicians and staff for medical facilities being rehabilitated or constructed in compliance with SB1953 and that provide a safer acute health care environment;

Public health facility assistance - consideration given to quality of life for Program Participant owned or operated public health facilities for healthcare applicants that identify programs, contracts or practices where facilities link with or otherwise assist or ease the burden on area public health facilities;

Community outreach – consideration given to quality of life for Program Participant residents from efforts of health facility physicians and staff (such as free health screenings, immunizations for the elderly and disadvantaged, toy drives, holiday events, etc.);

Research – consideration given to medical advancements by way of research that benefit Program Participant residents and others;

Medi-Cal and Medicare acceptance - consideration given to quality of life for Program Participant residents for health care providers that serve Medi-Cal and / or Medicare patients; special consideration should be given to disproportionate share hospitals (a government measure for how much care hospitals provide to designated low-income patients);

Non-reimbursed community benefit costs for the poor and the broader community - consideration given to quality of life for Program Participant and other area residents that include:

- a. Charity care and uncompensated care
- b. Unpaid cost of Medi-Cal services
- c. Unpaid cost of Medicare services
- d. Education
- e. Research
- f. Low or negative margin services
- g. Nonbilled services
- h. Cash and in-kind donations
- i. Other benefits to the poor or broader community, as defined by the applicant

* Although any one of these listed benefits may demonstrate a clear public benefit, the absence of other benefits does not mean that there is a lack of public benefit associated with a project. There may be other benefits not listed which can also be considered to demonstrate public benefit.

Effective March 1, 2006.

Organization

Name of Organization:**Adventist Health**
TIN or EIN:**95-3484589**

Primary Contact

First Name: **Brandon**
Title: **Director, Assistant Treasurer**
Street: **2100 Douglas Blvd**
City: **Roseville**
Phone: **9167814772**
Email: **brandon.seibold@ah.org**

Last Name: **Seibold**

State: **California**
Ext:

Suite:
Zip: **95661**
Fax: **9167826108**

Secondary Contact

First Name: **Rodney**
Title: **VP, Treasurer**
Address:
Street : **2100 Douglas Blvd**
City: **Roseville**
Phone: **9167814786**
Email: **rodney.wehtje@ah.org**

Last Name: **Wehtje**

State: **California**
Ext:

Suite:
Zip: **95661**
Fax: **9167826108**

Primary Billing Contact

Organization: **Adventist Health**
First Name: **Brandon**
Title: **Director, Assistant Treasurer**
Address:
Street: **2100 Douglas Blvd**
City: **Roseville**
Phone: **9167814772**
Email: **brandon.seibold@ah.org**

Last Name: **Seibold**

State: **California**
Ext:

Suite:
Zip: **95661**
Fax: **9167826108**

Project Information

Project type: **Healthcare: Hospital**

Other:

Project Name: **Construction**

Small Issue Public Benefit Project?

Facility #1

Facility Name: **Hanford Community Hospital dba Adventist Medical Center - Hanford, Central Valley General Hospital**

Facility Bond Amount: **\$25,000,000.00**

Project Address:

Street or general location: **115 Mall Drive**

City: **Hanford**

State: **California**

Zip: **93230-3513**

County: **Kings**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly/House of Representatives District #:

21

14

32

Facility #2

Facility Name: **Hanford Community Hospital dba Adventist Medical Center - Selma**

Facility Bond Amount: **\$25,000,000.00**

Project Address:

Street or general location: **1141 Rose Avenue**

City: **Selma**

State: **California**

Zip: **93662-3241**

County: **Fresno**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly/House of Representatives District #:

21

14

31

Facility #3

Facility Name: **St. Helena Hospital Napa Valley**

Facility Bond Amount: **\$15,000,000.00**

Project Address:

Street or general location: **10 Woodland Road**

City: **St. Helena**

State: **California**

Zip: **94574**

County: **Napa**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly/House of Representatives District #:

5

3

4

Facility #4

Facility Name: **Adventist Health System/West**

Facility Bond Amount: **\$2,000,000.00**

Project Address:

Street or general location: **2100 Douglas Blvd.**

City: **Roseville**

State: **California**

Zip: **95661**

County: **Placer**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

State Senate District #:

State Assembly/House of Representatives District #:

4

4

6

Facility #5

Facility Name: **Adventist Health System/West**

Facility Bond Amount: **\$2,000,000.00**

Project Address:

Street or general location: **2130 Professional Drive**

City: **Roseville**

State: **California**

Zip: **95661**

County: **Placer**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly/House of Representatives District #:
<input type="text" value="4"/>	<input type="text" value="4"/>	<input type="text" value="6"/>

Facility #6

Facility Name: **Adventist Health System/West**

Facility Bond Amount: **\$2,000,000.00**

Project Address:

Street or general location: **1075 Creekside Ridge Drive**

City: **Roseville**

State: **California**

Zip: **95678**

County: **Placer**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly/House of Representatives District #:
<input type="text" value="4"/>	<input type="text" value="4"/>	<input type="text" value="6"/>

Facility #7

Facility Name: **Adventist Health System/West**

Facility Bond Amount: **\$2,000,000.00**

Project Address:

Street or general location: **1025 Creekside Ridge Drive**

City: **Roseville**

State: **California**

Zip: **95678**

County: **Placer**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:
Email:

Ext:

Fax:

Government Information

Project/Facility is in:

Congressional District #:

4

State Senate District #:

4

State Assembly/House of Representatives
District #:

6

Facility #8

Facility Name: **Adventist Health System/West**

Facility Bond Amount: **\$2,000,000.00**

Project Address:

Street or general location: **1101 Creekside Ridge Drive**

City: **Roseville**

State: **California**

Zip: **95678**

County: **Placer**

Is Project located in an unincorporated part of the County? Y N

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name:

Last Name:

Title:

Phone:

Ext:

Fax:

Email:

Government Information

Project/Facility is in:

Congressional District #:

4

State Senate District #:

4

State Assembly/House of Representatives
District #:

6

Financing Information

Financing Information

Tax Exempt: \$ 210,000,000.00
Taxable: \$
Total Principal Amount: \$ 210,000,000.00
Maturity 30Years

Interest Rate Mode:

Fixed Variable

Denominations: 1000

Type of Offering:

Public Offering Private Placement
 New Construction Acquisition of Existing Facility
 Refunding

Financing:

Credit Enhancement Letter of Credit
 None
 Other

Name of Credit Enhancement Provider or Private Placement Purchaser:

Expected Rating:

Unrated

Moody's:

S&P:

Fitch:

Financing Team Information

Bond Counsel

Firm Name: Orrick

Primary Contact

First Name: Jenna

Last Name: **Magan**

Title: **Partner**

Address:

Street: **400 Capitol Mall**

City: **Sacramento**

Phone: **9163297980**

Email: **vcmagan@orrick.com**

State: **California**

Ext:

Suite: **3000**

Zip: **95814-4497**

Fax: **9163294900**

Bank/Underwriter/Bond Purchaser

Firm Name:TBD

Primary Contact

First Name: **TBD**

Last Name: **TBD**

Title: **TBD**

Address:

Street: **TBD**

City: **TBD**

Phone: **9167814772**

Email: **brandon.seibold@ah.org**

State: **California**

Ext:

Suite:

Zip: **95661**

Fax:

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

City:

Phone:

Email:

State:

Ext:

Suite:

Zip:

Fax:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

City:

Phone:

Email:

State:

Ext:

Suite:

Zip:

Fax:

RESOLUTION NO. 15NP-__

**CALIFORNIA STATEWIDE COMMUNITIES
DEVELOPMENT AUTHORITY**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS IN AN
AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$230,000,000 TO FINANCE
AND REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT,
EQUIPPING, RENOVATION, REHABILITATION AND REMODELING OF CERTAIN
HEALTH FACILITIES FOR ADVENTIST HEALTH SYSTEM/WEST AND CERTAIN
OF ITS AFFILIATES, AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of the Joint Exercise of Powers Act, comprising Articles 1, 2, 3 and 4 of Chapter 5 of Division 7 of Title 1 (commencing with Section 6500) of the Government Code of the State of California (the "Act"), a number of California cities, counties and special districts (each, a "Program Participant") entered into a joint exercise of powers agreement (the "Agreement") pursuant to which the California Statewide Communities Development Authority (the "Authority") was organized;

WHEREAS, the Authority is authorized by its Agreement to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements in order to promote economic development;

WHEREAS, the Authority is authorized by a resolution adopted March 21, 1991, to issue bonds, notes or other evidences of indebtedness, or certificates of participation in leases or other agreements to finance or refinance facilities owned and/or leased and operated by organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 which are determined by the Authority to satisfy the criteria set forth in such resolution (the "Eligible Organizations");

WHEREAS, pursuant to the provisions of the Act, the cities, counties and special districts which are the contracting parties comprising the membership of the Authority are authorized to jointly exercise any power common to such contracting parties, including, without limitation, the power to acquire and dispose of property, both real and personal;

WHEREAS, the Authority previously issued its Health Facility Revenue Bonds (Adventist Health System/West), 2005 Series A (the "Prior Bonds"), a portion of which was used to finance the acquisition, construction, expansion, remodeling, renovation, furnishing and equipping of certain health facilities owned and operated by Adventist Health System/West (the "Corporation"), a California nonprofit religious corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or its affiliates, and located in the County of Los Angeles, California;

WHEREAS, at the time of issuance of the Prior Bonds, the County of Los Angeles was a Program Participant of the Authority and approved the project financed by the Prior Bonds in connection with the issuance of the Prior Bonds as well as the issuance of any bonds to refund the Prior Bonds;

WHEREAS, the Cities of Hanford, Selma, Simi Valley, Glendale, Roseville and Bakersville, all in California (together, the “Cities” and individually, a “City”) are Program Participants, and each such City is authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Article 1, Chapter 5, Part 2 of Division 3 of Title 4 of the Government Code of the State of California;

WHEREAS, the County of Napa, California, is a Program Participant, and both the County of Napa and the County of Los Angeles (together, the “Counties” and individually, a “County”) are authorized to acquire and dispose of property, both real and personal, pursuant to the provisions of Chapter 1, Division 1 of Title 3 of the Government Code of the State of California;

WHEREAS, pursuant to the provisions of the Act and the Agreement, the Authority is authorized to enter into installment purchase and/or sale agreements with the Eligible Organizations and to deliver certificates of participation evidencing interests therein;

WHEREAS, pursuant to the provisions of the Act, the Authority may, at its option, issue bonds, rather than certificates of participation, and enter into a loan agreement with the Eligible Organizations;

WHEREAS, pursuant to the provisions of the Act, the Authority is authorized to issue bonds for the purpose of refunding any bonds of the Authority then outstanding, such as the Prior Bonds;

WHEREAS, the Corporation wishes to finance and refinance the acquisition, construction, improvement, equipping, renovation, rehabilitation, and remodeling of certain health facilities owned and operated by the Corporation or its affiliates and located in the Cities and the Counties, including the refinancing of the Prior Bonds (collectively, the “Project”);

WHEREAS, the Corporation is requesting the assistance of the Authority in financing and refinancing the Project;

WHEREAS, pursuant to a Bond Indenture (the “Bond Indenture”), between the Authority and U.S. Bank National Association, as bond trustee (the “Trustee”), the Authority will issue the California Statewide Communities Development Authority Revenue Bonds (Adventist Health System/West), Series 2015, in one or more series (the “Bonds”), for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to a Loan Agreement (the “Loan Agreement”), between the Authority and the Corporation, the Authority will loan the proceeds of the Bonds to the Corporation for the purpose, among others, of financing and refinancing the Project;

WHEREAS, pursuant to a Bond Purchase Agreement, to be dated the date of sale of the Bonds (the “Bond Purchase Agreement”), among B.C. Ziegler and Company (the “Representative”), as representative of itself and the underwriters (collectively, the “Underwriters”), the Authority and the Corporation, the Bonds will be sold to the Representative,

and the proceeds of such sale will be used as set forth in the Bond Indenture to finance and refinance the Project and to pay costs incurred in connection with the issuance of the Bonds;

WHEREAS, there have been made available to the Commissioners of the Authority the following documents and agreements:

- (1) A proposed form of the Bond Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Bond Purchase Agreement; and
- (4) A proposed form of official statement (the "Official Statement") to be used by the Underwriters in connection with the offering and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED by the Commission of the California Statewide Communities Development Authority, as follows:

Section 1. Pursuant to the Act and the Bond Indenture, the Authority is hereby authorized to issue one or more series of its revenue bonds designated as the "California Statewide Communities Development Authority Revenue Bonds (Adventist Health System/West), Series 2015" in an aggregate principal amount not to exceed two hundred thirty million dollars (\$230,000,000). The Bonds shall be issued and secured in accordance with the terms of, and shall be in the form or forms set forth in the Bond Indenture as made available to the Commissioners. The Bonds shall be executed on behalf of the Authority by the manual or facsimile signature of the Chair of the Authority or the manual signature of any member of the Commission of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 2015 (each, an "Authorized Signatory") and attested by the manual or facsimile signature of the Secretary of the Authority or the Assistant to the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Bond Indenture, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Indenture in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated date, maturity date or dates, interest rate or rates, interest payment dates, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, and other terms of the Bonds shall be as provided in the Bond Indenture, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Loan Agreement in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Bond Purchase Agreement, as made available to the Commissioners, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement, in substantially said form, with such changes and insertions therein as any member of the Commission, with the advice of counsel to the Authority, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed preliminary form of Official Statement, as made available to the Commissioners, is hereby approved. The Underwriters are hereby authorized to distribute the Official Statement in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Official Statement in final form to the purchasers of the Bonds, in each case with such changes as may be approved as aforesaid.

Section 6. The Bonds, when executed as provided in Section 1, shall be delivered to the Trustee for authentication by the Trustee. The Trustee is hereby requested and directed to authenticate the Bonds by executing the Trustee's Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the purchaser or purchasers thereof in accordance with written instructions executed on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is authorized and directed, for and on behalf of the Authority, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the purchaser or purchasers thereof, upon payment of the purchase price thereof.

Section 7. The Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with securing credit support, if any, for the Bonds, and to do any and all things and take any and all actions which may be necessary or advisable, in their discretion, to effectuate the actions which the Authority has approved in this Resolution and to consummate by the Authority the transactions contemplated by the documents approved hereby, including any subsequent amendments, waivers or consents entered into or given in accordance with such documents.

Section 8. All actions heretofore taken by the Chair, the Vice Chair, the Secretary, the Treasurer, any other members of the Commission of the Authority and other appropriate officers and agents of the Authority with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

Section 9. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this 4th of June, 2015.

I, the undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on June 4, 2015.

By:

Authorized Signatory
California Statewide Communities
Development Authority

- c. LIH Liberty Village LP, (Liberty Village Apartments), City of Richmond, County of Contra Costa, up to \$14,000,000 in revenue bonds. (Scott Carper)

SUMMARY AND APPROVALS

DATE:	JUNE 4, 2015
APPLICANT:	LIH LIBERTY VILLAGE, LP / LEVY AFFILIATED
AMOUNT:	UP TO \$14,000,000 OF TAX-EXEMPT MULTI-FAMILY HOUSING REVENUE NOTES
PURPOSE:	FINANCE THE ACQUISITION AND REHABILITATION OF LIBERTY VILLAGE APARTMENTS LOCATED AT 298 WEST CHANSLOR AVE., RICHMOND, CA
CSCDA PROGRAM:	HOUSING

Background:

The proposed project, Liberty Village Apartments (the “Project”), is a 99-unit property located in Richmond, California. The Project application was filed on January 13, 2014 and induced on January 16, 2014. The CSCDA Board previously adopted an approving resolution on June 12, 2014.

Summary:

LIH Liberty Village, LP (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$14,000,000 (the “Bonds”) for the purpose of financing the acquisition and rehabilitation of the Project. The Project will continue to provide 8 one-bedroom units, 67 two-bedroom units and 23 three-bedroom units to low-income families in Richmond, California.

The Project is composed of 50 one-story duplexes on nearly 13 acres in Richmond. Community amenities include a community room, computer lab/business center, barbeque and picnic areas, storage units, washer/dryer hookups, gas wall heaters, gas ovens and hardwood cabinets. The rehabilitation will include installing new roofs, exterior and interior painting, repairing siding, incorporating eco-friendly landscaping, improving accessibility, patching parking areas and repairing walkways. Within the units, construction will include replacing flooring, installation of new cabinetry and appliances, upgrading bathrooms, and replacing water heaters.

The Borrower has previously rehabilitated 3 multifamily housing properties throughout California. This is their third financing with CSCDA.

Public Benefit:

- Project Affordability
 - 100% of the Project’s units will be income restricted:
 - 10 units reserved for tenants whose income is at or below 50% AMI
 - 88 units reserved for tenants whose income is at or below 60% AMI
 - 1 management unit
 - The term of the income and rental restrictions for the Project will be at least 55 years

- Site Amenities
 - The Project is located within a public transit corridor
 - The Project is located within ½ mile of a park or recreational facility
 - The Project is located within ½ mile of a public school
 - The Project will provide high speed internet access to each unit for at least 10 years

- Economic Benefits
 - Based upon \$19,500,000 Project costs using a 1.8 multiplier the Project produces \$35,100,000 total economic activity, and at 2.1 jobs per unit produces approximately 229 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

Agency Approvals:

TEFRA Hearing: February 4, 2014, City of Richmond, unanimous approval. New TEFRA scheduled for June 2, 2015.

CDLAC Approval: March 19, 2014

Estimated Sources and Uses:

Sources:

Tax Exempt Bond Proceeds	\$12,250,000	62.82%
LIHTC Equity	\$5,400,000	27.69%
Property Income During Construction	\$800,000	4.10%
Deferred Developer Fee	<u>\$1,050,000</u>	<u>5.39%</u>
Total Sources	\$19,500,000	100.00%

Uses:

Acquisition Cost	\$10,400,000	53.33%
Hard Construction Costs	\$4,000,000	20.51%
Architect & Engineering Fees	\$50,000	0.26%
Contingency Costs	\$500,000	2.57%
Developer Fee	\$2,000,000	10.26%
Relocation	\$30,000	0.15%
Financing Expenses	\$1,400,000	7.18%
Legal Fees	\$75,000	0.38%
Reserves	\$580,000	2.97%
Reports & Studies	\$40,000	0.21%
Other Soft Costs (Marketing, Etc.)	<u>\$425,000</u>	<u>2.18%</u>
Total Uses	\$19,500,000	100.00%

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Lender: Citi Community Capital , Thousand Oaks

Financing Structure:

The construction bonds will have a term of 24 months and will carry a variable interest rate. The Bonds will then convert to the permanent phase for 30 years. The projected true interest cost of the fixed rate loan under current market conditions is estimated to be 4.5%.

Policy Compliance:

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

Financing Approval:

Based on the overall public benefits, approval of the issuance of Bonds by the City of Richmond, and conformance to the CSCDA Issuance Policies, the Executive Director recommends that the Commission approve the Resolution as submitted to the Commission, which:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

Attachments:

1. Original application

Applicant Information

Primary Contact E-mail: jacob@levyaffiliated.com

Name of Developer: **LIH Liberty Village LP**

TIN or EIN:

Primary Contact

First Name: **Jacob**

Last Name: **Levy**

Title: **Manager**

Address:

Street: **201 Wilshire Blvd**

Suite: **2nd Floor**

City: **Santa Monica**

State: **California**

Zip: **90401**

Phone: **(310) 883-7900**

Ext: **915**

Fax: **(310) 917-1101**

Email: jacob@levyaffiliated.com

Borrower Description:

Same as developer ?

Name of Borrowing Entity: **LIH Liberty Village LP**

Type of Entity:

For-profit Corporation

Non-profit Corporation

Partnership

Other (specify)

Will you be applying for State Volume Cap?

Date Organized: 12/30/2013

No. of Multi-Family Housing Projects Completed in the Last 10 Years:

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **3**

Secondary Contact

First Name:

Last Name:

Title:

Address:

Street :

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Primary Billing Contact

Organization: **Levy Affiliated Holdings**

First Name: **Jacob**

Last Name: **Levy**

Title: **Manager**

Address

Street: **201 Wilshire Blvd**

Suite: **2nd Floor**

City: **Santa Monica**

State: **California**

Zip: **90401**

Phone: **(310) 883-7900**

Ext: **915**

Fax: **(310) 917-1101**

Email: jacob@levyaffiliated.com

Project Information

Project Information

Project Name: **Liberty Village Apartments**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **LIH Liberty Village Bonds**

Facility Bond Amount: \$10,250,000.00

Project Address:

Street or general location: **298 W Chanslor Avenue**

City: **Richmond**

State: **California**

Zip: **94801**

County: **Contra Costa**

Is Project located in an unincorporated part of the County? Y N

Total Number of Units:

Market: **0**

Restricted: **100**

Total: **100**

Lot size: **12.36 acres**

Amenities:

Clubhouse
Computer lab/business center
Barbeque and picnic areas
Storage units
Washer / Dryer Hookups
Gas wall heaters
Gas ovens
Hardwood cabinets

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings):

50 duplex townhomes.
1 story
Concrete slab foundation
Wood frame and siding
Pitch composite roof

Type of Housing:

New Construction

Acquisition/Rehab

Facility Use:

Family

Senior

Is this an Assisted Living Facility?

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency:

First Name: Hector

Last Name: Rojas

Title: Senior Planner

Phone: 5106206662

Ext:

Fax: 5106206858

Email: hector_rojas@ci.richmond.ca.us

Public Benefit Info:

Percentage of Units in Low Income Housing: 100

Percentage of Area Median Income(AMI) for Low Income Housing Units: 60

Total Number of Management Units: 2

#	Bedrooms	%AMI	No. of restricted	Restricted rent	Market rent	Expected savings
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	(Unit Size)		units			
1.	1 Bedroom	50	1	814.00	1,198.00	
2.	1 Bedroom	60	7	918.00	1,198.00	
3.	2 Bedrooms	50	7	968.00	1,542.00	
4.	2 Bedrooms	60	60	1,044.00	1,542.00	
5.	3 Bedrooms	50	2	1,108.00	1,722.00	
6.	3 Bedrooms	60	22	1,281.00	1,722.00	

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:	State Senate District #:	State Assembly/House of Representatives District #:
11	9	15

Financing Information

Financing Information

Maturity 30 Years

Interest Rate Mode:

Fixed Variable

Type of Offering:

Public Offering Private Placement
 New Construction Acquisition of Existing Facility
 Refunding

(Refunding only) Will you be applying for State Volume Cap? Yes No

Is this a transfer of property to a new owner? Yes No

Construction Financing:

Credit Enhancement None
 Letter of Credit Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Citibank

Permanent Financing:

Credit Enhancement None
 Letter of Credit Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: Citibank

Expected Rating:

Unrated

Moody's: S&P: Fitch:

Projected State Allocation Pool:

General Mixed Income Rural

Will the project use Tax-Credit as a source of funding? Y N

Sources and Uses

Sources and Uses

Sources Of Funding

Tax-Exempt Bond Proceeds:	<u>\$10,250,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Projected Tax Credits:	<u>\$4,800,000.00</u>
Developer Equity:	<u>\$1,000,000.00</u>
Other Funds (Describe):	
Deferred Developer Fee	<u>\$1,870,000.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$17,920,000.00</u>

Uses:

Land Acquisition:	<u>\$2,011,000.00</u>
Building Acquisition:	<u>\$8,240,000.00</u>
Construction or Remodel:	<u>\$4,000,000.00</u>
Cost of Issuance:	<u>\$600,000.00</u>
Capitalized Interest:	<u>\$550,000.00</u>
Reserves:	<u>\$300,000.00</u>
Other Uses (Describe):	
Third Party Reports	<u>\$500,000.00</u>
Relocation Costs	<u>\$80,000.00</u>
Other Project Costs	<u>\$789,000.00</u>
Developer Fee Paid	<u>\$850,000.00</u>
	<u>\$</u>
Total Uses:	<u>\$17,920,000.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick, Herrington & Sutcliffe, LLP

Primary Contact

First Name: Justin

Last Name: Cooper

Title: Partner

Address:

Street: 405 Howard Street

Suite:

City: San Francisco

State: California

Zip: 94105

Phone: (415) 773-5908

Ext:

Fax:

Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

RESOLUTION NO. 15N-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS LIBERTY VILLAGE APARTMENTS; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE NOTES.

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds and execute and deliver revenue notes for the purpose of financing, among other things, the acquisition, construction, rehabilitation, and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, LIH Liberty Village LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (Liberty Village Apartments) 2015 Series N-1 and its California Statewide Communities Development Authority Taxable Multifamily Housing Revenue Construction Note (Liberty Village Apartments) 2015 Series N-2 (collectively, the “Notes”) to assist in the financing of the acquisition, rehabilitation and development of a 99-unit multifamily housing rental development located in the City of Richmond, California, and known as Liberty Village Apartments (the “Project”);

WHEREAS, on March 19, 2014, the Authority received an allocation in the amount of \$12,250,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee in connection with the Project;

WHEREAS, the City of Richmond (the “City”) is a Program Participant (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Notes;

WHEREAS, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$14,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the

Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Notes will be executed and delivered to Citibank, N.A. (the “Funding Lender”), as the initial holder of the Notes;

WHEREAS, there have been prepared and made available to the members of the Commission of the Authority (the “Commission”) the following documents required for the execution and delivery of the Notes, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Funding Loan Agreement (the “Funding Loan Agreement”) to be entered into between the Funding Lender and the Authority;

(2) Borrower Loan Agreement (the “Borrower Loan Agreement”) to be entered into between the Authority and Borrower;

(3) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”) to be entered into between the Authority and the Borrower; and

(4) Contingency Draw-Down Agreement (the “Contingency Draw-Down Agreement”) to be entered into by the Funding Lender and the Borrower;

NOW, THEREFORE, BE IT RESOLVED by the members of the Commission, as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Commission hereby find them to be so.

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in one or more series. The Notes shall be designated as “California Statewide Communities Development Authority Multifamily Housing Revenue Construction/Permanent Note (Liberty Village Apartments) 2015 Series N-1,” and “California Statewide Communities Development Authority Taxable Multifamily Housing Revenue Construction Note (Liberty Village Apartments) 2015 Series N-2” including, if and to the extent necessary, one or more sub-series, with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$14,000,000; provided that the aggregate principal amount of any tax-exempt Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory. The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Commission of the Authority (each, a “Member”).

Section 3. The Funding Loan Agreement in the form presented at this meeting is hereby approved. Any Member, or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 15R-11 of the Authority, adopted on April 9, 2015) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond June 1, 2060), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

Section 4. The Borrower Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Borrower Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The Contingency Draw-Down Agreement in the form presented at this meeting is hereby approved.

Section 7. The Authority is hereby authorized to execute and deliver the Notes to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 8. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the execution and delivery of the Notes are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, any endorsement, allonge or assignment of any note and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Notes, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Funding Loan Agreement and other documents approved herein.

Section 10. This Resolution shall take effect upon its adoption.

[Remainder of Page Intentionally Left Blank]

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 4, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on June 4, 2015.

By _____
Authorized Signatory

- d. IH Savannah West Sac, LLC (The Savannah at Southport), City of West Sacramento, County of Yolo, up to \$35,000,000 in revenue bonds. (Caitlin Lanctot)

SUMMARY AND APPROVALS

DATE:	JUNE 4, 2015
APPLICANT:	IH SAVANNAH WEST SAC, LLC/INTEGRITY HOUSING
AMOUNT:	UP TO \$35,000,000 OF MULTI-FAMILY HOUSING REVENUE BONDS
PURPOSE:	FINANCE THE ACQUISITION OF THE SAVANNAH AT SOUTHPORT APARTMENTS LOCATED AT 3401 SAVANNAH LANE IN WEST SACRAMENTO, CA
CSCDA PROGRAM:	501(C)(3) HOUSING

Background:

The proposed project, The Savannah at Southport Apartments (the “Project”), is a 228-unit property located in West Sacramento, California. The Project application was filed on February 23, 2015 and induced on March 12, 2015.

Summary:

IH Savannah West Sac, LLC (the “Borrower”) has requested CSCDA to issue and deliver multifamily housing revenue obligations in the anticipated principal amount of \$35,000,000 (the “Bonds”) for the purpose of financing the acquisition of the Project. The Project will continue to provide 44 one-bedroom units, 120 two-bedroom units, and 64 three-bedroom units to families in West Sacramento.

The Project consists of 15 three-story garden style buildings. Amenities include a community building which includes the property’s leasing center, a community clubhouse, a resident services room, a central laundry facility and a fitness center. Additional common area amenities include a pool, spa and two tot-lot playgrounds. Each of the property’s spacious floor plans includes upgraded faux wood flooring and carpet along with two tone painted crown molding in the living rooms. The kitchens are complete with upgraded kitchen cabinets, an electric range, dishwasher, garbage disposal and refrigerator. Additionally the units contain large bright windows, ceiling fans, central air conditioning, and on the 1st and 2nd floors, ten foot ceilings. Every unit also features a private balcony containing a storage closet and wash/dryer connections. For those residents who choose not to utilize the in-unit wash/dryer connections, the onsite laundry facility contains 6 sets of washers and dryers available for the convenience of all residents.

Resident Services will be provided as suited for the tenant profile and provided on-site. The Property’s facilities and amenities as a whole will serve the needs of all residents in a family setting.

The Borrower has previously constructed or rehabilitated eleven multifamily and senior housing properties; this is their second with CSCDA.

Public Benefit:

- Project Affordability

- 71% of the Project's units will be income restricted:
 - 47 units reserved for tenants whose income is at or below 50% AMI
 - 71 units reserved for tenants whose income is at or below 60% AMI
 - 45 units reserved for tenants whose income is at or below 80% AMI
 - 1 manager unit
- The term of the income and rental restrictions for the Project will be at least 15 years
- Economic Benefits
 - Based upon \$32,125,000 Project costs using a 1.8 multiplier the Project produces approximately \$57,825,000 total economic activity, and at 2.1 jobs per unit produces approximately 479 jobs. (Multipliers based on June 2010 study by Blue Sky Consulting Group and Center for Housing Policy on impact of housing in California using IMPLAN system.)

Agency Approvals:

TEFRA Hearing: April 1, 2015, City of West Sacramento, approved
No CDLAC allocation is required for this financing

Estimated Sources and Uses:

Sources:

Senior Tax Exempt Bond Proceeds	\$22,875,000	71.21%
Subordinate Tax Exempt Bond Proceeds	\$8,900,000	27.70%
Borrower Equity	<u>\$350,000</u>	<u>1.09%</u>
Total Sources	\$32,125,000	100.00%

Uses:

Acquisition Cost	\$30,500,000	94.94%
Cost of Issuance	\$470,000	1.46%
Credit Bank Funds	\$390,000	1.21%
Transaction Costs	\$20,000	0.06%
Developer Fee	\$360,000	1.12%
Initial Operating Expenses	<u>\$385,000</u>	<u>1.20%</u>
Total Uses	\$32,125,000	100.00%

Finance Team:

- Bond Counsel: Orrick, Herrington & Sutcliffe, LLP, San Francisco
- Authority Counsel: Orrick, Herrington & Sutcliffe, LLP, Sacramento
- Underwriter: Hutchinson, Shockey & Erley, Inc. and Stern Brothers
- Lender: East West Bank, Pasadena

Financing Structure:

CSCDA will issue \$22,875,000 in Senior 501c3 Tax Exempt Bonds and \$8,900,000 in Subordinate Tax Exempt Bonds. The Senior Bonds will be sold to Hutchinson, Shockey & Erley, Inc. and backed by a direct-pay letter of credit from East West Bank. The unrated Subordinate Bonds will be sold by Hutchinson, Shockey & Erley, Inc. The B bonds will mature in 7 years and have a 6% interest rate.

Bonds will be sold in \$100,000 denominations to QIBs/accredited investors in compliance with CSCDA's policies.

Policy Compliance:

The Project complies with the following policies:

- CSCDA General Policies
- CSCDA Issuance Policies
- CDLAC's Qualified Residential Rental Program Requirements

Executive Director Approval:

Based on the overall public benefits, approval of the issuance of Bonds by the City of West Sacramento, and conformance to the CSCDA Issuance Policies, the Commission recommends approval of the Resolution as submitted to the Commission, which:

1. Approves the issuance of the Bonds and the financing of the Project;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Commission or Authorized Signatory to sign all necessary documents.

Attachments:

1. Original application

Applicant Information

Primary Contact E-mail: phil@integrityhousing.org

Name of Developer: **Affordable Housing Alliance II, Inc., dba Integrity Housing**

TIN or EIN: **33-1616121**

Primary Contact

First Name: **Philip**

Last Name: **Wood**

Title: **Vice President**

Address:

Street: **4 Venture**

Suite: **295**

City: **Irvine**

State: **California**

Zip: **92618**

Phone: **949-727-3656**

Ext:

Fax: **949-727-3654**

Email: phil@integrityhousing.org

Borrower Description:

Same as developer ?

Name of Borrowing Entity: **IH Savannah West Sac**

Type of Entity:

For-profit Corporation

Non-profit Corporation

Partnership

Other (specify)

Will you be applying for State Volume Cap?

Date Organized: **02/09/2015**

No. of Multi-Family Housing Projects Completed in the Last 10 Years: **10**

No. of Low Income Multi-Family Housing Projects Completed in the Last 10 Years: **10**

Secondary Contact

First Name:

Last Name:

Title:

Address:

Street :

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Primary Billing Contact

Organization: **IH Savannah West Sac LLC**

First Name: **Philip**

Last Name: **Wood**

Title: **Vice President**

Address

Street: **4 Venture**

Suite: **295**

City: **Irvine**

State: **California**

Zip: **92618**

Phone: **949-727-3656**

Ext:

Fax: **949-727-3654**

Email: phil@integrityhousing.org

Project Information

Project Information

Project Name: **The Savannah at Southport**

New Project Name(optional):

Facility Information

Facility #1

Facility Name: **IH Savannah West Sac**

Facility Bond Amount: \$32,125,000.00

Project Address:

Street or general location: **3401 Savannah Lane**

City: **West Sacramento**

State: **California**

Zip: **95691**

County: **Yolo**

Is Project located in an unincorporated part of the County? Y N

Total Number of Units:

Market: **100**

Restricted: **128**

Total: **228**

Lot size: **10.19 acres**

Amenities:

Community Clubhouse, Fitness Center, Community Service Room, Pool/Spa, 2 Playgrounds

Type of Construction (i.e., Wood Frame, 2 Story, 10 Buildings):

15 Buildings, 3 story walk up, wood frame, stucco exterior, tile roof.

Type of Housing:

New Construction

Acquisition/Rehab

Facility Use:

Family

Senior

Is this an Assisted Living Facility?

Has the City or County in which the project is located been contacted? If so, please provide name, title, telephone number and e-mail address of the person contacted:

Name of Agency: **City of West Sacramento - Community Development Dept**

First Name: Raul

Last Name: Huerta

Title: Senior Program Manager

Phone: 916-617-4555

Ext:

Fax: 916-373-5848

Email: raulh@cityofwestsacramento.org

Public Benefit Info:

Percentage of Units in Low Income Housing: 20

Percentage of Area Median Income(AMI) for Low Income Housing Units: 50

Total Number of Management Units: 2

#	Bedrooms (Unit Size)	%AMI	No. of restricted units	Restricted rent	Market rent	Expected savings
1.	1 Bedroom	50	9	645.00	870.00	
2.	2 Bedrooms	50	25	771.00	1,010.00	239.00
3.	3 Bedrooms	50	13	882.00	1,265.00	383.00

Note: Restricted Rent must be least 10% lower than Market Rent and must be lower than the HUD Rent limit.

Government Information

Project/Facility is in:

Congressional District #:

6

State Senate District #:

6

State Assembly/House of Representatives
District #:

7

Financing Information

Financing Information

Maturity 40 Years

Interest Rate Mode:

Fixed

Variable

Type of Offering:

Public Offering

Private Placement

New Construction

Acquisition of Existing Facility

Refunding

(Refunding only) Will you be applying for State Volume Cap? Yes No

Is this a transfer of property to a new owner? Yes No

Construction Financing:

Credit Enhancement

None

Letter of Credit

Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser:

Permanent Financing:

Credit Enhancement

None

Letter of Credit

Other (specify)

Name of Credit Enhancement Provider or Private Placement Purchaser: East West Bank

Expected Rating:

Unrated

Moody's:

S&P:

Fitch:

AA+/A-1+

Projected State Allocation Pool:

General Mixed Income Rural

Will the project use Tax-Credit as a source of funding? Y N

Sources and Uses

Sources and Uses

Sources Of Funding

Tax-Exempt Bond Proceeds:	<u>\$22,875,000.00</u>
Taxable Bond Proceeds:	<u>\$</u>
Projected Tax Credits:	<u>\$</u>
Developer Equity:	<u>\$350,000.00</u>
Other Funds (Describe):	
Subordinate Tax-Exempt Bond Proceeds	<u>\$8,900,000.00</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
	<u>\$</u>
Total Sources:	<u>\$32,125,000.00</u>

Uses:

Land Acquisition:	<u>\$</u>
Building Acquisition:	<u>\$30,500,000.00</u>
Construction or Remodel:	<u>\$</u>
Cost of Issuance:	<u>\$470,000.00</u>
Capitalized Interest:	<u>\$</u>
Reserves:	<u>\$385,000.00</u>
Other Uses (Describe):	
Credit Bank Costs	<u>\$390,000.00</u>
Transaction Costs	<u>\$20,000.00</u>
Developer Fee	<u>\$360,000.00</u>
	<u>\$</u>
	<u>\$</u>
Total Uses:	<u>\$32,125,000.00</u>

Financing Team Information

Bond Counsel

Firm Name: Orrick

Primary Contact

First Name: Justin

Last Name: Cooper

Title: Partner

Address:

Street: 405 Howard St

Suite:

City: San Francisco

State: California

Zip: 94105

Phone: 415-733-5908

Ext:

Fax:

Email: jcooper@orrick.com

Bank/Underwriter/Bond Purchaser

Firm Name: Hutchinson, Shockey, Erley & Co.

Primary Contact

First Name: Lauro

Last Name: Garcia

Title: Vice President

Address:

Street: 2020 Cordero Road

Suite:

City: Del Mar

State: California

Zip: 92014

Phone: 602-538-0073

Ext:

Fax:

Email: lgarcia@hsemuni.com

Financial Advisor

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

Rebate Analyst

Firm Name:

Primary Contact

First Name:

Last Name:

Title:

Address:

Street:

Suite:

City:

State:

Zip:

Phone:

Ext:

Fax:

Email:

RESOLUTION NO. 015H-__

A RESOLUTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$35,000,000 FOR THE FINANCING OF THE ACQUISITION OF A MULTIFAMILY RENTAL HOUSING PROJECT GENERALLY KNOWN AS THE SAVANNAH AT SOUTHPORT; DETERMINING AND PRESCRIBING CERTAIN MATTERS AND APPROVING AND AUTHORIZING THE EXECUTION OF AND DELIVERY OF VARIOUS DOCUMENTS RELATED THERETO; RATIFYING ANY ACTION HERETOFORE TAKEN AND APPROVING RELATED MATTERS IN CONNECTION WITH THE BONDS

WHEREAS, the California Statewide Communities Development Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of June 1, 1988, as the same may be amended (the “Agreement”), to issue revenue bonds for the purpose of financing, among other things, the acquisition, rehabilitation and development of multifamily rental housing projects in accordance with Chapter 8 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

WHEREAS, IH Savannah West Sac LLC, a California limited liability company, and entities related thereto (collectively, the “Borrower”), has requested that the Authority issue tax-exempt revenue bonds to assist in the financing of the acquisition of a 228-unit multifamily rental housing development located in the City of West Sacramento, California and known as The Savannah at Southport (the “Project”);

WHEREAS, the City of West Sacramento is a Program Participant (as defined in the Agreement) of the Authority and has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$35,000,000 aggregate principal amount of its Variable Rate Demand Multifamily Housing Revenue Bonds (The Savannah at Southport) 2015 Series M (the “Series M Bonds”) and its Subordinate Multifamily Housing Revenue Bonds (The Savannah at Southport) 2015 Series M-S (the “Series M-S Bonds,” and together with the Series M Bonds, the “Bonds”), and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

WHEREAS, the Series M Bonds are expected to be secured by a direct-pay letter of credit provided by East West Bank; and

WHEREAS, there have been prepared and made available to the Commissioners the following documents required for the issuance of the Bonds, and such documents are now in

substantial form and appropriate instruments to be executed and delivered for the purposes intended:

(1) Indenture of Trust with respect to the Series M Bonds (the “Senior Indenture”), to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Trustee”);

(2) Loan Agreement with respect to the Series M Bonds (the “Senior Loan Agreement”), to be entered into among the Authority, the Trustee and the Borrower;

(3) Bond Purchase Agreement with respect to the Series M Bonds (the “Purchase Agreement”), to be entered into among the Authority, the Borrower, and Hutchinson, Shockey & Erley, Inc. and Stern Brothers, as underwriters of the Bonds (collectively, the “Underwriter”);

(4) Official Statement with respect to the Series M Bonds (the “Official Statement”), to be used in connection with the offer and sale of the Series M Bonds;

(5) Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), to be entered into among the Borrower, the Authority and the Trustee;

(6) Subordinate Indenture of Trust with respect to the Series M-S Bonds (the “Subordinate Indenture”), to be entered into between the Authority and Wilmington Trust, National Association, as trustee (the “Subordinate Trustee”);

(7) Subordinate Loan Agreement with respect to the Series M-S Bonds (the “Subordinate Loan Agreement”), to be entered into among the Authority, the Subordinate Trustee and the Borrower;

(8) Bond Placement Agreement with respect to the Series M-S Bonds (the “Placement Agreement”), to be entered into among the Authority, the Borrower, and Stifel, Nicolaus & Company, Incorporated (“Stifel”) and Hutchinson, Shockey, Erley & Co. (“HSE” and, together with Stifel, the “Placement Agent”); and

(9) Limited Offering Memorandum with respect to the Series M-S Bonds (the “Offering Memorandum”), to be used in connection with the offer and sale of the Series M-S Bonds.

NOW, THEREFORE, BE IT RESOLVED by the members of the Commission of the Authority (the “Commission”), as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Commission hereby find them to be so.

Section 2. Pursuant to the JPA Law, the Senior Indenture and the Subordinate Indenture, as applicable, and in accordance with the Housing Law, the Authority is hereby authorized to issue one or more series of Bonds. The Bonds shall be designated as “California Statewide Communities Development Authority Variable Rate Demand Multifamily Housing

Revenue Bonds (The Savannah at Southport) 2015 Series M” and as “California Statewide Communities Development Authority Subordinate Multifamily Housing Revenue Bonds (The Savannah at Southport) 2015 Series M-S” with appropriate modifications and series and sub-series designations as necessary, in an original aggregate principal amount not to exceed \$35,000,000. The Bonds shall be issued in the form set forth in and otherwise in accordance with the Senior Indenture and Subordinate Indenture, as applicable, and shall be executed on behalf of the Authority by the facsimile signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below), and attested by the facsimile signature of the Secretary of the Authority, or the manual signature of any Authorized Signatory. The Bonds shall be issued and secured in accordance with the terms of the Senior Indenture and Subordinate Indenture, as applicable, presented to this meeting, as hereinafter approved. Payment of the principal and purchase price of, and redemption premium, if any, and interest on, the Bonds shall be made solely from amounts pledged thereto under the Senior Indenture and Subordinate Indenture, as applicable, and the Bonds shall not be deemed to constitute a debt or liability of the Authority or any Program Participant or Member of the Authority.

Section 3. The Senior Indenture in the form presented at this meeting is hereby approved. Any Member of the Commission of the Authority (each, a “Member”), or any other person as may be designated and authorized to sign for the Authority pursuant to a resolution adopted thereby (including, without limitation, the administrative delegates duly authorized pursuant to Resolution No. 14R-58 of the Authority, adopted on November 6, 2014) (together with the Members, each such person is referred to herein individually as an “Authorized Signatory”), acting alone, is authorized to execute by manual signature and deliver the Senior Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond December 1, 2059), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Series M Bonds shall be as provided in the Senior Indenture as finally executed.

Section 4. The Senior Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Senior Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 5. The Authority is hereby authorized to sell the Series M Bonds to the Underwriter pursuant to the terms and conditions of the Purchase Agreement. The form, terms and provisions of the Purchase Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Purchase Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 6. The form, terms and provisions of the Official Statement in the form presented at this meeting are hereby approved and the Commission hereby approves the distribution of the Official Statement to prospective purchasers of the Series M Bonds. Any

Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Official Statement as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the time of sale of the Series M Bonds, said Official Statement in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 7. The Regulatory Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Regulatory Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 8. The Subordinate Indenture in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Subordinate Indenture, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond December 1, 2059), interest rate or rates (which shall not exceed 12%), interest payment dates, denominations, form, registration privileges, manner of execution, place of payment, terms of redemption and other terms of the Series M-S Bonds shall be as provided in the Subordinate Indenture as finally executed.

Section 9. The Subordinate Loan Agreement in the form presented at this meeting is hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Subordinate Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 10. The Authority is hereby authorized to sell the Series M-S Bonds to the initial purchasers thereof with the help of the Placement Agent pursuant to the terms and conditions of the Placement Agreement. The form, terms and provisions of the Placement Agreement in the form presented at this meeting are hereby approved. Any Authorized Signatory, acting alone, is authorized to execute by manual signature and deliver the Placement Agreement with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 11. The form, terms and provisions of the Offering Memorandum in the form presented at this meeting are hereby approved and the Commission hereby approves the distribution of the Offering Memorandum to prospective purchasers of the Series M-S Bonds. Any Authorized Signatory, acting alone, is authorized to certify on behalf of the Authority that the Offering Memorandum as to the sections therein related directly to the Authority is deemed final as of its date, within the meaning of rule 15c2-12 promulgated under the Securities Exchange Act of 1934. Any Authorized Signatory, acting alone, is authorized to execute, at the

time of sale of the Series M-S Bonds, said Offering Memorandum in final form, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are hereby approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof.

Section 12. The Bonds, when executed, shall be delivered to the applicable Trustee for authentication. The applicable Trustee is hereby requested and directed to authenticate the Bonds by executing the certificate of authentication of the applicable Trustee appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to or at the direction of the purchasers thereof, in accordance with written instructions executed and delivered on behalf of the Authority by an Authorized Signatory, which any Authorized Signatory, acting alone, is hereby authorized and directed to execute and deliver such instructions to the applicable Trustee. Such instructions shall provide for the delivery of the Bonds to or at the direction of the purchasers thereof upon payment of the purchase price thereof.

Section 13. All actions heretofore taken by the officers and agents of the Authority with respect to the financing of the Project and the sale and issuance of the Bonds are hereby approved, ratified and confirmed, and any Authorized Signatory, acting alone, is hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions and execute and deliver any and all certificates, agreements and other documents, including but not limited to a tax certificate, a subordination or intercreditor agreement, any endorsement and/or assignment of the deed of trust and such other documents as described in the Senior Indenture, the Senior Loan Agreement, the Purchase Agreement, the Subordinate Indenture, the Subordinate Loan Agreement, the Placement Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Bonds and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 14. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Bonds, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Bonds or any redemption of the Bonds, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the Commission, and each such officer is hereby authorized and directed to give any such consent, approval, notice, order or request and to take any such action that such officer may deem necessary or desirable to further the purposes of this Resolution and the financing of the Project; provided such action shall not create any obligation or liability of the Authority other than as provided in the Senior Indenture, the Subordinate Indenture and other documents approved herein.

Section 15. This Resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the California Statewide Communities Development Authority this June 4, 2015.

The undersigned, an Authorized Signatory of the California Statewide Communities Development Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Commission of the Authority at a duly called meeting of the Commission of the Authority held in accordance with law on June 4, 2015.

By _____
Authorized Signatory