



Agenda

Tuesday, October 19, 2021

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings County Board of Supervisors

COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom signed into Law AB 361 on September 16, 2021, relating to the convening of public agency meetings via teleconference in light of the COVID-19 pandemic. Under this authority, the Board of Supervisors will convene its public meetings via video and teleconference. Pursuant to AB 361, and as advised by local Health Officials, the Kings County Board of Supervisors, County staff and interested members of the public may attend the meeting in person. The meeting can also be attended telephonically or by the Internet by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting information. Members of the public attending via WebEx will have the opportunity to provide public comment during the meeting.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

2. APPROVAL OF MINUTES

Approval of the minutes from the August 31, 2021 regular meeting.

3. NEW BUSINESS

- a. Consider approving resolution 21-14A for Junction Station, LP, City of Roseville, County of Placer; up to \$20,000,000 in revenue bonds. (Staff – Caitlin Lanctot)
- b. Consider approving resolution 21-15A for Pathways to College Properties, LLC, City of Hesperia, County of San Bernardino; up to \$25,000,000 in revenue bonds. (Staff – Scott Carper)

4. PUBLIC COMMENT

Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item.

5. STAFF UPDATES

6. ADJOURNMENT

Adjourn as the California Public Finance Authority.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

2. APPROVAL OF MINUTES

Approval of the minutes from the August 31, 2021 regular meeting.



Action Summary

Tuesday, August 31, 2021

Place: County Board of Supervisors Chambers
Kings County Government Center, Hanford, CA

Time: 11:00 a.m. or soon thereafter, immediately following the meeting of the Kings
County Board of Supervisors

COUNTY OF KINGS PUBLIC MEETING PROTOCOL IN RESPONSE TO CORONAVIRUS COVID-19

California Governor Gavin Newsom issued Executive Orders N-25-20 and N-29-20 on March 12, 2020 and March 17, 2020, respectively, relating to the convening of public agency meetings in light of the COVID-19 pandemic. The Board of Supervisors will convene their public meetings via video and teleconference. Pursuant to the Executive Orders, and as advised by local Health Officials, the Kings County Board of Supervisors, County staff and interested members of the public may attend the meeting in person. The meeting can also be attended telephonically or by the Internet by sending an email to bosquestions@co.kings.ca.us on the morning of the meeting for an automated email response with the WebEx meeting information.

Members of the public who wish to only observe the meeting virtually can do so via the worldwide web at:

<https://youtu.be/Jc-ll85SvEs> or go to www.countyofkings.com and click on the “Join Meeting” link.

Members of the public who wish to comment may submit written comments on any matter within the Board’s subject matter jurisdiction, regardless of whether it is on the agenda for the Board’s consideration or action, and those comments will become part of the administrative record of the meeting. Comments will not be read into the record, only the names of who have submitted comments will be read into the record. Written comments received by the Clerk of the Board of Supervisors no later than 8:30 a.m. on the morning of the noticed meeting will be included in the record, those comments received after 8:30 a.m. will become part of the record of the next meeting. To submit written comments by email, please forward them to bosquestions@co.kings.ca.us or by U.S. Mail, please forward them to: Clerk of the Board of Supervisors, County of Kings, 1400 W. Lacey Blvd., Hanford, CA 93230.

1. CALL TO ORDER

ROLL CALL – Clerk to the Board

ALL MEMBERS PRESENT

2. APPROVAL OF MINUTES

Approval of the minutes from the July 27, 2021 regular meeting.

APPROVED AS PRESENTED (DV, JN, RF, CP-Aye, RV-Absent)

3. CONSENT CALENDAR

- a. Consider approving delegation resolution 21-01C adding Edward Hill as Authorized Signatory to the Authority.
- b. Consider approving resolution 21-06I for:
 - i. Sunrise Crossing Affordable, LP (Sunrise Crossing Apartments), City of Rancho Cordova, County of Sacramento; up to \$20,000,000 in revenue bonds.
 - ii. QCK Apartments, LP (QCK Apartments), Quartz Hill, County of Los Angeles; up to \$20,000,000 in revenue bonds.

APPROVED AS PRESENTED (JN, DV, RF, CP-Aye, RV-Absent)

4. NEW BUSINESS

- a. Consider approving resolution 21-13A for Marin Academy, City of San Rafael, County of Marin; up to \$27,000,000 in revenue bonds. (Staff – Scott Carper)

APPROVED AS PRESENTED (JN, DV, RV, RF, CP-Aye)

5. PUBLIC COMMENT

*Any person may directly address the Board at this time on any item on the agenda, or on any other items of interest to the public, that is within the subject matter jurisdiction of the Board. Five (5) minutes are allowed for each item. **None***

6. STAFF UPDATES

None

7. ADJOURNMENT

The meeting was adjourned at 11:24 a.m.



CALIFORNIA
PUBLIC
FINANCE
AUTHORITY

3. NEW BUSINESS

- a. Consider approving resolution 21-14A for Junction Station, LP, City of Roseville, County of Placer; up to \$20,000,000 in revenue bonds. (Staff – Caitlin Lanctot)



CALIFORNIA
PUBLIC
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AUTHORITY

DATE: OCTOBER 19, 2021

APPLICANT: JUNCTION STATION, LP

AMOUNT: \$20,000,000 REVENUE BONDS

PURPOSE: FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

PRIMARY ACTIVITY: AFFORDABLE HOUSING

Background:

Junction Station, LP (the "Borrower") has requested that CalPFA issue revenue bonds to assist in the acquisition, construction/rehabilitation and development of the Junction Crossing Apartments, located at 120 Pacific Street in Roseville, California (the "Project"). The Project application was filed on May 8, 2018 and received an allocation of tax-exempt bonds on April 28, 2021.

Description of Proposed Project:

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue bonds in an amount not to exceed \$20,000,000 (the "Bonds") to finance the acquisition, construction/rehabilitation and development of the Project. The Project will provide 80 affordable rental units to families in Roseville with incomes between 30% and 70% of the Area Median Income. The Project will include studio and one-bedroom floor plans throughout one four-story building.

This proposed new community is a Transit Oriented Development ("TOD") with a pedestrian focus, adjacent to the Historic District of Downtown Roseville and Amtrak Train Station. The Project will provide a variety of onsite amenities, programs and classes targeted toward the enrichment and growth of the community and the residents.

The project is anticipated to have an 18-month construction period. Construction is anticipated to commence in November 2021 and finish in May 2023.

TEFRA Information:

TEFRA hearings were held and approved by the City of Roseville on June 2, 2021 and Kings County on May 18, 2021.

Financing Structure:

The construction loan will be privately placed and mature in 30 months and then the loan will convert to permanent financing. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Sources:

Bond Proceeds	\$10,179,217
City of Roseville	\$4,515,000
Tax Credits	<u>\$471,120</u>
Total Sources:	\$15,165,337

Uses:

Land Acquisition Cost	\$1,114,057
Hard Construction Costs	\$9,406,666
Impact Fees	\$2,520,834
Financing Costs	\$335,573
Soft Costs and Reserves	\$1,516,489
Senior Loan Interest	<u>\$271,718</u>
Total Costs:	\$15,165,337

Recommendations:

Based on the overall Project public benefit detailed on Attachment 1, it is recommended that the Board approve the Resolution as submitted to the Board, which:

1. Approves the issuance of the Bonds;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefits:

- 100% of the Project's units will be income and rent restricted
 - 16 units at 50% AMI
 - 40 units at 60% AMI
 - 1 manager's unit
- The Project will remain income and rent restricted for at least 55 years
- The Project will provide residents a Service Coordinator onsite to residents
- The Project will provide instructor-led educational, health and wellness, or skill building classes onsite to residents
- The Project is located within a ½ mile from two full sized grocery stores and multiple small retailers
- Two parks and the Roseville Public Library are all located within ¼ mile of the project

RESOLUTION NO. 21-14A

A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE ISSUANCE AND DELIVERY OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$20,000,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS JUNCTION CROSSING 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 BONDS.

WHEREAS, the California Public Finance Authority (the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Joint Exercise of Powers Agreement, dated as of May 12, 2015, 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, Junction Station, LP, 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, construction and development of an 80-unit multifamily rental housing development to be known as Junction Crossing Apartments, located in the City of Roseville, California (the “Project”);

WHEREAS, on April 28, 2021 the Authority received an allocation in the amount of \$13,450,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee (“CDLAC”) in connection with the Project;

WHEREAS, the County of Kings is a Charter Member (as defined in the Agreement) of the Authority and the City of Roseville is an Additional Member (as defined in the Agreement) and each has authorized the issuance of the Bonds;

WHEREAS, the Authority is willing to issue not to exceed \$20,000,000 aggregate principal amount of its Multifamily Housing Revenue Bonds (Junction Crossing Apartments) 2021 Series F (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 Banner Bank (the “Bank”), as the initial purchaser of the Bonds, in accordance with the Authority’s private placement policy;

WHEREAS, pursuant to Section 5852.1 of the California Government Code, the Authority, as a conduit financing provider, has received certain representations and good faith estimates from the Borrower and has disclosed such good faith estimates as set forth in Exhibit A hereto;

WHEREAS, there have been prepared and made available to the members of the Board of Directors of the Authority (the “Board”) 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 Board, as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Board 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 Public Finance Authority Multifamily Housing Revenue Bonds (Junction Crossing Apartments) 2021 Series F,” with appropriate modifications and series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$20,000,000; 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 Treasurer and 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 Member of the Authority or any Director of the Board of the Authority (each, a “Director”).

Section 3. The Pledge Agreement in the form presented at this meeting is hereby approved. Any Director, including any such Director acting as an officer of the Board, 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. 21-01C of the Authority, adopted on August 31, 2021) (together with the Directors including any such Director acting as an officer of the Board, 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 45 years from the date of issuance thereof), 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 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 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, a termination of regulatory agreement, an allonge or assignment of any note 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 Board, 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 Public Finance Authority this October 19, 2021.

The undersigned, an Authorized Signatory of the California Public Finance Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of the Authority at a duly called meeting of the Board of the Authority held in accordance with law on October 19, 2021.

By _____
Authorized Signatory

EXHIBIT A

[to be attached]

PUBLIC DISCLOSURES RELATING TO CONDUIT REVENUE OBLIGATIONS

Pursuant to California Government Code Section 5852.1, the borrower (the "Borrower") identified below has provided the following required information to the California Public Financing Authority (the "Authority") as conduit financing provider, prior to the Authority's regular meeting (the "Meeting") of its board of directors (the "Board") at which Meeting the Board will consider the authorization of conduit revenue obligations (the "Obligations") as identified below.

1. Name of Borrower: Junction Station, LP.
2. Authority Meeting Date: October 19, 2021.
3. Name of Obligations: 2021 Series F.
4. Private Placement Lender or Bond Purchaser, Underwriter or Financial Advisor or Borrower (mark one) engaged by the Borrower provided the Borrower with the required good faith estimates relating to the Obligations as follows:
 - (A) The true interest cost of the Obligations, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for Obligations (to the nearest ten-thousandth of one percent):
Sum of 3.00% and the Ten Year Treasury Yield (as reported by the U.S. Department of the Treasury) available 30 days prior to the targeted loan closing date, multiplied by 80%
 - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties:
600,840
 - (C) The amount of proceeds received by the public body for sale of the Obligations less the finance charge of the Obligations described in subparagraph (B) and any reserves or capitalized interest paid or funded with proceeds of the Obligations:
\$12,284,181
 - (D) The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Obligations plus the finance charge of the Obligations described in subparagraph (B) not paid with the proceeds of the Obligations (which total payment amount shall be calculated to the final maturity of the Obligations): \$15,586,953. (construction period interest, permanent term debt service, fees)
5. The good faith estimates provided above were presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Obligations or, in the absence of a governing board, presented to the official or officials

of the Borrower having authority to obligate the Borrower in connection with the Obligations (mark one).

The foregoing estimates constitute good faith estimates only. The actual principal amount of the Obligations issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to a variety of factors. The actual interest rates borne by the Obligations and the actual amortization of the Obligations will depend on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the Borrower.

The Authority is authorized to make this document available to the public at the Meeting of the Authority.

Dated: 10/19/2021



CALIFORNIA
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- b.** Consider approving resolution 21-15A for Pathways to College Properties, LLC, City of Hesperia, County of San Bernardino; up to \$25,000,000 in revenue bonds. (Staff – Scott Carper



CALIFORNIA
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AUTHORITY

DATE:	OCTOBER 19, 2021
APPLICANT:	PATHWAYS TO COLLEGE FACILITIES, LLC/PATHWAYS TO COLLEGE CHARTER SCHOOL
AMOUNT:	UP TO \$25 MILLION OF TAX-EXEMPT BONDS
PURPOSE:	CONSTRUCTION OF NEW FACILITY AND FINANCING CAPITAL IMPROVEMENTS
PRIMARY ACTIVITY:	K-8 SCHOOL
LEGAL STRUCTURE:	NONPROFIT PUBLIC BENEFIT CORPORATION

Background:

Crosswalk: Hesperia Experiential Learning Pathways (the “Lessee”) is a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code. The Lessee operates a public charter school known as Pathways to College Charter School (the “School”) pursuant to a charter authorized and approved by the Hesperia Unified School District.

The School teaches students residing primarily in San Bernardino County, California, and draws students primarily from the Hesperia Unified School District. The School began operations in the 2002-2003 school year with approximately 50 students in grades 7-8. As of March, 2017, the School served approximately 350 students in grades K-8.

Pathways to College has a student population that consists of 89% free and reduced lunch, 26% English Language Learners, and 11% Special Education. Many students initially come to Pathways to College from district schools and other charter schools significantly below grade level. The Pathways to College model of Professional Learning Communities increases individual student learning across subpopulation groups with a focus on developing problem solving and critical thinking skills.

The School serves approximately 350 students in grades K-8 from a campus located at 9144 Third Ave., Hesperia, CA 92345 and will continue to operate the School and serve students in grades K-8 from the Third Ave. campus in the 2021-2022 school year. The School will move to the new school site on the northwest corner of Hesperia Ave and Hercules Road, Hesperia, California in the 2023-2024 school year. The new location is as yet unaddressed.

Description of Proposed Project:

Pathways to College Properties, LLC has submitted an application to the Authority for the financing of a charter school project, known as Pathways to College Charter School, through the issuance of tax-exempt revenue bonds in an aggregate principal amount not to exceed \$25 million. The proposed Project as tentatively planned will consist of 55,952 square feet of building area, which includes approximately 50,000 square feet of classrooms and educational programming space and 5,952 square feet of administrative office and student services space. The school at opening

will accommodate 500 students with a long-range capacity for 700. The school will develop approximately 12.884 acres of the 21.515 acre and the development will also include a soccer field, turf playing field, and a playground area with sport courts and two basketball courts, as well as playground equipment. Upon completion of the construction of the Hercules Road/Hesperia Ave facility, the school expects to serve students in grades K-8 at the Mariposa Road location, allowing the School to expand to serve a total of approximately 700 total students.

The school has requested CalPFA to issue up to \$25,000,000 in tax-exempt bonds to pay for the costs of purchasing vacant land, constructing a new school facility and equipping the new school facility.

TEFRA Information:

A TEFRA hearing will be held by the County of San Bernardino in November 2021. The exact date is still to be determined by the County. It is expected that the San Bernardino County Board of Supervisors will unanimously approve the proposed financing. Kings County will hold a TEFRA hearing on October 19, 2021.

Financing Structure:

The Bonds will mature in no more than 30 years and bear interest at an average coupon rate of 6.00%. The Bonds will be purchased at closing by the Underwriter. The proposed financing is in accordance with the Authority's issuance guidelines.

Estimated Sources and Uses:

Estimated Sources & Uses of Funds			
Sources of Funds	Series 2021A	Series 2021B	Total
	Tax-Exempt	Taxable	
Par Amount	\$14,205,000	\$ 395,000	\$14,600,000
Total Sources of Funds	\$14,205,000	\$ 395,000	\$14,600,000
Uses of Funds			
Acquisition and Construction	\$12,000,000		\$12,000,000
Debt Service Reserve Fund	892,276	24,812	917,088
Capitalized Interest Through 12/15/2023	1,024,817	28,497	1,053,315
Cost of Issuance ¹	287,907	341,691	629,598
Total Uses of Funds	\$14,205,000	\$ 395,000	14,600,000

¹ Cost of Issuance includes estimated legal fees, underwriter's discount and bond rounding.

Recommendations:

Based on the overall Project public benefit and finance related considerations detailed on Attachment 1, it is recommended that the Board of Directors approve the Resolution as submitted to the Board, which:

1. Approves the issuance of an obligation;
2. Approves all necessary actions and documents for the financing; and
3. Authorizes any member of the Board or authorized signatory to sign all necessary documents.

Attachment 1

Public Benefit:

In 2002 Crosswalk: Hesperia Experiential Learning Pathways formed as a 501(c)3 not for profit corporation. A school comprised of 7th and 8th graders was begun, with the intention of adding two grade levels, one up and one down, each year until it became a K-12 school. At the time, the only facility that could be located within Hesperia city limits, that could function for the purpose of housing a school, was a building once used as a restaurant, bar, and a theater. Within two years the student population outgrew the limited space provided within this building and students were split between two buildings over 6 miles away from each other. Students were separated by grade levels. In 2006 the school opened a third location to accommodate the continuous student population growth. In 2009 the Board decided to focus its efforts on students between grade levels K-8 by reorganizing the school and relocating all of the students to the current location on 3rd street. The current population is approximately 350 students and has remained consistent for the past several years, despite the fact that there is a large waiting list of students waiting to enroll, due to space limitations which further restricts growth.

With the exception of four Middle School classrooms, the majority of the current population is housed in rooms smaller than standard size, which is 960 square feet. The remaining 15 classrooms range from 360 square feet to 805 square feet. The school has no play equipment or grass area for students to have recreational play or to hold Physical Education courses. Students ranging from Transitional Kindergarten to Middle School must conduct recreational and structured play time in a shared, fenced-in asphalt area and share this area throughout the day with the Physical Education class.

This project will allow Pathways to College students the opportunity to learn and grow in a new facility with proper educational areas and play/recreation areas.

RESOLUTION NO. 21-15A

CALIFORNIA PUBLIC FINANCE AUTHORITY

**A RESOLUTION AUTHORIZING THE ISSUANCE OF REVENUE BONDS
IN A PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 TO FINANCE
OR REFINANCE THE ACQUISITION, CONSTRUCTION, IMPROVEMENT AND
EQUIPPING OF EDUCATIONAL FACILITIES FOR THE BENEFIT OF PATHWAYS
TO COLLEGE PROPERTIES, LLC AND CROSSWALK: HESPERIA EXPERIENTIAL
LEARNING PATHWAYS 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”), Kings County and the Housing Authority of Kings County (the “Charter Members”) entered into a joint exercise of powers agreement (the “Agreement”) pursuant to which the California Public Finance Authority (the “Authority”) was organized;

WHEREAS, the County of San Bernardino, California (“San Bernardino County”) is an Additional Member pursuant to the provisions of the Agreement;

WHEREAS, the Authority is authorized by its Agreement and under the Act to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of certain projects;

WHEREAS, Pathways to College Properties, LLC (the “Borrower”), the sole member of which is Pathways to College Foundation, Inc. (the “Foundation”), a California nonprofit public benefit corporation, has requested the Authority to issue revenue bonds in an aggregate principal amount not to exceed \$25,000,000 (the “Bonds”) to finance or refinance the costs of: (a) the construction, acquisition, equipping and improving of land and educational facilities located at the northwest corner of Hesperia Road and Hercules Street in the City of Hesperia, California 92345 (the “Facilities”); (b) funding a debt service reserve fund for the Bonds; (c) paying capitalized interest on the Bonds; and (d) paying certain Bond issuance expenses (collectively, the “Project”);

WHEREAS, the Facilities will be owned by the Borrower and leased to and operated by Crosswalk: Hesperia Experiential Learning Pathways (the “Lessee”), a California nonprofit public benefit corporation and an organization described in Section 501(c)(3) of the Code;

WHEREAS, the Borrower is requesting the assistance of the Authority in financing or refinancing the Project;

WHEREAS, pursuant to an Indenture of Trust (the “Indenture”), between the Authority and UMB Bank, N.A. (the “Trustee”), the Authority will issue the California Public Finance Authority Charter School Lease Revenue Bonds (Pathways to College Project), Series 2022 (the “Bonds”) for the purpose, among others, of financing or refinancing the Project;

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

WHEREAS, pursuant to a Bond Purchase Agreement, to be dated the date of sale of the Bonds (the “Purchase Agreement”), among Truist Securities, Inc., as underwriter (the “Underwriter”), the Authority, the Lessee, and the Borrower, the Bonds will be sold to the Underwriter, and the proceeds of such sale will be used as set forth in the Indenture to finance or refinance the Project;

WHEREAS, the Bonds will be offered for sale to Qualified Institutional Buyers, as described in Rule 144A of the Securities Act of 1933, as amended, or Accredited Investors, as described in Regulation D of the Securities Act of 1933, as amended, through a limited offering memorandum;

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

- (1) A proposed form of the Indenture;
- (2) A proposed form of the Loan Agreement;
- (3) A proposed form of the Purchase Agreement; and
- (4) A proposed form of limited offering memorandum (the “Limited Offering Memorandum”) to be used by the Underwriter in connection with the offering and sale of the Bonds.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Public Finance Authority, as follows:

Section 1. Pursuant to the Act and the Indenture, the Authority is hereby authorized to issue its revenue bonds designated as the “California Public Finance Authority Charter School Lease Revenue Bonds (Pathways to College Project), Series 2022” in an aggregate principal amount not to exceed twenty-five million dollars (\$25,000,000). 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 Indenture. 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 Board of Directors of the Authority or their administrative delegates duly authorized pursuant to Resolution No. 21-01C of the Authority, adopted on August 31, 2021, or any other delegation resolution of the Authority (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Authority or the manual signature of any Authorized Signatory.

Section 2. The proposed form of Indenture, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as any member of the Board of Directors, 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 Indenture, as finally executed.

Section 3. The proposed form of Loan Agreement, as made available to the Board of Directors, 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 Board of Directors, 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 Purchase Agreement, as made available to the Board of Directors, is hereby approved. Any Authorized Signatory is hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the Purchase Agreement, in substantially said form, with such changes and insertions therein as any member of the Board of Directors, 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 Limited Offering Memorandum, as made available to the Board of Directors, is hereby approved. The Underwriter is hereby authorized to distribute the Limited Offering Memorandum in preliminary form, to persons who may be interested in the purchase of the Bonds and to deliver the Limited Offering Memorandum 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 Board of Directors 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 Board of Directors 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. Notwithstanding anything to the contrary in this Resolution, no documents referenced in this Resolution may be executed and delivered until the San Bernardino County and the County of Kings have each held the hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, if required by said Section, to provide financing or refinancing for the Project.

Section 10. This Resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 19th day of October, 2021.

I, the undersigned, an Authorized Signatory of the California Public Finance Authority, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Authority at a duly called and properly noticed regular meeting of the Board of Directors of the Authority, at which a quorum was acting and present throughout, held in accordance with law on October 19, 2021.

By: _____
Authorized Signatory
California Public Finance Authority