



Kings County Government Center  
1400 W. Lacey Boulevard  
Hanford, California 93230

☎ (559) 852- 2362      FAX (559) 585-8047

---

# Agenda

Tuesday, March 8, 2022

**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  
California Public Finance Authority

## **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 clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=mac2e80bc566cd63c647a3cd2046a36c4>

by sending an email to [bosquestions@co.kings.ca.us](mailto: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 March 1, 2022 meeting.

3. **NEW BUSINESS**

- a. Consideration of Approving Resolution 22-01A, 321 W. Ocean Development (Mid-Block), City of Long Beach, County of Los Angeles, California; authorize the acquisition, construction and ownership of a multifamily rental housing facility and issue an amount not to exceed \$700,000,000 in revenue bonds. (Staff – Scott Carper / Mike LaPierre)
- b. Consideration of Approval to provide further support to Annadel apartments by waiving the Authority annual fee. (Staff – Scott Carper / Mike LaPierre)

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 Community Housing Agency.*



## **2. APPROVAL OF MINUTES**

Approval of the minutes from the March 1, 2022 meeting.



Kings County Government Center  
1400 W. Lacey Boulevard  
Hanford, California 93230

☎ (559) 852- 2362      FAX (559) 585-8047

---

# Action Summary

Tuesday, March 1, 2022

**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 meeting

## 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 clicking this link:

<https://countyofkings.webex.com/countyofkings/j.php?MTID=m59c46781fbbd70cfd22f79f399e067a8>

by sending an email to [hosquestions@co.kings.ca.us](mailto:hosquestions@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 AT 12:28 P.M.**

ROLL CALL – Clerk to the Board

**ALL MEMBERS PRESENT**

2. **ELECTION OF OFFICERS**

**ACTION 1: MOTION BY SUPERVISOR VERBOON TO NOMINATE SUPERVISOR NEVES AS CHAIRMAN FOR 2022 AND CLOSE THE NOMINATIONS, SECOND BY SUPERVISOR FAGUNDES. (JN, RV, DV, RF-Aye, CP-Absent)**

**ACTION 2: MOTION BY SUPERVISOR VERBOON TO NOMINATE SUPERVISOR FAGUNDES AS VICE-CHAIRMAN FOR 2022 AND CLOSE THE NOMINATIONS, SECOND BY SUPERVISOR VALLE. (JN, RV, DV, RF-Aye, CP-Absent)**

**ACTION 3: MOTION BY SUPERVISOR VALLE TO NOMINATE SUPERVISOR VERBOON AS SECRETARY/TREASURER FOR 2022 AND CLOSE THE NOMINATIONS, SECOND BY SUPERVISOR PEDERSEN. (JN, RV, DV, CP, RF-Aye)**

3. **APPROVAL OF MINUTES**

Approval of the minutes from the December 21, 2021 meeting.

**ACTION: APPROVED AS PRESENTED (RF, DV, CP, JN-Aye, RV-Abstain)**

4. **CONSENT CALENDAR**

- a. Consideration of approving resolution 22-01M for the addition of program participants to the Agency.
- b. Consideration of approving resolution 22-01I for:
  - i. 1331-1349 West 1st Street & 104-112 Glendale Blvd., City of Los Angeles, County of Los Angeles; up to \$75,000,000 in bonds.
  - ii. 4465 Melrose Ave, City of Los Angeles, County of Los Angeles; up to \$74,000,000 in bonds.
  - iii. 3500 Wilshire, City of Los Angeles, County of Los Angeles; up to \$86,000,000 in bonds.

**ACTION: APPROVED AS PRESENTED (DV, RF, RV, CP, JN-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**

**Scott Carper stated that on March 8, 2022 the California Public Finance Authority and the California Community Housing Agency would hold meetings at 11:00 a.m. or soon thereafter following the Board of Supervisors regular meeting.**

7. **ADJOURNMENT**

**The meeting adjourned at 12:38 p.m.**



### **3. NEW BUSINESS**

- a. Consideration of Approving Resolution 22-01A, 321 W. Ocean Development (Mid-Block), City of Long Beach, County of Los Angeles, California; authorize the acquisition, construction and ownership of a multifamily rental housing facility and issue an amount not to exceed \$700,000,000 in revenue bonds. (Staff – Scott Carper / Mike LaPierre)

---

---

## SUMMARY AND APPROVALS

---

---

<b><u>PROJECT:</u></b>	321 W. OCEAN DEVELOPMENT (MID BLOCK)
<b><u>AMOUNT:</u></b>	UP TO \$700,000,000 OF GOVERNMENTAL PURPOSE BONDS
<b><u>PURPOSE:</u></b>	FINANCING, CONSTRUCTION, ACQUISITION, AND OWNERSHIP OF A MULTIFAMILY RENTAL HOUSING FACILITY IN THE CITY OF LONG BEACH, CALIFORNIA
<b><u>PRIMARY ACTIVITY:</u></b>	ESSENTIAL / WORKFORCE HOUSING
<b><u>REVIEW DATE:</u></b>	MARCH 8, 2022

---

### **Background:**

Over the past several months, CalCHA staff and counsel have been in discussions with Plenary Americas Workforce Housing LLC (“Plenary”) related to the financing, construction, acquisition and ownership of 321. W. Ocean, a proposed 580-unit multifamily rental housing facility located at 321 W. Ocean Boulevard, Long Beach, California (the “Project”). CalCHA will impose income and rental restrictions, throughout the duration of its ownership, to ensure the Project’s affordability to households earning at or below 120% of Area Median Income (“AMI”).

On February 26, 2019, the Board of Directors approved and adopted a formal Asset Ownership Program setting forth the factors and considerations that will be taken into account in furtherance of CalCHA’s policy of providing benefit to the public through financial and other assistance to local governments and similar organizations and entities. The Project is another middle-income housing asset that, in conjunction with Plenary, CalCHA is considering for placement in its asset ownership program.

This report will include details related to CalCHA’s possible financing, construction, acquisition and ownership including:

1. Overview of the financing;
2. Overview of documents relevant to transaction; and
3. Review of risks and protections.

### **Project Overview:**

The Project will be located on a ~4.59 acre site in downtown Long Beach and will be developed as a 580-unit multifamily development, including approximately 32,000 ft<sup>2</sup> of commercial space

and 896 parking spaces. 100% of the multifamily units will become income and rent restricted under CalCHA's ownership, including 120 units that will qualify as "Moderate Income Units" under the State's 6th Cycle Regional Housing Needs Assessment Plan. The Project's unit mix is expected to consist of 81 studio units, 237 one-bedroom units, 254 two-bedroom units, and 8 three-bedroom units.

Interior apartment features include durable wood look vinyl floors throughout, hard smooth 9' ceilings, quartz countertops, undermounted sinks, 56-gallon bathtubs and full-size stainless steel appliances for the kitchen (inclusive of: microwave, stove/oven combo, dishwasher) and full size, vented, stackable washer dryers. Kitchens, washrooms, and hallways are provided with energy efficient overhead LED lighting. Specialty features within the units include vanity mirrors, kitchen and washroom backsplashes, pendant lighting (units with built-in kitchen islands only) and fob entry to the units. Roller shades are provided on all exterior windows. The Project's community amenities include reserved parking, two sky deck lounges, two heated swimming pools with barbeque areas, pool lounges, and outdoor fitness areas, an on-site gym, club room, co-working facilities, a pet space, a bike repair room, and a parcel room. The Project is also next to the newly constructed Lincoln Park and main library, both of which were developed by an affiliate of Plenary as part of the Long Beach Civic Center Redevelopment public-private partnership project.

### **CalCHA's Role**

The Project will represent the first ground-up development to utilize CalCHA's middle-income housing ownership program. However, CalCHA's roles and responsibilities in this transaction are substantially the same as precedent projects in this program, including the Annadel, Verdant, Serenity, Arbors, Aster, Creekwood, Mira Vista Hills, Next on Lex, Brio, and Fountains transactions.

CalCHA is being asked to consider the issuance of up to \$700 million of governmental purpose bonds for (1) fee simple acquisition of the Project site, (2) costs of developing the Project, (3) capitalized interest during construction, lease-up, and initial years of operation, and (4) issuance costs, transaction fees and establishing certain reserve funds, including an extraordinary expense fund, related to the bonds.

The Project site and associated development rights are currently controlled by an affiliate of Plenary through a conveyance agreement with the City of Long Beach, who currently holds fee simple title to the site. Under the proposed financing structure, the Plenary affiliate will transfer the rights to acquire and develop the site to CalCHA, which will issue up to \$700 million of tax-exempt governmental purpose bonds to construct and acquire the Project. At financial close, CalCHA will enter into an Installment Sale Agreement with Plenary West Ocean Development LLC ("Developer"), who will be obligated to construct the Project in accordance with a set of plans and specifications by a fixed date and at a fixed price. Developer will simultaneously enter into a fixed-price, date certain design-build contract with an experienced contractor ("Contractor") whereby Developer will subcontract substantially all design- and construction-related obligations. It is currently expected that Suffolk Construction will serve as Contractor for the Project.



Plenary will enter into a Property Management Agreement with Greystar California, Inc. (“Greystar”) for day-to-day property operations once the Project is operational. CalCHA will additionally enter into a Project Administration Agreement with Plenary, to manage Greystar under its Property Management Agreement, as well as oversee capital projects and financial reporting, among other responsibilities.

Greystar will be responsible for managing the Facilities pursuant to a Property Management Agreement. Greystar has been actively engaged in multifamily property management since its establishment in 1993 and currently operates out of over 53 offices serving more than 193 markets globally. Greystar has an approximately 660,000-unit international portfolio ranging from conventional, mixed use, affordable, senior living and renovations/value add products, with an affordable housing portfolio covering 170 communities representing approximately 7,400 spanning more than 20 states.

Plenary is one of the largest public infrastructure developers in North America, with a portfolio of 55 projects worth ~\$17 billion that are comprised of hospitals, civic centers, courthouses, student housing, residential and commercial development, and other types of vital public facilities. Plenary has over 100 employees spread across five offices across North America, including its US headquarters in Los Angeles. Plenary’s parent company, Caisse de dépôt et placement du Québec, is a global investment manager with over \$300 billion of assets under management, including over 42,000 multifamily units across the US.

### **Project Public Benefits**

The public benefits of CalCHA’s role as bond issuer and owner of the Project include the following:

1. CalCHA’s development of the Project will serve as a first-of-its-kind, ground-up middle-income affordable housing project, offering affordable units. Units will be income- and rent- restricted, throughout the duration of CalCHA’s ownership, to ensure the Project’s affordability to households earning no more than 120% of AMI—rent will be restricted to 30% of income, less a reasonable utility allowance. Residents will also benefit from caps on annual rental increases that may prove to be below allowable HUD increases. It is anticipated that the Project’s affordability will continually increase over time as growth in area market-rate rents continually outpaces the Project’s restricted rents. It is currently projected that the Project’s initial rents will be discounted by more than 20% when compared to market rents.
2. Construction of the Project is expected to create direct and induced jobs throughout the community due to the economic impacts of this significant new construction project. Further, prevailing wages will be paid across all on-site construction trades, ensuring a living wage will be paid to all workers on the project.
3. Consistent with the asset disposition policy under CalCHA’s Asset Ownership Program, CalCHA will grant all excess Project revenues to the underlying jurisdiction (City of Long Beach) through a Public Benefit Agreement that will be executed at closing. It is anticipated that significant equity (market value less outstanding bond

balance) will exist in the Project throughout Long Beach’s twenty-five to thirty-five year option period. The City also retains the right to take over development and management of the project if Plenary doesn’t perform. The City will also be receiving an ongoing fee under the Public Benefit Agreement.

4. It is CalCHA’s hope that these substantial revenues will be reinvested into additional affordable housing investment and development across varying income spectrums.

### **Financing Structure**

CalCHA will enter into a Trust Indenture with U.S. Bank Trust Company, National Association (the “Trustee”) and issue Series 2022 Bonds in an amount not-to-exceed \$700 million (the “Bonds”). The Bonds will be unrated and proceeds will be used to fund deposits into the Funds and Accounts to pay for: (i) acquisition of site and construction of the buildings, (ii) fund capitalized interest, (iii) fund capital reserves, (iv) fund operating reserves, (v) fund coverage reserves, (vi) fund debt service reserves, (vii) fund the CalCHA extraordinary expense fund, and (viii) pay certain transaction fees and costs of issuance. The final maturity of the Bonds shall not exceed 50 years, and the maximum weighted average interest rate is not anticipated to exceed 6.0% per annum. Pursuant to a Bond Purchase Agreement executed by Jefferies LLC, the Bonds will be sold to Qualified Institutional Buyers or Accredited Investors, in accordance with CalCHA’s issuance policies.

### **Project Revenue Waterfall:**

CalCHA will establish the following Funds and Accounts, all of which shall be held by the Trustee:

1. “Project Fund,” and within such Fund the “ISA Purchase Price Account,” “Senior Capitalized Interest Account,” the “Junior Capitalized Interest Account, the “Series 2022 Costs of Issuance Account” and the “Construction Period Expenses Account”;
2. “Revenue Fund”;
3. “Debt Service Fund,” and within such fund a “Senior Debt Service Account”, a “Senior Redemption Account,” a “Junior Debt Service Account”, a “Junior Redemption Account,” a “Subordinate Debt Service Account” and a “Subordinate Redemption Account”;
4. “Rebate Fund”;
5. “Extraordinary Expense Fund”;
6. “Capital Expense Fund”;
7. “Senior Debt Service Reserve Fund”, and within such fund separate accounts as may be established in connection with the issuance of Additional Senior Bonds;

8. “Junior Debt Service Reserve Fund”, and within such fund separate accounts as may be established in connection with the issuance of Additional Senior Bonds;
9. “Operating Reserve Fund”;
10. “Coverage Reserve Fund”;
11. “Administration Fee Fund”;
12. “Administrative Expenses Fund”;
13. “Agency Fee Fund”; and
14. “Excess Revenue Fund.”

Budgeted operating expenses, to be paid from the Project Operating Account, include monitoring fees, trustee fees, advisory fees, asset management fees, and other costs related to CalCHA’s continuing disclosure requirements.

The Bonds will be non-recourse against CalCHA. CalCHA is not responsible for any debt service on Bonds and is not responsible if there is a default on the Bonds. If such default were to occur, the Trustee would take over administration of the Project, and work at the direction of the Controlling Party (i.e., the Bondholders) to continue operating the Project and collect all revenues or exercise any other default remedies available to it. If ongoing operations are not sufficient to generate necessary revenues to make payments to Bondholders, the Project would likely be foreclosed, and proceeds received would be paid to the Bondholders to attempt to make them whole.

**Finance Team:**

Project Owner:	California Community Housing Agency
Issuer of Bonds:	California Community Housing Agency
Special Issuer’s Counsel:	von Briesen & Roper, s.c. and Attolles Law,s.c. (serving in a limited role under supervision of regular Issuer’s Counsel, Orrick, Herrington & Sutcliffe LLP)
Underwriter:	Jefferies LLC
Underwriter’s Counsel:	Ballard Spahr LLP
Bond Counsel/Issuer’s Counsel:	Orrick, Herrington & Sutcliffe LLP
Developer:	Plenary West Ocean Development LLC

Project Administrator: Plenary Americas Workforce Housing LLC

Project Administrator Counsel: Crosbie Gliner Schiffman Southard & Swanson LLP

CalCHA Designated Agent: GPM Municipal Advisors, LLC

CalCHA Insurance Consultant: Woodruff, Sawyer & Co.

Trustee: U.S. Bank Trust Company, National Association

Trustee’s Counsel: Shipman & Goodwin LLP

Continuing Disclosure Services: Plenary Americas Workforce Housing LLC

**Project Documents:**

The following is a summary of the documents submitted to the Board for approval and certain documents that will be submitted to the Board for approval at a subsequent meeting. A brief explanation is provided below with the supporting documents attached:

Board Information Materials

CalCHA Staff Report

Resolution No. RES-15-0152 of the City of Long Beach

Notice of Determination filed by the City of Long Beach, SCH#2015041054, dated December 15, 2015

Notice of Determination filed by the City of Long Beach, SCH#2015041054, dated March 19, 2020

Designated Agent Materials

Designated Agent Agreement	The typical form of Agreement between CalCHA and GPM which provides for non-standard (outside the scope of the Master Services Agreement) services undertaken on CalCHA’s behalf in connection with the acquisition, development, and operation of the Project, including budgeting and capital expenditures, etc. (see “Project Administration Agreement,” below) will be submitted for review and approval at a future meeting.
----------------------------	---

Financing Documents

Indenture & Master Glossary	This is a fairly standard bond indenture which, as with all asset ownership transactions, will include a Coverage
-----------------------------	---

Reserve Account (“CRA”) and an Extraordinary Expense Fund (“EEF”). The money in the CRA will be available solely to pay debt service on the Bonds in the event of shortfall and will otherwise be counted for the purpose of determining debt coverage ratio on the Bonds. The CRA will be fully funded at Closing out of bond proceeds at an estimated amount of approximately \$5,500,000, and any money used to pay debt service will be replenished out of available Surplus Fund revenues to maintain this required minimum balance at all times. The EEF will be available solely to pay “extraordinary” (non-budgeted) expenses, if any, incurred from time to time by CalCHA. The EEF will be fully funded at \$500,000 at Closing out of bond proceeds, and any money spent by CalCHA will be replenished out of available operating revenues to maintain a \$500,000 minimum balance at all times. As a backup, other Indenture Funds may be accessed, if needed, to pay CalCHA Extraordinary Expenses. Upon payment in full for the Bonds, funds in the EEF will be transferred to CalCHA to use for future extraordinary costs and otherwise at the Board’s discretion. One more additional backup, Jefferies has negotiated with Plenary an equity backstop if there are construction cost overruns which further shows that CalCHA is not a risk.

Bond Purchase Agreement

Deposit Account Control Agreement

Bond Resolution

Acquisition and Development Documents

Installment Sale Agreement      An agreement between CalCHA and Developer providing for the acquisition and construction of the Project will be submitted for review and approval at a future meeting.

Management & Operation Documents

Project Administration Agreement      A project administration agreement between CalCHA and Plenary providing for the asset management of the Project will be submitted for review and approval at a future meeting. Plenary’s responsibilities will include contracting with Greystar pursuant to its Property Management Agreement, under which Greystar is responsible for all day-

to-day operations, maintenance, collections, expenses, etc. Some of its activities (such as annual budgets) will be subject to approval of CalCHA who will act through GPM as its “Designated Agent.”

There will be proposed agreements submitted for review and approval at a future meeting. In addition, there are other documents and agreements ancillary to the underlying real estate, financing, and asset transactions. Those documents are not provided with this report because they are either (a) ancillary to a document identified above; (b) routine documents necessary to effectuate the transaction, but otherwise non-substantive; or (c) a document to which CalCHA is not a party.

### **Oversight, Risks, and Protections**

CalCHA will separately engage GPM Municipal Advisors, LLC (“GPM”), to serve as its Designated Agent to engage any necessary advisors or consultants on behalf of CalCHA to help evaluate the Manager’s performance and the financial performance and operations of the Project and otherwise act as CalCHA’s representative in connection with certain matters involving the Project and the Bonds. GPM has engaged Woodruff, Sawyer & Co. to serve as CalCHA’s independent insurance consultant.

### **Risks & Protections**

There are certain risks associated with this Project that are different from the risks to which CalCHA is accustomed in conduit bond transactions. CalCHA will be the owner of the Project. While the contract and bond documents provide CalCHA with sources of revenue, certain waivers of liability and certain indemnity, there are potential liabilities that accrue to the owner of such a facility that cannot be eliminated. Subject to the final form of the relevant agreements, the following protections to CalCHA will be included within the transaction to mitigate, to the greatest extent, the risks to CalCHA associated with the Project:

1. Contractual Indemnity – Unlike a conduit transaction, there is no “borrower” to provide indemnification to CalCHA for any and all conceivable expenses and liabilities/losses associated with the Bonds and the Project. In the typical conduit transaction, the Borrower indemnifies CalCHA against these liabilities regardless of whether they are caused by the borrower through negligence or breach of contract, and regardless of whether they are caused by CalCHA (except in the case of CalCHA’s willful misconduct). As an alternative to the traditional indemnity CalCHA would receive in a conduit transaction, this transaction establishes a \$500,000 extraordinary expense fund that CalCHA may access to pay for any unforeseen expenses and liabilities. The extent of Developer and Plenary’s respective indemnity obligations are limited by contract and applicable law. Developer and Plenary will indemnify CalCHA for the actions of the Contractor and Greystar under the Installment Sale Agreement and Property Management Agreement, respectively.

2. Default - The Bonds are non-recourse against CalCHA. CalCHA is not responsible for any debt service on Bonds beyond the revenues of the Project and is not responsible if there is a default on the Bonds. If such default were to occur the Trustee would take over administration of the Project, and work with Bondholders to continue operations of the Project and collecting revenues. If revenues from ongoing operations were not sufficient to support debt service on and amortize the Bonds, CalCHA would be in default and the Project would most likely be foreclosed, and foreclosure/sale proceeds received would be paid to the Bondholders but only after the fees, costs and expenses of the Trustee and of CalCHA are covered.
3. Recourse Beyond Cash Flow - None of the relevant agreements will provide any recourse against CalCHA beyond what is covered by the net cash flow from the operation of the Project.
4. Extraordinary Expense Account – As discussed above.
5. Insurance – Woodruff, Sawyer & Co. has been engaged as an independent insurance consultant to develop an insurance package to address the liability risks related to the ownership of the Project by CalCHA. Given CalCHA’s status as owner, there are certain risks and liabilities beyond those associated with the Project itself that cannot be transferred to a third party by contract. As outlined above, coverage will be provided in all the necessary areas.
6. Bond Covenants - As with any commercial lending contract, the Bond Indenture has certain provisions designed to anticipate and address issues regarding performance of the assets. Quarterly financial reports and annual audited financial statements are required. In addition, if the Project fails to meet and maintain certain financial ratios, the Project will be required to engage an outside expert to review and make recommendations regarding performance and Plenary will be required to cooperate with CalCHA to implement those recommendations.
7. CEQA Review – The California Environmental Quality Act (“CEQA”) requires public agencies to conduct a review of the environmental impacts of their discretionary actions prior to taking such actions. The Civic Center Project Supplement Environmental Impact Report (“SEIR”) was certified by the City of Long Beach on December 15, 2015 (SCH#2015041054) pursuant to CEQA. The Civic Center Project consists of an approximately 16-acre project site containing three development sites, including the Civic Block, the Center Block, and the Library-Lincoln Park Block; the Project is included as a part of the Center Block. The resolution approving the SEIR also adopted a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program for the environmental impacts that the Project will have. The Mitigation Monitoring and Reporting Program require certain actions be taken to mitigate the environmental impacts of the Project.

**Approvals:**

Written approval of the financing of the Project by CalCHA has been unanimously obtained from the City of Long Beach in accordance with the Joint Exercise Agreement. Bond counsel has advised that TEFRA approval is not required as the Bonds are “governmental purpose bonds” under the Internal Revenue Code.

Based on the overall public benefit of the Project and meeting CalCHA’s finance related policies, it is recommended that the Board approve the Resolution as submitted, which:

1. Approves the issuance of the Bonds and ownership of the Project by CalCHA as described above;
2. Approves all necessary actions and certain documents for the financing; and
3. Authorizes any member of the Board or Authorized Signatory to sign the agreements approved at this meeting of the Board, specifically:
  - a. Indenture
  - b. Master Glossary
  - c. Regulatory Agreement
  - d. Bond Purchase Agreement
  - e. Continuing Disclosure Agreement
  - f. Public Benefit Agreement
  - g. Civic Center SEIR



---

**RESOLUTION NO. 22-01A**

**CALIFORNIA COMMUNITY HOUSING AGENCY**

**A RESOLUTION AUTHORIZING A PROJECT CONSISTING OF THE ACQUISITION, CONSTRUCTION AND OWNERSHIP BY THE AGENCY OF A MULTIFAMILY RENTAL HOUSING FACILITY LOCATED IN THE CITY OF LONG BEACH, CALIFORNIA AND THE ISSUANCE OF REVENUE BONDS IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$700,000,000.00 TO FINANCE THE COSTS OF THE PROJECT AND CERTAIN RELATED COSTS AND OTHER MATTERS RELATING THERETO**

WHEREAS, pursuant to the provisions of 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, commonly known as the “Joint Exercise of Powers Act” (the “Act”), a number of California cities, counties and special districts (together with any other political subdivision that may from time to time be designated as an “Additional Member” of the Agency pursuant to the Joint Exercise Agreement, collectively, the “Members”) entered into a joint exercise of powers agreement (the “Joint Exercise Agreement”) pursuant to which the California Community Housing Agency (the “Agency”) was organized; and

WHEREAS, the Agency is authorized and empowered under the Act and by the Joint Exercise Agreement to, among other things, issue bonds or other evidences of indebtedness, to assist local agencies in financing public capital improvements, working capital, liability and other insurance needs, or projects whenever there are significant public benefits for taking that action, including providing (i) demonstrable savings in effective interest rate, bond preparation, bond underwriter, or bond issuance costs, (ii) significant reductions in effective user charges levied by a local agency, (iii) employment benefits from undertaking a project in a timely fashion, or (iv) more efficient delivery of local agency services to residential and commercial development; and

WHEREAS, the Agency wishes to acquire, construct and provide for the continued operation of a multifamily rental housing facility (the “Project”) located in the City of Long Beach, State of California (the “Project Jurisdiction”); and

WHEREAS on December 15, 2015, the Long Beach City Council (the “Lead Agency”) passed Resolution No. RES-15-0152, *A Resolution of the City Council of the City of Long Beach Certifying that the Final Supplemental Environmental Impact Report for the Civic Center Project (State Clearinghouse No. 2015041054) Has Been Completed in Accordance with the Provisions of the California Environmental Quality Act and State and Local Guidelines and Making Certain Findings and Determinations Relative Thereto; Adopting a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Plan (MMRP)*, certifying the Civic Center Project Supplemental Environmental Impact Report (the “Civic Center SEIR”) (SCH#2015041054)

pursuant to the California Environmental Quality Act (“CEQA”) finding that the Civic Center Project would have a significant effect on the environment and adopting a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program; and

WHEREAS, the Civic Center Project consists of an approximately 16-acre project site containing three development sites, including the Civic Block, the Center Block, and the Library-Lincoln Park Block; the Project is included as a part of the Center Block; and

WHEREAS, on March 19, 2020, the Planning Commission of Long Beach approved the Site Plan Review SPR19-035 for construction of a residential mixed-use development consisting of 580 dwelling units in two eight-story buildings (290 units each) and up to 40,000 square feet of retail and restaurant space, with two full levels of subterranean parking and two partial levels of at-grade and above-grade parking, for a total of 885 parking stalls and approved a Vesting Tentative Tract Map VTTM19-003 to create two master ground lots and 13 airspace lots, on a 4.59-acre site located at 321 West Ocean Boulevard and 121 Cedar Avenue, in the Downtown Plan (PD-30) Planned Development District, at the site of the former Long Beach City Hall finding that these approvals were within the scope of the Civic Center SEIR; and

WHEREAS, pursuant to a Trust Indenture (the “Indenture”) between the Agency and U.S. Bank Trust Company, National Association (the “Trustee”), the Agency will issue its Senior Essential Housing Revenue Bonds (321 W. Ocean Development) (the “Senior Bonds”), Junior Essential Housing Revenue Bonds (321 W. Ocean Development) (the “Junior Bonds” and, together with the Senior Bonds, the “Class A Bonds”) and Subordinate Essential Housing Revenue Bonds (321 W. Ocean Development) (the “Subordinate Bonds” and, together with the Class A Bonds, the “Bonds”) for the purpose of, among others things, acquiring and constructing the Project; and

WHEREAS, the Agency and Plenary West Ocean Development LLC, a Delaware limited liability company (the “Developer”) and an affiliate of Plenary Americas Workforce Housing LLC, a Delaware limited liability company (“Plenary”), will enter into an Installment Sale Agreement (the “Installment Sale Agreement”) pursuant to which and in exchange for a purchase price (to be paid in installments from a portion of the proceeds of the Class A Bonds) not to exceed in the aggregate \$450,000,000.00 (the “Purchase Price”): (A) the Developer will agree to sell to the Agency, and the Agency will agree to purchase from the Developer, all of the Developer’s right, title, and interest in and to: (i) the real and intangible property on which the Project will be constructed (the “Site”); (ii) the buildings to be constructed by the Developer on the Site, together with all parking structures and all other improvements and structures constructed on the Site in accordance with the Plan and Specifications (as defined in the Installment Sale Agreement); and (iii) the fixtures, equipment and other personal property required to be installed by the Developer pursuant to the Plans and Specifications; and (B) subject to the terms and conditions set forth in the Installment Sale Agreement, the Developer will agree to deliver the Project to the Agency, turnkey, in accordance with the Plan and Specifications and the Installment Sale Agreement and by the time set forth in the Installment Sale Agreement; and

WHEREAS, the Bonds will be secured by a Deed of Trust, Assignment of Leases and Rents, Security Agreement, and Fixture Filing (the “Deed of Trust”) from the Agency to the Trustee granting a lien on the Agency’s interest in the Project in favor of the Trustee for the benefit of the owners from time to time of the Bonds; and

WHEREAS, the Agency will agree, pursuant to a Regulatory Agreement and Declaration of Restrictive Covenants (the “Regulatory Agreement”), between the Agency and the Trustee, to maintain certain occupancy and rent restrictions on the Project, which shall be in effect with respect to the entire Project until the payment or defeasance in full of the Bonds and with respect to a portion of the Project for 55 years following the date of issuance of the Bonds; and

WHEREAS, Plenary, together with its affiliates, is knowledgeable and experienced in overseeing and managing the development, operations, and maintenance of affordable housing projects and public infrastructure projects, and the Agency wishes to engage Plenary to provide the asset management, oversight and administration services specified in and pursuant to a Project Administration Agreement (the “Project Administration Agreement”) between the Agency and Plenary; and

WHEREAS, pursuant to Government Code Section 5852.1, certain information relating to the Class A Bonds is set forth in Exhibit A attached to this Resolution, and such information is hereby disclosed and made public; and

WHEREAS, pursuant to a Bond Purchase Agreement (the “Bond Purchase Agreement”), between the Agency and Jefferies LLC (the “Underwriter”), the Underwriter will agree to purchase the Class A Bonds, and pursuant to the distribution of a Preliminary Limited Offering Memorandum and a Limited Offering Memorandum (collectively, the “Limited Offering Memorandum”), the Class A Bonds will be offered and sold in accordance with the Agency’s issuance policies exclusively to Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act of 1933, as amended, the “Securities Act”) or Accredited Investors as described in Rule 501 of Regulation D under the Securities Act, and the proceeds of such sale will be used as set forth in the Indenture to finance, among other things, the Agency’s acquisition and construction of the Project; and

WHEREAS, pursuant to the Indenture, the Subordinate Bonds will be issued and delivered to, or as directed by, Plenary Americas Concession Management LP, an affiliate of the Developer; and

WHEREAS, the Agency will enter into a Public Benefit Agreement (the “Public Benefit Agreement”) with the Project Jurisdiction pursuant to which the Agency will grant to the Project Jurisdiction the exclusive option to purchase or direct the sale of the Project for a period commencing approximately 15 years after the issuance of the Bonds and terminating after all Bonds are repaid, upon payment of the option price, as set forth therein; and

WHEREAS, the Project Jurisdiction has by resolution approved the execution of the Joint Exercise Agreement to become an Additional Member (as defined in the Joint Exercise Agreement) of the Agency, and has approved the issuance of bonds for projects within the Project Jurisdiction and authorized the Public Benefit Agreement with the Agency in recognition of the significant public benefits of the Project and in support of the Agency’s issuance of the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, the Agency will deliver a tax certificate setting forth certain representations, expectations and covenants of the Agency pertaining to the tax status of the Bonds (the “Tax Certificate”); and

WHEREAS, in order to provide ongoing information to the purchasers of the Bonds, the Agency proposes to enter into a Continuing Disclosure Agreement to be dated the date of issuance of the Bonds (the “Continuing Disclosure Agreement”), between the Agency and the dissemination agent named therein; and

WHEREAS, the Board of Directors of the Agency (the “Board”), based on representations of Plenary, but without independent investigation, has found and determined that the issuance of the Bonds and financing of the acquisition and construction of the Project will promote significant public benefits for the Project Jurisdiction, including employment benefits from undertaking the Project in a timely fashion, more efficient delivery of local agency services to residential and commercial development and demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs; and

WHEREAS, there have been made available to the Board prior to this meeting proposed forms of:

- (1) the Indenture (including a Master Glossary of Terms and the proposed forms of the Bonds);
- (2) the Regulatory Agreement;
- (3) the Bond Purchase Agreement;
- (4) the Continuing Disclosure Agreement;
- (5) the Public Benefit Agreement;
- (6) the Civic Center SEIR;
- (7) Resolution No. RES-15-0152 of the City of Long Beach;
- (8) the Notice of Determination filed by the City of Long Beach, SCH#2015041054, dated December 15, 2015; and
- (9) the Notice of Determination filed by the City of Long Beach, SCH#2015041054, dated March 19, 2020.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the California Community Housing Agency, as follows:

**Section 1.** The Board hereby finds and declares that the Agency’s acquisition, construction and continued operation of the Project and the financing thereof through the issuance of the Bonds as hereinabove recited are in furtherance of the public purposes of the Act, the Joint Exercise Agreement and the foregoing recitals and is within the powers conferred upon the Agency by the Act and the Joint Exercise Agreement.

**Section 2.** Pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162, the Board has analyzed the Project in conjunction with the Civic Center SEIR. The

Board has considered the Civic Center SEIR and finds that the Project would be consistent with the adopted Civic Center SEIR. The Board also finds the Project will not result in any new significant impacts upon the environment, or any impacts greater than those analyzed in the Civic Center SEIR, and no additional environmental analysis is required. The Board also finds that a notice of determination shall be completed and posted as required under the CEQA Guidelines to provide notice of this finding. The Chair, the Vice Chair, the Secretary and other appropriate officers and agents of the Agency, including each Authorized Signatory, as defined in Section 4 below, is authorized to execute the notice of determination (and related documentation under CEQA). This finding is made with respect to the approval of the construction of the Project and with respect to the issuance of the Bonds, acquisition of title to the Project and the execution of related documents as more fully described and approved below.

**Section 3.** Pursuant to the Act, the Joint Exercise Agreement and the Indenture, the Agency is hereby authorized to issue its revenue bonds designated as the “California Community Housing Agency Senior Essential Housing Revenue Bonds (321 W. Ocean Development),” “California Community Housing Agency Junior Essential Housing Revenue Bonds (321 W. Ocean Development),” and the “California Community Housing Agency Subordinate Essential Housing Revenue Bonds (321 W. Ocean Development),” which may be current interest bonds, capital appreciation bonds and/or convertible capital appreciation bonds, with appropriate series and sub-series designations as necessary, including, if and to the extent necessary, one or more series or sub-series of taxable obligations, in an initial aggregate principal amount not to exceed \$700,000,000.00. The Bonds shall be issued and secured in accordance with the terms of the Indenture and shall be in substantially the forms contained in the Indenture and presented at this meeting. The final maturity of the Class A Bonds shall not exceed 50 years from the date of their issuance, and the maximum interest rate to be borne by the Class A Bonds (inclusive of any “taxable,” “penalty,” or “default” rate) shall not exceed 12% per annum. The final maturity of the Subordinate Bonds shall not exceed 50 years from the date of their issuance, and the maximum interest rate with respect to the Subordinate Bonds (inclusive of any “taxable,” “penalty,” or “default” rate) shall not exceed 12% per annum. The principal or accreted value of and interest on the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee, as paying agent and registrar, or at the office of any successor or additional paying agent and registrar in accordance with the Indenture. The Bonds shall be subject to mandatory and optional redemption prior to maturity as provided in the Indenture.

**Section 4.** The Bonds shall be executed on behalf of the Agency by the manual or facsimile signature of the Chair of the Agency or the manual signature of any member of the Board of Directors of the Agency or their administrative delegates duly authorized pursuant to Resolution No. 20-03C of the Agency, adopted on September 8, 2020 (each, an “Authorized Signatory”), and attested by the manual or facsimile signature of the Secretary of the Agency or the manual signature of any Authorized Signatory. The facsimile, electronic or digital signature of any Authorized Signatory shall be deemed to be the legal equivalent of a manual signature on the Bonds and other documents and valid and binding for all purposes. If any Authorized Signatory whose signature, countersignature or attestation appears on a Bond or Bond-related document ceases to be an officer or director before delivery of the Bonds, his or her signature, countersignature or attestation appearing on the Bonds and any Bond-related document (regardless of whether any such Bond-related document is specifically identified in this Resolution) is valid and sufficient for all purposes to the same extent as if he or she had remained in office until delivery of the Bonds.

**Section 5.** The proposed form of Indenture, including the proposed forms of Bonds, as presented to this meeting, is hereby approved. The Agency is hereby authorized to perform its obligations under the Indenture and an Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver the Indenture in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Agency, may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The dated dates, maturity date or dates, interest rate or rates, the amounts and timing and application of deposits to the funds or accounts, interest and principal payment periods and date or dates, principal amounts of each series, accreted value table or tables if and as applicable to any series, denominations, forms, registration privileges, manner of execution, place or places of payment, terms of redemption, conditions for issuance of additional bonds, covenants, whether any series of such Bonds are tax-exempt or taxable, current interest bonds, capital appreciation bonds or convertible capital appreciation bonds, and other terms of the Bonds shall be as provided in the Indenture as finally executed.

**Section 6.** The acquisition and construction of the Project by the Agency, pursuant to and on the terms to be set forth in the Installment Sale Agreement, is hereby approved. The negotiation by an Authorized Signatory, with the advice of counsel to the Agency, of a form of Installment Sale Agreement, which form shall be presented to this Board for review and approval prior to the execution and delivery thereof by an Authorized Signatory, is hereby approved; provided, however, that the Purchase Price under the Installment Sale Agreement shall not to exceed \$450,000,000.00 (subject to adjustment as may be set forth in the Installment Sale Agreement).

**Section 7.** The grant by the Agency to the Trustee of a lien on and security interest in the Project, pursuant to and on the terms to be set forth in the Deed of Trust, is hereby approved. The negotiation by an Authorized Signatory, with the advice of counsel to the Agency, of a form of Deed of Trust, which form shall be presented to this Board for review and approval prior to the execution and delivery thereof by an Authorized Signatory, is hereby approved.

**Section 8.** The rent and occupancy restrictions placed on the Project pursuant to and on the terms set forth in the Regulatory Agreement are hereby approved. The proposed form of Regulatory Agreement, as presented to this meeting, is hereby approved and the Agency is hereby authorized to perform its obligations thereunder. An Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver the Regulatory Agreement in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Agency, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 9.** The engagement of Plenary to provide asset management and administration services for the Project on the Agency's behalf, and the delegation to Plenary of certain powers to act in its discretion on behalf of the Agency in connection therewith, pursuant to and on the terms to be set forth in the Project Administration Agreement, are hereby approved. The negotiation by an Authorized Signatory, with the advice of counsel to the Agency, of a form of Project Administration Agreement, which form shall be presented to this Board for review and approval prior to the execution and delivery thereof by an Authorized Signatory, is hereby approved.

**Section 10.** The Underwriter is hereby appointed as underwriter of the Bonds. The preparation of a form of preliminary Limited Offering Memorandum, which form shall be presented to this Board for review and approval prior to the distribution thereof to persons who may be interested in the purchase of the Class A Bonds, is hereby approved.

**Section 11.** The proposed form of the Bond Purchase Agreement, as presented to this meeting, is hereby approved. The Agency is hereby authorized to perform its obligations under the Bond Purchase Agreement. An Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver the Bond Purchase Agreement, in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Agency, may approve.

**Section 12.** The proposed form of Continuing Disclosure Agreement, as presented to this meeting, is hereby approved. The Agency is hereby authorized to perform its obligations under the Continuing Disclosure Agreement. An Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver the Continuing Disclosure Agreement in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Agency, may approve.

**Section 13.** The proposed form of the Public Benefit Agreement, as presented to this meeting, is hereby approved. The Agency is hereby authorized to perform its obligations under the Public Benefit Agreement. An Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver the Public Benefit Agreement, in substantially said form, with such changes and insertions therein as such Authorized Signatory, with the advice of counsel to the Agency, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 14.** An Authorized Signatory is hereby authorized and directed, for and on behalf of the Agency, to execute and deliver a Tax Certificate, in such form as such Authorized Signatory, with the advice of Bond Counsel, may approve, such approval to be conclusively evidenced by the execution and delivery thereof.

**Section 15.** The Bonds, when executed as provided in Section 3 and as provided in the Indenture, 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, in accordance with written instructions executed on behalf of the Agency by an Authorized Signatory. Such instructions shall provide for the delivery of the Bonds upon payment of the purchase price thereof.

**Section 16.** The Chair, the Vice Chair, the Secretary and other appropriate officers and agents of the Agency, including each Authorized Signatory, are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Agency, to execute and deliver any and all documents, including, without limitation, any and all documents and certificates to be executed in connection with acquiring, constructing, equipping, owning and operating the Project, securing insurance related to the Project, investing proceeds of the Bonds or revenues of the Project, or credit support, bond insurance, or other credit enhancement, 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 Agency has approved in this Resolution and to consummate by the Agency the transactions contemplated by the documents approved hereby, including entering into guaranty agreements, security agreements, pledge agreements, collateral assignments, direct agreements and/or consents to assignment with respect to documents entered into by the Agency, the Developer, Plenary or its affiliates in connection with the Project and assisting in the preparation of the form of preliminary Limited Offering Memorandum, and any other or subsequent agreements, supplements, instruments, amendments, approvals, authorizations, directions, certifications, waivers or consents entered into or given in accordance with such documents including any letter agreements with the Project Jurisdiction. It is not necessary that the Bonds and various documents authorized hereby or otherwise relating to the Bonds all be signed by the same Authorized Signatory.

**Section 17.** The Board hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

**Section 18.** All actions heretofore taken by the Chair, the Vice Chair, the Treasurer, the Secretary or any Assistant Secretary and other appropriate officers and agents of the Agency with respect to the issuance of the Bonds are hereby ratified, confirmed and approved.

**Section 19.** This Resolution shall take effect from and after its adoption; provided, that no Bond authorized hereby shall be issued unless and until the Agency has been furnished with satisfactory evidence of the approvals by the Project Jurisdiction as hereinabove recited.



PASSED AND ADOPTED on the 8th day of March, 2022

I, the undersigned, an Authorized Signatory of the California Community Housing Agency, DO HEREBY CERTIFY that the foregoing resolution was duly adopted by the Board of Directors of the Agency at a duly called meeting of the Board of Directors of the Agency held in accordance with law on March 8, 2022.

**CALIFORNIA COMMUNITY HOUSING  
AGENCY**

---

Name: \_\_\_\_\_

Title: Authorized Signatory

## Exhibit A

### Required Disclosures Pursuant to California Government Code Section 5852.1

1. True Interest Cost of the Class A Bonds (Estimated): 4.65%
2. Finance charge of the Class A Bonds, being the sum of all fees and charges paid to third parties (Estimated): \$13,000,000.00
3. Proceeds of the Class A Bonds expected to be received by the Agency, net of proceeds for Costs of Issuance in (2) above, and reserves (if any) to be paid from the principal amount of the Class A Bonds (Estimated): \$552,000,000.00
4. Total Payment Amount for the Class A Bonds, being the sum of all debt service to be paid on the Class A Bonds to final maturity (Estimated): \$1,500,000,000.00

\*All amounts and percentages are estimates, and are made in good faith by the Agency based on information available as of the date of adoption of this Resolution. Estimates include certain assumptions regarding tax-exempt rates available in the bond market at the time of pricing the Class A Bonds, as well as certain assumptions regarding final development costs.



- b. Consideration of Approval to provide further support to Annadel apartments by waiving the Authority annual fee. (Staff – Scott Carper / Mike LaPierre)