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# ***Agenda***

Tuesday, June 7, 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

**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=m25b44d0b158f00531ce2445244761fae>

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 April 5, 2022, regular meeting.

**3. NEW BUSINESS**

- a. Consider approving resolution 22-05A for Sunrise Crossing Affordable, LP (Sunrise Crossing Apartments), City of Rancho Cordova, County of Sacramento, California; up to \$20,000,000 in revenue notes. (Staff – Caitlin Lanctot)

**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.*



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## ***Action Summary***

Tuesday, April 5, 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

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

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#### **1. CALL TO ORDER**

ROLL CALL – Clerk to the Board  
**ALL MEMBERS PRESENT**

#### **2. APPROVAL OF MINUTES**

Approval of the minutes from the March 8, 2022, regular meeting.  
**ACTION: APPROVED AS PRESENTED (RF, DV, RV, CP, JN - Aye)**

#### **3. NEW BUSINESS**

- a. Consider approving resolution 22-04A for Centro De Salud De La Comunidad De San Ysidro, Inc., County of San Diego, California; up to \$28,000,000 tax-exempt loan. (Staff – Caitlin Lanctot)  
**ACTION: APPROVED AS PRESENTED (RF, RV, DV, CP, JN - Aye)**

#### **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.*

**NONE**

**5. STAFF UPDATES**

**NONE**

**6. ADJOURNMENT**

*Adjourn as the California Public Finance Authority at 11:05 AM..*



CALIFORNIA  
PUBLIC  
FINANCE  
AUTHORITY

**DATE:** JUNE 7, 2022

**APPLICANT:** SUNRISE CROSSING AFFORDABLE, LP

**AMOUNT:** \$20,000,000 REVENUE NOTES

**PURPOSE:** FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT

**PRIMARY ACTIVITY:** AFFORDABLE HOUSING

**Background:**

Sunrise Crossing Affordable, LP (the "Borrower") has requested that CalPFA issue revenue notes to assist in the acquisition, construction and development of the Sunrise Crossing Apartments, to be located at 11295 Folsom Blvd. in Rancho Cordova, California (the "Project"). The Project application was filed on August 26, 2021 and received an allocation of tax-exempt bonds on December 8, 2021.

**Description of Proposed Project:**

The Borrower is requesting CalPFA to issue and deliver multifamily housing revenue notes in an amount not to exceed \$20,000,000 (the "Notes") to finance the acquisition, construction and development of the Project. The Project will provide 82 affordable rental units to low-income families in Rancho Cordova with incomes between 30% and 70% of the Area Median Income. The Project will include studio, one, and two-bedroom units in four garden-style walk-up buildings.

The Project has many community amenities, including a clubhouse, fitness center, leasing office, swimming pool, fully equipped kitchen, and employment and educational training classrooms. The Project features a sundeck with active and passive features. In addition, the Project ownership's non-profit partner will provide on-site resident services such as wellness, educational, and after-school programs throughout the year. The Project is located on Folsom Boulevard, one of the city's major commercial corridors, which facilitates convenient access to a variety of amenities including shopping, entertainment, and transit. The site is within walking distance from Sunrise light rail station which enables easy and fast access to downtown Sacramento to the west and downtown Folsom to the east.

**TEFRA Information:**

TEFRA hearings were held and approved by the City of Rancho Cordova on February 7, 2022 and Kings County on January 25, 2022.

**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:

Tax Exempt Bond Proceeds	\$11,470,000
Taxable Bond Proceeds	\$6,400,000
City of Rancho Cordova Subordinate Loan	\$2,624,000
<u>Low Income Housing Tax Credit Equity</u>	<u>\$1,000,000</u>
Total Sources	\$21,494,000

Uses:

Land Acquisition Cost	\$2,239,775
Legal	\$180,000
Construction Costs	\$13,361,772
Reserves	\$201,003
Soft Costs	\$1,013,313
Contingency	\$734,028
Construction Interest	\$701,929
Architecture & Engineering	\$432,180
<u>Developer Fee</u>	<u>\$2,630,000</u>
Total Uses	\$21,494,000

**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 Notes;
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:

- Project units will be income and rent restricted
  - 18 units at 50% AMI
  - 46 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 after school programs for school aged children
- The Project will provide instructor-led adult educational, health and wellness, or skill building classes onsite to residents

**RESOLUTION NO. 22-05A**

**A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF MULTIFAMILY HOUSING REVENUE NOTES 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 SUNRISE 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 NOTES.**

**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 and execute and deliver revenue notes for the purpose of financing, among other things, the acquisition, construction/rehabilitation, and development of multifamily rental housing projects in accordance with Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code (the “Housing Law”);

**WHEREAS**, Sunrise Crossing Affordable, LP, a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its Multifamily Housing Revenue Construction/Permanent Note (Sunrise Crossing Apartments) 2022 Series D-1 (the “Tax-Exempt Note”) and its Multifamily Housing Revenue Construction Note (Sunrise Crossing Apartments) 2022 Series D-2 (Taxable) (the “Taxable Note” and, together with the Tax-Exempt Note, the “Notes”), to assist in the financing of the acquisition, construction and development of an 82-unit multifamily housing rental development located in the City of Rancho Cordova, California, and known or to be known as Sunrise Crossing Apartments (the “Project”);

**WHEREAS**, on December 8, 2021, the Authority received an allocation in the amount of \$11,470,000 (the “Allocation Amount”) from the California Debt Limit Allocation Committee 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 Rancho Cordova is an Additional Member (as defined in the Agreement) and each has authorized the execution and delivery of the Notes;

**WHEREAS**, the Authority is willing to execute and deliver the Notes in an aggregate principal amount not to exceed \$20,000,000, provided that the portion of such Notes executed and delivered as federally tax-exempt obligations shall not exceed the Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low and very low income persons;



**WHEREAS**, the Notes will be executed and delivered to Five Star Bank (the “Funding Lender”), as the initial holder of the Notes in accordance with the Authority’s private placement policy;

**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 execution and delivery of the Notes, and such documents are now in substantial form and appropriate instruments to be executed and delivered for the purposes intended:

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

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

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

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

**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 on Exhibit A attached hereto;

**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, the Funding Loan Agreement and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Notes in two or more series. The Notes shall be designated as “California Public Finance Authority Multifamily Housing Revenue Construction/Permanent Note (Sunrise Crossing Apartments) 2022 Series D-1” and “California Public Finance Authority Multifamily Housing Revenue Construction Note (Sunrise Crossing Apartments) 2022 Series D-2 (Taxable)” including, and to the extent necessary, Notes in one or more sub-series, 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 Notes executed and delivered shall not exceed the Allocation Amount. The Notes shall be executed and delivered in the form set forth in and otherwise in accordance with the Funding Loan Agreement, and shall be executed on behalf of the Authority by the manual signature of the Chair of the Authority or the manual signature of any Authorized Signatory (as defined below). The Notes shall be secured in accordance with the terms of the Funding Loan Agreement presented to this meeting, as hereinafter approved. Payment of the principal and purchase price

of, and prepayment premium, if any, and interest on, the Notes shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Notes shall not be deemed to constitute a debt or liability of the Authority or any Member of the Authority or any Director of the Board of the Authority (each, a “Director”).

Section 3. The Funding Loan 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 Funding Loan Agreement, with such changes and insertions therein as may be necessary to cause the same to carry out the intent of this Resolution and as are approved by counsel to the Authority, such approval to be conclusively evidenced by the delivery thereof. The date, maturity date or dates (which shall not extend beyond 45 years from the date of execution and delivery 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 prepayment and other terms of the Notes shall be as provided in the Funding Loan Agreement as finally executed.

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

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

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

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

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

documents, a subordination or intercreditor agreement, an assignment of deed of trust or similar security instrument, any endorsement, allonge or assignment of any note or obligation and such other documents as described in the Funding Loan Agreement and the other documents herein approved, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the Notes and to effectuate the purposes thereof and of the documents herein approved in accordance with this resolution and resolutions heretofore adopted by the Authority and otherwise in order to carry out the financing of the Project.

Section 9. All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance, execution and delivery of the Notes, including without limitation any of the foregoing that may be necessary or desirable in connection with any default under or amendment of such documents, any transfer or other disposition of the Project, any addition or substitution of security for the Notes or any prepayment of the Notes, may be given or taken by any Authorized Signatory, as appropriate, without further authorization by the 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 Funding Loan Agreement and other documents approved herein.

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

[Remainder of Page Intentionally Left Blank]

**PASSED AND ADOPTED** by the California Public Finance Authority this June 7, 2022.

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 June 7, 2022.

By \_\_\_\_\_  
Authorized Signatory

**EXHIBIT A**  
**GOOD FAITH ESTIMATES**

(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: Sunrise Crossing Affordable, LP
2. Authority Meeting Date: June 7, 2022.
3. Name of Obligations: 2022 Series D-1 and D-2.
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):  
  
**Tax-Exempt: 30-day SOFR + 165bps**  
**Taxable: 30-day SOFR + 250bps**
  - (B) The finance charge of the Obligations, which means the sum of all fees and charges paid to third parties: **\$634,336**
  - (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: **\$15,717,144**
  - (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): **\$22,061,744** (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: 6/7/2022