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# Agenda

Tuesday, June 20, 2023

**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

The meeting can be attended telephonically or by the Internet by clicking this link:  
<https://countyofkings.webex.com/countyofkings/j.php?MTID=m488200855a4b573eb1dc7c293f5a8492>  
or 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.

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 8:00 a.m. on the morning of the noticed meeting will be included in the record, those comments received after 8:00 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](mailto: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

**2. APPROVAL OF MINUTES**

Approval of the minutes from the May 16, 2023 regular meeting.

**3. NEW BUSINESS**

- a. Consider approving resolution 23-02A for 900 E Broadway, L.P., City of Glendale, County of Los Angeles; up to \$2,800,000 in revenue notes. (Staff – Caitlin Lancot)
- b. Consider approving resolution 23-03A for the Castro Valley Sanitary District, County of Alameda; up to \$14,000,000 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.*



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## ***Action Summary***

Tuesday, May 16, 2023

**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  
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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 January 31, 2023 regular meeting.  
ACTION: APPROVED AS PRESENTED (JN, DV, RR, RF, RV - AYE)

### **3. CONSENT CALENDAR**

- a. Consideration of approving resolution 23-031 for Placer Creek Affordable, LP, Unincorporated Placer County; up to \$45,000,000 in revenue bonds.  
ACTION: APPROVED AS PRESENTED (DV, JN, RR, RF, RV - 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**

Scott Carper stated this was an inducement for a new project received.

6. **ADJOURNMENT**

*Adjourn as the California Public Finance Authority.*



# CALIFORNIA PUBLIC FINANCE AUTHORITY

**DATE:** JUNE 20, 2023

**APPLICANT:** 900 E BROADWAY, L.P.

**AMOUNT:** \$2,800,000 REVENUE NOTES

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

**PRIMARY ACTIVITY:** AFFORDABLE HOUSING

## **Background:**

900 E Broadway, L.P. (the "Borrower") has requested that CalPFA issue supplemental revenue notes to assist in the acquisition, construction/rehabilitation and development of the Citrus Crossing Apartments, to be located at 900 E Broadway in Glendale, California (the "Project"). The Project application was filed on April 21, 2021 and received an allocation of tax-exempt bonds on August 11, 2021. CalPFA previously issued \$38,795,000 for this Project on January 26, 2022.

## **Description of Proposed Project:**

The Borrower is requesting CalPFA to issue and deliver supplemental multifamily housing revenue notes in an amount not to exceed \$2,800,000 (the "Notes") to finance the acquisition, construction/rehabilitation and development of the Project. The Project will provide 126 affordable rental units to low-income seniors in Glendale with incomes between 20% and 70% of the Area Median Income. The Project will include studio and one-bedroom units in a single five-story building.

The Project is designed with the architectural style of the neighborhood in mind with intent to respect the neighboring historic structures. Maximizing the open outdoor space, the Project features a central courtyard, a landscaped yard space, and three outdoor roof decks. The rooftop decks will be used as a combination of outdoor office spaces and edible gardens. The ground floor features a lobby, two community rooms, a laundry room, and office space. The Project will meet the requirements for mobility and sensory access with a total of 20 units for mobility impairment units and 13 units for sensory impairment.

Construction commenced in February 2022 and due to increased costs, the Borrower needs additional funds to complete the Project.

## **TEFRA Information:**

TEFRA hearings were held and approved by the City of Glendale on November 2, 2021 and Kings County on September 14, 2021.

## **Financing Structure:**

The construction loan will be privately placed and mature in 32 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	\$28,000,000
Taxable Bonds	\$9,000,000
Supplemental Bonds	\$2,800,000
Deferred Operating Reserve	\$406,399
Deferred Developer Fee	\$2,440,181
Glendale Housing Authority - Development Funds	\$9,000,000
Glendale Housing Authority - Ground Lease	\$6,050,000
Tax Credits	<u>\$5,817,243</u>
Total Sources:	\$63,513,823

Uses:

Land Acquisition Cost	\$6,155,000
Predevelopment	\$116,250
New Construction Costs	\$37,845,778
Architectural and Engineering	\$1,893,870
Construction Interest and Fees	\$4,854,055
Contingency Costs	\$3,338,433
Reserves	\$406,399
Legal and Consulting	\$305,000
Financing Costs	\$2,254,387
Other Soft Costs & Reserves	\$3,324,651
Developer Fee	<u>\$3,020,000</u>
Total Costs:	\$63,513,823

**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
  - 26 units at 50% AMI
  - 31 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 for at least 15 years
- The Project will provide instructor-led adult educational, health and wellness, or skill building classes onsite to residents

## RESOLUTION NO. 23-02A

**A RESOLUTION OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL SERIES OF MULTIFAMILY HOUSING REVENUE NOTE IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$2,800,000 FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS CITRUS 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 SUPPLEMENTAL NOTE.**

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, at the request of 900 E Broadway, L.P., a California limited partnership and entities related thereto (collectively, the “Borrower”), the Authority previously executed and delivered its California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-1 in the aggregate principal amount of \$28,000,000 (the “Series B-1 Note”) and California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments) 2022 Series B-2 (Taxable) in the aggregate principal amount of \$10,000,000 (the “Series B-2 Note” and, together with the Series B-1 Note, the “Original Notes”), to finance the acquisition, construction and development of a 127-unit multifamily housing rental development located in the City of Glendale, California, and to be known as Citrus Crossing Apartments (the “Project”);

WHEREAS, the Original Notes were executed and delivered pursuant to a Funding Loan Agreement (as supplemented and amended from time to time, the “Original Funding Loan Agreement”) among the Authority, Bank of America, N.A., as initial funding lender (the “Funding Lender”) and U.S. Bank National Association, as succeeded by U.S. Bank Trust Company, National Association, fiscal agent (the “Fiscal Agent”), and a Borrower Loan Agreement (as supplemented and amended from time to time, the “Original Borrower Loan Agreement”) among the Authority, the Borrower, the Fiscal Agent and the Funding Lender;

WHEREAS, the California Debt Limit Allocation Committee adopted a resolution on February 6, 2023, allocating \$2,800,000 of its available volume cap (the “Supplemental”



Allocation Amount”) to the Authority for the purpose of providing additional financing for the Project;

WHEREAS, the County of Kings is a Charter Member (as defined in the Agreement) of the Authority and the City of Glendale is an Additional Member (as defined in the Agreement) and each has authorized the execution and delivery of the Notes (defined herein);

WHEREAS, at the request of the Borrower, the Authority has determined to additionally execute and deliver, pursuant to a Funding Loan Agreement among the Authority, the Fiscal Agent and the Funding Lender (the “Funding Loan Agreement”) and a Borrower Loan Agreement among the Authority, the Borrower, the Fiscal Agent and the Funding Lender (the “Borrower Loan Agreement”), the California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments – Supplemental Allocation) 2023 Series A-1 in an amount not to exceed \$2,800,000, provided that the principal amount of the portion of such obligation executed and delivered on a federally tax-exempt basis may not exceed the Supplemental Allocation Amount (the “Supplemental Note” and, together with the Original Notes, the “Notes”);

WHEREAS, the Authority is willing to execute and deliver the Supplemental Note in an aggregate principal amount not to exceed \$2,800,000, provided that the portion of such Supplemental Note executed and delivered as federally tax-exempt obligations shall not exceed the Supplemental Allocation Amount, and to loan the proceeds thereof to the Borrower to assist in providing additional 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 Supplemental Note will be executed and delivered to the Funding Lender, as initial holder of the Supplemental Note and, following the construction phase of the Project, is expected to be acquired by Citibank, N.A. (the “Permanent Lender”), subject to and in accordance with the terms of that certain Forward Purchase Agreement, dated as of January 1, 2022, among the Funding Lender, Permanent Lender and Borrower, including therein the proposed form of Amended and Restated Funding Loan Agreement to be entered into between the Authority and the Permanent Lender and the proposed form of Amended and Restated Borrower Loan Agreement to be entered into between the Authority and the Borrower, as amended pursuant to that Consent and Modification Agreement (the “Consent to Amendment of Forward Purchase Agreement”), to be entered into among the Borrower, the Funding Lender and the Permanent Funding Lender (collectively, the “Forward Purchase Agreement”), and each 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 Supplemental Note, and such documents are now in substantially final form and appropriate instruments to be executed and delivered for the purposes intended:

- (1) A proposed form of the Funding Loan Agreement;
- (2) A proposed form of the Borrower Loan Agreement;

(3) A proposed form of First Amendment to Regulatory Agreement and Declaration of Restrictive Covenants (the “First Amendment to Regulatory Agreement”) to be entered into among the Authority, the Borrower and the Fiscal Agent, and consented to by the Funding Lender; and

(4) A proposed form of the Consent to Amendment of Forward Purchase Agreement;

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 Supplemental Note in one or more series. The Supplemental Note shall be designated as “California Public Finance Authority Multifamily Housing Revenue Note (Citrus Crossing Apartments – Supplemental Allocation) 2023 Series A-1” including, and to the extent necessary, the Supplemental Note in one or more series or sub-series designations, with appropriate modifications for such series and sub-series designations as necessary, in an aggregate principal amount not to exceed \$2,800,000; provided that the aggregate principal amount of any such tax-exempt obligations executed and delivered shall not exceed the Supplemental Allocation Amount. The Supplemental Note 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 Supplemental Note shall be secured in accordance with the terms of the Funding Loan Agreement, and thereafter any amended and restated Supplemental Note shall be secured in accordance with the terms of the Amended and Restated 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 Supplemental Note shall be made solely from amounts pledged thereto under the Funding Loan Agreement, and the Supplemental Note 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 substantially the form placed on file with the Authority, 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 Supplemental Note 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 First Amendment to 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 First Amendment to 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 Consent to Amendment of Forward Purchase Agreement, in the form presented to the Authority, is hereby approved.

**Section 7.** 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 Supplemental Note 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, the Amended and Restated 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 Supplemental Note 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 8.** All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the execution and delivery of the Supplemental Note, 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 Supplemental Note or any prepayment of the Supplemental Note,

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 9.** 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 20, 2023.

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 20, 2023.

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

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

(Attached.)



**DATE:** JUNE 20, 2023

**APPLICANT:** CASTRO VALLEY SANITARY DISTRICT (THE “DISTRICT”)

**AMOUNT:** UP TO \$14 MILLION OF TAX-EXEMPT BONDS

**PURPOSE:** FINANCING CONSTRUCTION OF A NEW DISTRICT ADMINISTRATION BUILDING (INCLUDING A CORPORATION YARD AND OTHER RELATED FACILITIES) AND CERTAIN OTHER CAPITAL IMPROVEMENTS OF THE DISTRICT RELATING PRIMARILY TO THE DISTRICT’S WASTEWATER SYSTEM

**PRIMARY ACTIVITY:** WASTEWATER SERVICES

**LEGAL STRUCTURE:** SANITARY DISTRICT

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**The District:**

The District was formed on July 25, 1939 under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.). The District provides for the collection of wastewater and oversees the collection and proper handling of solid waste from homes and businesses located in its approximately 34-square mile service area in Castro Valley. Castro Valley is located in Northern California, east of San Francisco Bay, in the unincorporated area of Alameda County known as Eden Township. The District serves a population of approximately 60,000, with more than 22,000 single and multi-family residences and businesses. The District’s service area is located approximately 15 miles east of Oakland and 40 miles north of San Jose.

The District’s wastewater collection system comprises approximately 160 miles of sewers and 8 wastewater pump stations, together with 5 miles of outfall sewer lying outside District boundaries. Wastewater from the District is treated under contract by the Oro Loma Sanitary District (“OLSD”) at the Oro Loma/Castro Valley Water Pollution Control Plant (the “Treatment Plant”) in San Lorenzo, of which the District owns 25% (OLSD owns the remaining 75% of the Treatment Plant).

**Description of Proposed Project:**

The District plans to use the proceeds of the Bonds to finance a portion of the Project, which consists of a new District operations and engineering building, corporation yard and other related facilities. The new District operations and engineering building is expected to be two stories, approximately 22,000-square feet, and include a new board room, meeting room, and vehicle bay to securely park District maintenance vehicles. The new District operations and engineering building will effectuate a consolidation of two current District operations sites, one of which the District expects to sell after the new District operations and engineering building is developed, while the second site, which is under lease, will terminate upon expiration.

The District expects the new District operations and engineering building’s design to be stream-lined for function by creating better communication and improving workflow efficiency between District departments. The building and site is expected to implement clean energy-saving technology such as solar roof panels and electric vehicle charging stations that

the District believes will qualify for Leadership in Energy and Environmental Design certification. The site development is expected to reflect the surrounding community and enhance the visual aesthetics with the Bay-Friendly Landscaping and be a place where pedestrians can interact with the site and obtain information on the types of plants used in its construction. The interactive site is also expected to be used as an educational tool for school field trips.

The District has requested CalPFA to issue up to \$14,000,000 to assist the District in paying a portion of the costs to finance the Project and to pay certain cost of issuance expenses.

**TEFRA Information:**

A TEFRA hearing is not required for the proposed financing.

**Financing Structure:**

The Bonds will mature in no more than 31 years and bear interest at an average coupon rate not to exceed 5%. The Bonds will be sold through a competitive sale. The proposed financing is in accordance with the Authority's issuance guidelines.

**Good Faith Estimates**

- True Interest Cost – 4.000%
- Sum of all fees and charges to third parties - \$195,000 (COI = \$195,000)
- Net Bond Proceeds - \$13,000,000
- Total Payments to Maturity - \$22,614,000

**Estimated Sources and Uses:**

<u>Sources of Funds</u>	
Bond Proceeds	\$12,000,000
Net Original Issue Premium	1,300,000
Less Underwriter’s Discount	<u>(100,000)</u>
Total Sources	\$13,200,000
<u>Uses of Funds</u>	
Project Fund	\$13,000,000
Costs of Issuance & Contingency	<u>200,000</u>
Total Uses	\$13,200,000

**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 tax-exempt 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 Benefit:**

Completion of this Project will help develop a new District administration building (including a corporation yard and other related facilities) which relates primarily to the District's wastewater system. The Project will provide for more efficient delivery of District services to residential and commercial development.

**RESOLUTION NO. 23-03A**

**CALIFORNIA PUBLIC FINANCE AUTHORITY**

**AUTHORIZING THE ISSUANCE OF REVENUE BONDS ON BEHALF OF THE CASTRO VALLEY SANITARY DISTRICT (THE “DISTRICT”) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$14,000,000 IN CONNECTION WITH FINANCING CERTAIN CAPITAL IMPROVEMENTS RELATING TO THE DISTRICT’S WASTEWATER SYSTEM, AUTHORIZING AND DIRECTING EXECUTION OF AN INDENTURE OF TRUST, AN INSTALLMENT SALE AGREEMENT AND CERTAIN OTHER DOCUMENTS, APPROVING AN OFFICIAL STATEMENT, AND AUTHORIZING OTHER RELATED ACTIONS**

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; and

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 public capital improvement projects; and

WHEREAS, Castro Valley Sanitary District (the “District”), a sanitary district organized under the Sanitary District Act of 1923 (California Health and Safety Code, Section 6400 et. seq.) has requested that the Authority participate in issuing one or more series of tax-exempt bonds in an aggregate principal amount not to exceed \$14,000,000 (the “Bonds”), for the purpose of financing construction of a new District administration building (including a corporation yard and other related facilities) and certain other capital improvements of the District relating primarily to the District’s wastewater system, which the District will purchase from the Authority (the “Project”); and

WHEREAS, pursuant to Section 6586.5 of the Act, a notice of public hearing (the “Notice”) was duly published on June 14, 2023 in the Castro Valley Forum, and such public hearing was duly convened by the Board of Directors of the District on June 19, 2023 at the time and place as set forth in the Notice (the “Public Hearing”), at which Public Hearing members of the public were provided a reasonable opportunity to express their views on the issuance of the Bonds and the Project;

WHEREAS, pursuant to an Indenture of Trust (the “Indenture”) between the Authority and U.S. Bank Trust Company, National Association or any other trustee to be selected by the District (the “Trustee”), the Authority will issue the Bonds for the purpose, among others, of financing the Project; and

WHEREAS, pursuant to an Installment Sale Agreement by and between the District and the Authority (the “Installment Sale Agreement”), the District will make installment payments to the Authority as the purchase price for the Project, and the Authority will use the installment payments made by the District to the Authority pursuant to the Installment Sale Agreement to pay sufficient debt service on the Bonds; and

WHEREAS, in order to maximize benefits to the District, the District has requested that the Authority sell the Bonds bearing interest at fixed rates through a competitive sale using an official notice of sale (the “Notice of Sale”); and

WHEREAS, the Authority desires to prepare and make available to potential investors an official statement relating to the Bonds containing information to be used in connection with the sale of Bonds;

WHEREAS, pursuant to Section 5852.1 of the Government Code of the State of California, certain good faith estimates from the District’s municipal advisor, Bartle Wells Associates (the “District’s Municipal Advisor”), have been disclosed as set forth in EXHIBIT A attached hereto; and

WHEREAS, the Board of Directors (the “Board”) of the Authority has duly considered these transactions and wishes at this time to approve these transactions and make certain findings regarding significant public benefits to the District with respect to these transactions;

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE CALIFORNIA PUBLIC FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Findings and Determinations. Pursuant to the Act, based upon information and representations provided by the District to the Authority, the Board hereby finds and determines that the issuance of the Bonds, the Project and the transactions related thereto will result in significant public benefit in accordance with the criteria specified in Section 6586 of the Act, specifically the more efficient delivery of local agency services to residential and commercial development.

Section 2. Issuance of Bonds; Maximum Bond Parameters. The Board hereby authorizes the issuance of the Bonds, to be designated as the “California Public Finance Authority (Castro Valley Sanitary District) 2023 Revenue Bonds” pursuant to the Act and the Indenture. 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. The principal amount of Bonds may not exceed \$14,000,000, the maximum interest rate on the Bonds may not exceed 5% per annum, and the final maturity of the Bonds may not be later than 31 years after the date of issuance.

Section 3. Approval of Indenture. The Board hereby approves the Indenture in the form on file with the Secretary, together with such additions thereto and changes therein as any Authorized Signatory deems necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting alone or in combination, are hereby authorized and directed to execute, the final form of the Indenture for and in the name and on behalf of the Authority.

Section 4. Approval of Installment Sale Agreement. The Board hereby approves the form of the Installment Sale Agreement on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. The Authorized Signatories, each acting

alone or in combination, are hereby authorized and directed to execute the final form of the Installment Sale Agreement for and in the name of and on behalf of the Authority.

Section 5. Sale of Bonds. The Authority hereby authorizes and directs the District to carry out the sale of the Bonds pursuant to a competitive sale. The Board hereby approves the form of the Notice of Sale on file with the Authority, together with such additions thereto and changes therein as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, the execution of which by the Authority shall be conclusive evidence of the approval of any such additions and changes. If upon the advice of District's Municipal Advisor, the District determines that a competitive sale of the Bonds is not desirable under the circumstances, then the Board authorizes and directs the Authorized Signatories to sell the Bonds pursuant to a negotiated sale and to enter into a bond purchase agreement; provided that the underwriter's discount (exclusive of any original issue discount) may not exceed 1%.

Section 6. Official Statement. The Board hereby approves the form of Official Statement relating to the Bonds (the "Official Statement") on file with the Authority, together with such changes or additions thereto as the Authorized Signatories deem necessary, desirable or appropriate upon consultation with counsel to the Authority, and authorizes the Authorized Signatories, each acting alone or in combination, to deem a preliminary form of the Official Statement final within the meaning of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, except for omissions permitted therein. The Board hereby approves the distribution of the preliminary form of Official Statement by the underwriters to potential Bond investors. The Board hereby authorizes the distribution of the final Official Statement.

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. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED by the California Public Finance Authority this 20<sup>th</sup> day of June, 2023.

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 June 20, 2023

By: \_\_\_\_\_  
Authorized Signatory  
California Public Finance Authority

**EXHIBIT A**

**REPRESENTATIONS AND GOOD FAITH ESTIMATES PURSUANT TO  
CALIFORNIA GOVERNMENT CODE SECTION 5852.1**

1. True Interest Cost of the Bonds: 4.000%.
2. Finance charge for the Bonds, being the sum of all fees and charges paid to third parties (Costs of Issuance of approximately \$195,000): \$195,000.
3. Amount of proceeds of the Bonds expected to be received by the District net of proceeds for Costs of Issuance described in (2) above and net of capitalized interest (if any) and reserves (if any) paid or funded with the proceeds of the Bonds: \$13,000,000.
4. Total payment amount for the Bonds, being the sum of (a) debt service to be paid on the Bonds to final maturity, plus (b) any financing costs not paid from proceeds of the Bonds: \$22,614,000.

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*\*All amounts and percentages are estimates and are made in good faith based on information available as of the date of adoption of this Resolution.*