

**Golden State Finance
Authority (GSFA)
Board of Directors Meeting**



**Wednesday, March 18, 2015
11:45 A.M.**

**1215 K Street, Suite 1650
Sacramento CA 95814
916-447-4806**



**Golden State Finance Authority (GSFA)
Board of Directors Meeting
Wednesday, March 18, 2015
11:45 a.m.
1215 K Street Suite 1650
Sacramento, CA 95814**

AGENDA

1. **Call to Order & Determination of Quorum**
*Chair, Supervisor Kevin Cann, Mariposa County
Vice Chair, Supervisor Les Baugh, Shasta County*
2. **Approval of Minutes – January 21, 2015 Board Meeting** **Page 1**
*Board Members absent from the meeting will be recorded as abstained unless
the Board Member indicates otherwise*
3. **Member County Concerns**
4. **Public Testimony**
Presentation only of any matters of concern to the general public
5. **Proposed Revisions to the Golden State Finance Authority JPA Agreement – ACTION** **Page 5**
*Greg Norton, Executive Director
Craig Ferguson, Vice President*
6. **Ordinance No. 2015-01: Ordinance Levying Special Tax Solely Within and Relating to Community Facilities District 2014-1 (Clean Energy) - ACTION** **Page 21**
*Greg Norton
Craig Ferguson*
7. **Resolution 2015-03: Authorizing Multi-Family Housing Finance Program; Resolution 2015-04: Authorizing Appointment of Multi-Family Action Team - ACTION** **Page 27**
*Greg Norton
Craig Ferguson*
8. **Resolution 2015-05: Official Intent to Issue Multi-Family Housing Revenue Bonds – ACTION** **Page 35**
*Greg Norton
Craig Ferguson*

9. Program Updates

Greg Norton

Craig Ferguson

10. Adjournment

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participate in a public meeting, please call Sarah Bolnik at (916) 447-4806 at least 48 hours before the meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment, please let staff know if you would like to speak on a specific agenda item.



Golden State Finance Authority (GSFA)
1215 K Street, Suite 1650 • Sacramento, California 95814
Phone: (855) 740-8422 • Fax: (916) 444-3551 • www.gsfahome.org

**Golden State Finance Authority (GSFA)
Board of Directors Meeting
January 21, 2015
11:00 a.m.
1215 K Street, Suite 1650
Sacramento CA 95814
916-447-4806**

MINUTES

Call to Order & Determination of Quorum

Chair, Supervisor Kevin Cann, Mariposa County, called the meeting to order at 11:03 a.m. A quorum was determined at that time. Those present:

<u>Supervisor</u>	<u>County</u>
Mary Rawson	Alpine
Brian Oneto	Amador
Doug Teeter	Butte
Kim Dolbow Vann	Colusa
Dave Finigan	Del Norte
Michael Ranalli	El Dorado
John Viegas	Glenn
Rex Bohn	Humboldt
Michael Kelley	Imperial
Aaron Albaugh	Lassen
Kevin Cann	Mariposa
Rick Farinelli	Madera
John Pedrozo	Merced
Carre Brown	Mendocino
Geri Byrne	Modoc
Tim Fesko	Mono
Kevin Goss	Plumas
Anthony Botelho	San Benito
Les Baugh	Shasta
Lee Adams	Sierra
Michael Kobseff	Siskiyou
Larry Munger	Sutter
Bob Williams	Tehama
John Fenley	Trinity
Randy Hanvelt	Tuolumne
Matt Rexroad	Yolo
Roger Abe	Yuba

Absent

Cliff Edson	Calaveras
Matt Kingsley	Inyo
Anthony Farrington	Lake
Diane Dillon	Napa
Nate Beason	Nevada
Jim Holmes	Placer

Others in Attendance

Supervisor Jeff Engel, Plumas County
Justin Caporusso, RCRC Director of Public Relations
Paul A. Smith, RCRC Senior Legislative Advocate
Lisa McCargar, RCRC Chief Financial Officer
Anthony Rahill, Data and Program Development Manager
Maggie Chui, RCRC Governmental Affairs Assistant
Staci Heaton, RCRC Regulatory Affairs Advocate
Cyndi Hillery, RCRC Legislative Advocate
Kathy Mannion, RCRC Legislative Advocate
Nick Konovaloff, RCRC Legislative Analyst
Santinia Pasquini, RCRC Legislative Analyst
Randall Echevarria, RCRC Legislative Analyst

Staff in Attendance

Greg Norton, Executive Director
Patricia Megason, Deputy Director
Sarah Bolnik, RCRC Office Manager

Approval of Minutes – December 10, 2014 Board Meeting

Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise

Supervisor Geri Byrne, Modoc County, motioned to approve the minutes of the December 10, 2014 GSFA Board of Directors Meeting. Supervisor Les Baugh, Shasta County, seconded the motion. Motion unanimously passed.

Abstaining:

Supervisor Michael Ranalli, El Dorado County; Supervisor Kevin Goss, Plumas County; Supervisor Anthony Botelho, San Benito County; Supervisor John Fenley, Trinity County; Supervisor Matt Rexroad, Yolo County

Member County Concerns

None

Public Testimony

None

Appointment of 2015 Chair and Vice Chair, Appointment of Authority Officers, Election of the GSFA Executive Committee

Greg Norton, Executive Director, reported that Supervisor Lee Adams, Sierra County, and RCRC Board Chair, nominated Supervisor Kevin Cann, Mariposa County, as Chair, and Supervisor Les Baugh, Shasta County, as Vice Chair of the Golden State Finance Authority. Mr. Norton then recommended the following additional officers of GSFA:

Deputy Director/Assistant Secretary
Vice President/Assistant Secretary
Controller/Assistant Secretary

Patricia Megason
Craig Ferguson
Lisa McCargar

Staff Recommendations:

Staff recommends that the GSFA Board:

1. **Elect Supervisor Kevin Cann, Mariposa County, the 2015 GSFA Chair and Supervisor Les Baugh, Shasta County, the Vice Chair per the nomination of the RCRC Chair;**
2. **Confirm the appointment of the additional 2015 officers by the Executive Director as noted above.**
3. **Take the steps necessary to appoint the nine member GSFA Executive Committee.**

Supervisor John Pedrozo, Merced County, motioned to approve staff recommendations as presented. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passed.

The GSFA Executive Committee was determined to consist of the same nine Supervisors that make up the RCRC Executive Committee. Following discussion, the Board directed staff to revise the JPA Agreement to increase the Executive Committee member limit and require that both the Chair and Vice Chair are among the Executive Committee Members.

Supervisor Rex Bohn, Humboldt County, motioned to approve staff recommendations. Supervisor Randy Hanvelt, Tuolumne County, seconded the motion. Motion passed.

Resolution 15-01: Acceptance of Associate Members

Greg Norton reminded the GSFA Board that as required per the JPA Agreement, Resolution 15-01 is to approve the acceptance of current Associate Members. Mr. Norton informed the Board that on January 13th, 2015, Orange County joined GSFA as an Associate Member.

This resolution ratifies all current Associate Members and restates the process by which new Associate Members are accepted by the Authority. GSFA staff is bringing this resolution to the Board of Directors as part of the annual process regarding Associate Members of GSFA.

Staff Recommendations

Staff recommends the GSFA Board:

- 1. Approve Resolution 15-01; and**
- 2. Ratify the current list of member counties and associate members per the attached list.**

Supervisor John Pedrozo, Merced County, motioned to approve Resolution 15-01 and staff recommendations. Supervisor Tim Fesko, Mono County, seconded the motion. Motion passed.

Resolution 15-02: California Home Finance Authority Name Change

Greg Norton discussed with the Board of Directors the need to change the name of the California Home Finance Authority to the Golden State Finance Authority. Shortly after the change of the Authority name to California Home Finance Authority, there became concern that the name was too similar to the California Housing Finance Agency (CalHFA) name, and potential confusion could occur. For these reasons, staff believes it is necessary to change the name to the Golden State Finance Authority (GSFA). Mr. Norton discussed how the new name will be branded professionally rather than publically, and explained that every effort will be made to re-brand the name with the same great programs.

Staff Recommendation:

Staff recommends the Board of Directors approve Resolution 15-02 to authorize the use of Golden State Finance Authority (GSFA) for JPA operations and to proceed with efforts to formally change the name following direction of counsel.

Supervisor Kim Dolbow Vann, Colusa County, motioned to approve Resolution 15-02 and staff recommendations as presented. Supervisor Michael Kobseff, Siskiyou County, seconded the motion. Motion passed.

Program Updates

Greg Norton provided an update on the existing Housing and Energy Retrofit Programs.

Adjournment

Supervisor Kevin Cann, Mariposa County, adjourned the meeting of the GSFA Board of Directors at 11:19 a.m.



To: GSFA Board of Directors
From: Greg Norton, Executive Director
Craig Ferguson, Vice President
Date: March 10, 2015
Re: Proposed Revisions to the Golden State Finance Authority JPA Agreement - **ACTION**

Summary

At the January 21, 2015 Board of Directors meeting the Board approved Resolution 15-02 changing the name of the JPA from California Home Finance Authority (CHF) to Golden State Finance Authority (GSFA). The approved resolution permitted the use of the new name for operational purposes. Formally changing the name requires amending the JPA Agreement to incorporate the new name.

Also discussed at the January 21 Board meeting was the composition of the GSFA Executive Committee. Section 10. a. of the JPA Agreement (dated December 10, 2014) states that the Authority shall appoint nine (9) members of its Board to serve on an Executive Committee (EC). The Agreement does not dictate the EC member selection process. The Board approved the nine member GSFA EC to be the same delegates that serve on the nine member RCRC EC and directed staff to revise the JPA Agreement to increase the EC member limit and require that both the GSFA Chair and Vice Chair are among the EC members.

The JPA Agreement is attached with proposed revisions in track changes. The proposed revisions include:

- Formal name change to Golden State Finance Authority (GSFA), in each part of the agreement where referenced;
- Amended and restated dates;
- Changing the number of Members of the EC from nine (9) to no fewer than nine (9) and no more than eleven (11); and
- The requirement that the Chair and Vice Chair of the Authority shall serve on the Executive Committee.
- Changing the word "such" to "other" in Section 7. h. Governing Board for clarification.

All of the proposed revisions are included in track changes in Attachment 1. The process for revision of the Agreement is as follows:

- Presentation to the GSFA Board of Directors for review and approval to initiate the revisions. A majority vote of the GSFA Board is required.
- Providing of the Agreement with proposed revisions to each member's delegate for presentation and action by each member's Board of Supervisors. Staff will also distribute the proposed revised Agreement and process to each Member County's CAO/CEO.
- Section 19 of the Agreement calls for presentation and action by each Member's Board to be completed within 60 days of approval by the GSFA Board of Directors.

The Executive Committee of the Golden State Finance Authority approved and directed staff to recommend approval of the revised JPA agreement at the February 11, 2015 meeting.

Staff Recommendation:

Staff recommends that the GSFA Board of Directors review and approve the proposed revisions to the GSFA Joint Powers Authority Agreement.

Attachments

Proposed Amended and Restated Joint Exercise of Powers Agreement (Track Changes)

~~CALIFORNIA HOME~~GOLDEN STATE FINANCE AUTHORITY

AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT

(Original date July 1, 1993 and as last amended and restated ~~December 10, 2014~~)

THIS AMENDED AND RESTATED JOINT EXERCISE OF POWERS AGREEMENT ("Agreement") is entered into by and among the counties listed on Attachment 1 hereof and incorporated herein by reference. All such counties are referred to herein as "Members" with the respective powers, privileges and restrictions provided herein.

RECITALS

A. WHEREAS, the California Rural Home Mortgage Finance Authority ("CRHMFA") was created by a Joint Exercise of Powers Agreement dated July 1, 1993 pursuant to the Joint Exercise of Powers Act (commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"). By Resolution 2003-02, adopted on January 15, 2003, the name of the authority was changed to CRHMFA Homebuyers Fund. On December 10, 2014, the name of the authority was changed to California Home Finance Authority. The most recent amendment to the Joint Exercise of Powers Agreement was on December 10, 2014, ~~January 28, 2004~~.

B. WHEREAS, the Members of ~~CRHMFA Homebuyers Fund~~California Home Finance Authority desire to update, reaffirm, clarify and revise certain provisions of the joint powers agreement, including the renaming of the joint powers authority, as set forth herein.

C. WHEREAS, the Members are each empowered by law to finance the construction, acquisition, improvement and rehabilitation of real property.

D. WHEREAS, by this Agreement, the Members desire to create and establish a joint powers authority to exercise their respective powers for the purpose of financing the construction, acquisition, improvement and rehabilitation of real property within the jurisdiction of the Authority as authorized by the Act.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Members individually and collectively agree as follows:

1. Definitions

Unless the context otherwise requires, the following terms shall for purposes of this Agreement have the meanings specified below:

"Act" means the Joint Exercise of Powers Act, commencing with Article 1 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, including the Marks-Roos Local Bond Pooling Act of 1985, as amended.

"Agreement" means this Joint Exercise of Powers Agreement, as the same now exists or as it may from time to time be amended as provided herein.

"Associate Member" means a county, city or other public agency which is not a voting member of the Rural County Representatives of California, a California nonprofit corporation ("RCRC"), with legal power and authority similar to that of the Members, admitted pursuant to paragraph 4.d. below to associate membership herein by vote of the Board.

"Audit Committee" means a committee made up of the nine-member Executive Committee.

"Authority" means Golden State Finance Authority (GSFA) formerly known as California Home Finance Authority ("CHF"), or formerly known as CRHMFA Homebuyers Fund or California Rural Home Mortgage Finance Authority.

"Board" means the governing board of the Authority as described in Section 7 below.

"Bonds" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other obligation within the meaning of the term "Bonds" under the Act.

"Delegate" means the Supervisor designated by the governing board of each Member to serve on the Board of the Authority.

"Executive Committee" means the nine to eleven member Executive Committee of the Board established pursuant to Section 10 hereof.

"Member" means any county which is a member of RCRC, has executed this Agreement and has become a member of the Authority.

"Obligations" means bonds, notes, warrants, leases, certificates of participation, installment purchase agreements, loan agreements and other securities or obligations issued by the Authority, or financing agreements entered into by the Authority pursuant to the Act and any other financial or legal obligation of the Authority under the Act.

"Program" or "Project" means any work, improvement, program, project or service undertaken by the Authority.

"Rural County Representatives of California" or "RCRC" means the nonprofit entity incorporated under that name in the State of California.

"Supervisor" means an elected County Supervisor from an RCRC member county.

2. Purpose

The purpose of the Authority is to provide financing for the acquisition, construction, improvement and rehabilitation of real property in accordance with applicable provisions of law for the benefit of residents and communities. In pursuit of this purpose, this Agreement provides for the joint exercise of powers common to any of its Members and Associate Members as provided herein, or otherwise authorized by the Act and other applicable laws, including assisting in financing as authorized herein, jointly exercised in the manner set forth herein.

3. Principal Place of Business

The principal office of the Authority shall be 1215 K Street, Suite 1650, Sacramento, California 95814.

4. Creation of Authority; Addition of Members or Associate Members

a. The Authority is hereby created pursuant to the Act. As provided in the Act, the Authority shall be a public entity separate and distinct from the Members or Associate Members.

b. The Authority will cause a notice of this Agreement or any amendment hereto to be prepared and filed with the office of the Secretary of State of California in a timely fashion in the manner set forth in Section 6503.3 of the Act.

c. A county that is a member of RCRC may petition to become a member of the Authority by submitting to the Board a resolution or evidence of other formal action taken by its governing body adopting this Agreement. The Board shall review the petition for membership and shall vote to approve or disapprove the petition. If the petition is approved by a majority of the Board, such county shall immediately become a Member of the Authority.

d. An Associate Member may be added to the Authority upon the affirmative approval of its respective governing board and pursuant to action by the Authority Board upon such terms and conditions, and with such rights, privileges and responsibilities, as may be established from time to time by the Board. Such terms and conditions, and rights, privileges and responsibilities may vary among the Associate Members. Associate Members shall be entitled to participate in one or more programs of the Authority as determined by the Board, but shall not be voting members of the Board. The Executive Director of the Authority shall enforce the terms and conditions for prospective Associate Members to the Authority as provided by resolution of the Board and as amended from time to time by the Board. Changes in the terms and conditions for Associate Membership by the Board will not constitute an amendment of this Agreement.

5. Term and Termination of Powers

This Agreement shall become effective from the date hereof until the earlier of the time when all Bonds and any interest thereon shall have been paid in full, or provision for such payment shall have been made, or when the Authority shall no longer own or hold any interest in a

public capital improvement or program. The Authority shall continue to exercise the powers herein conferred upon it until termination of this Agreement, except that if any Bonds are issued and delivered, in no event shall the exercise of the powers herein granted be terminated until all Bonds so issued and delivered and the interest thereon shall have been paid or provision for such payment shall have been made and any other debt incurred with respect to any other financing program established or administered by the Authority has been repaid in full and is no longer outstanding.

6. Powers; Restriction upon Exercise

a. To effectuate its purpose, the Authority shall have the power to exercise any and all powers of the Members or of a joint powers authority under the Act and other applicable provisions of law, subject, however, to the conditions and restrictions herein contained. Each Member or Associate Member may also separately exercise any and all such powers. The powers of the Authority are limited to those of a general law county.

b. The Authority may adopt, from time to time, such resolutions, guidelines, rules and regulations for the conduct of its meetings and the activities of the Authority as it deems necessary or desirable to accomplish its purpose.

c. The Authority shall have the power to finance the construction, acquisition, improvement and rehabilitation of real property, including the power to purchase, with the amounts received or to be received by it pursuant to a bond purchase agreement, bonds issued by any of its Members or Associate Members and other local agencies at public or negotiated sale, for the purpose set forth herein and in accordance with the Act. All or any part of such bonds so purchased may be held by the Authority or resold to public or private purchasers at public or negotiated sale. The Authority shall set any other terms and conditions of any purchase or sale contemplated herein as it deems necessary or convenient and in furtherance of the Act. The Authority may issue or cause to be issued Bonds or other indebtedness, and pledge any of its property or revenues as security to the extent permitted by resolution of the Board under any applicable provision of law. The Authority may issue Bonds in accordance with the Act in order to raise funds necessary to effectuate its purpose hereunder and may enter into agreements to secure such Bonds. The Authority may issue other forms of indebtedness authorized by the Act, and to secure such debt, to further such purpose. The Authority may utilize other forms of capital, including, but not limited to, the Authority's internal resources, capital markets and other forms of private capital investment authorized by the Act.

d. The Authority is hereby authorized to do all acts necessary for the exercise of its powers, including, but not limited to:

- (1) executing contracts,
- (2) employing agents, consultants and employees,
- (3) acquiring, constructing or providing for maintenance and operation of any building, work or improvement,
- (4) acquiring, holding or disposing of real or personal property wherever

- (5) located, including property subject to mortgage,
- (6) incurring debts, liabilities or obligations,
- (7) receiving gifts, contributions and donations of property, funds, services and any other forms of assistance from persons, firms, corporations or governmental entities,
- (8) suing and being sued in its own name, and litigating or settling any suits or claims,
- (9) doing any and all things necessary or convenient to the exercise of its specific powers and to accomplishing its purpose
- (9) establishing and/or administering districts to finance and refinance the acquisition, installation and improvement of energy efficiency, water conservation and renewable energy improvements to or on real property and in buildings. The Authority may enter into one or more agreements, including without limitation, participation agreements and implementation agreements to implement such programs.

e. Subject to the applicable provisions of any indenture or resolution providing for the investment of monies held thereunder, the Authority shall have the power to invest any of its funds as the Board deems advisable, in the same manner and upon the same conditions as local agencies pursuant to Section 53601 of the Government Code of the State of California.

f. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as may be provided otherwise herein or by resolution of the Board.

g. Pursuant to the provisions of Section 6508.1 of the Act, the debts, liabilities and obligations of the Authority shall not be debts, liabilities and obligations of the Members or Associate Members. Any Bonds, together with any interest and premium thereon, shall not constitute debts, liabilities or obligations of any Member. The Members or Associate Members hereby agree that any such Bonds issued by the Authority shall not constitute general obligations of the Authority but shall be payable solely from the moneys pledged to the repayment of principal or interest on such Bonds under the terms of the resolution, indenture, trust, agreement or other instrument pursuant to which such Bonds are issued. Neither the Members or Associate Members nor the Authority shall be obligated to pay the principal of or premium, if any, or interest on the Bonds, or other costs incidental thereto, except from the revenues and funds pledged therefor, and neither the faith and credit nor the taxing power of the Members or Associate Members or the Authority shall be pledged to the payment of the principal of or premium, if any, or interest on the Bonds, nor shall the Members or Associate Members of the Authority be obligated in any manner to make any appropriation for such payment. No covenant or agreement contained in any Bond shall be deemed to be a covenant or agreement of any Delegate, or any officer, agent or employee of the Authority in an individual capacity, and neither the Board nor any officer thereof executing the Bonds or any document related thereto shall be liable personally on any Bond or be subject to any personal liability or accountability by reason of the issuance of any Bonds.

7. Governing Board

a. The Board shall consist of the number of Delegates equal to one representative from each Member.

b. The governing body of each Member shall appoint one of its Supervisors to serve as a Delegate on the Board. A Member's appointment of its Delegate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until he or she is replaced by such governing body or no longer a Supervisor; any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph b..

c. The governing body of each Member of the Board shall appoint a Supervisor as an alternate to serve on the Board in the absence of the Delegate; the alternate may exercise all the rights and privileges of the Delegate, including the right to be counted in constituting a quorum, to participate in the proceedings of the Board, and to vote upon any and all matters. No alternate may have more than one vote at any meeting of the Board, and any Member's designation of an alternate shall be delivered in writing (which may be by electronic mail) to the Authority and shall be effective until such alternate is replaced by his or her governing body or is no longer a Supervisor, unless otherwise specified in such appointment. Any vacancy shall be filled by the governing body of the Member in the same manner provided in this paragraph c..

d. Any person who is not a member of the governing body of a Member and who attends a meeting on behalf of such Member may not vote or be counted toward a quorum but may, at the discretion of the Chair, participate in open meetings he or she attends.

e. Each Associate Member may designate a non-voting representative to the Board who may not be counted toward a quorum but who may attend open meetings, propose agenda items and otherwise participate in Board Meetings.

f. Delegates shall not receive compensation for serving as Delegates, but may claim and receive reimbursement for expenses actually incurred in connection with such service pursuant to rules approved by the Board and subject to the availability of funds.

g. The Board shall have the power, by resolution, to the extent permitted by the Act or any other applicable law, to exercise any powers of the Authority and to delegate any of its functions to the Executive Committee or one or more Delegates, officers or agents of the Authority, and to cause any authorized Delegate, officer or agent to take any actions and execute any documents for and in the name and on behalf of the Board or the Authority.

h. The Board may establish ~~such~~other committees as it deems necessary for any lawful purpose; such committees are advisory only and may not act or purport to act on behalf of the Board or the Authority.

i. The Board shall develop, or cause to be developed, and review, modify as necessary, and adopt each Program.

8. Meetings of the Board

a. The Board shall meet at least once annually, but may meet more frequently upon call of any officer or as provided by resolution of the Board.

b. Meetings of the Board shall be called, noticed, held and conducted pursuant to the provisions of the Ralph M. Brown Act, Chapter 9 (commencing with Section 54950) of Part I of Division 2 of Title 5 of the Government Code of the State of California.

c. The Secretary of the Authority shall cause minutes of all meetings of the Board to be taken and distributed to each Member as soon as possible after each meeting.

d. The lesser of twelve (12) Delegates or a majority of the number of current Delegates shall constitute a quorum for transacting business at any meeting of the Board, except that less than a quorum may act to adjourn a meeting. Each Delegate shall have one vote.

e. Meetings may be held at any location designated in notice properly given for a meeting and may be conducted by telephonic or similar means in any manner otherwise allowed by law.

9. Officers; Duties; Official Bonds

a. The Board shall elect a chair and vice chair from among the Delegates at the Board's annual meeting who shall serve a term of one (1) year or until their respective successor is elected. The chair shall conduct the meetings of the Board and perform such other duties as may be specified by resolution of the Board. The vice chair shall perform such duties in the absence or in the event of the unavailability of the chair.

b. The Board shall contract annually with RCRC to administer the Agreement and to provide administrative services to the Authority, and the President and Chief Executive Officer of RCRC shall serve *ex officio* as Executive Director, Secretary, Treasurer, and Auditor of the Authority. As chief executive of the Authority, the Executive Director is authorized to execute contracts and other obligations of the Authority, unless prior Board approval is required by a third party, by law or by Board specification, and to perform other duties specified by the Board. The Executive Director may appoint such other officers as may be required for the orderly conduct of the Authority's business and affairs who shall serve at the pleasure of the Executive Director. Subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent, the Executive Director, as Treasurer, is designated as the custodian of the Authority's funds, from whatever source, and, as such, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act. The Executive Director, as Auditor, shall have the powers, duties and responsibilities specified in Section 6505.5 of the Act.

c. The Legislative Advocate for the Authority shall be the Rural County Representatives of California.

d. The Treasurer and Auditor are public officers who have charge of, handle, or have access to all property of the Authority, and a bond for such officer in the amount of at least one hundred thousand dollars (\$100,000.00) shall be obtained at the expense of the Authority and filed with the Executive Director. Such bond may secure the faithful performance of such officer's duties with respect to another public office if such bond in at least the same amount specifically mentions the office of the Authority as required herein. The Treasurer and Auditor shall cause periodic independent audits to be made of the Authority's books by a certified public accountant, or public accountant, in compliance with Section 6505 of the Act.

e. The business of the Authority shall be conducted under the supervision of the Executive Director by RCRC personnel.

10. Executive Committee of the Authority

a. Composition

The Authority shall appoint no fewer than nine (9) and no more than eleven (11) members of its Board to serve on an Executive Committee. The Chair and Vice Chair of the Authority shall serve on the Executive Committee.

b. Powers and Limitations

The Executive Committee shall act in an advisory capacity and make recommendations to the Authority Board. Duties will include, but not be limited to, review of the quarterly and annual budgets, service as the Audit Committee for the Authority, periodically review this Agreement; and complete any other tasks as may be assigned by the Board. The Executive Committee shall be subject to all limitations imposed by this Agreement, other applicable law, and resolutions of the Board.

c. Quorum

A majority of the Executive Committee shall constitute a quorum for transacting business of the Executive Committee.

11. Disposition of Assets

Upon termination of this Agreement, all remaining assets and liabilities of the Authority shall be distributed to the respective Members in such manner as shall be determined by the Board and in accordance with the law.

12. Agreement Not Exclusive; Operation in Jurisdiction of Member

This Agreement shall not be exclusive, and each Member expressly reserves its rights to carry out other public capital improvements and programs as provided for by law and to issue

other obligations for those purposes. This Agreement shall not be deemed to amend or alter the terms of other agreements among the Members or Associate Members.

13. Conflict of Interest Code

The Authority shall by resolution adopt a Conflict of Interest Code as required by law.

14. Contributions and Advances

Contributions or advances of public funds and of personnel, equipment or property may be made to the Authority by any Member, Associate Member or any other public agency to further the purpose of this Agreement. Payment of public funds may be made to defray the cost of any contribution. Any advance may be made subject to repayment, and in that case shall be repaid in the manner agreed upon by the advancing Member, Associate Member or other public agency and the Authority at the time of making the advance.

15. Fiscal Year; Accounts; Reports; Annual Budget; Administrative Expenses

a. The fiscal year of the Authority shall be the period from January 1 of each year to and including the following December 31, except for any partial fiscal year resulting from a change in accounting based on a different fiscal year previously.

b. Prior to the beginning of each fiscal year, the Board shall adopt a budget for the succeeding fiscal year.

c. The Authority shall establish and maintain such funds and accounts as may be required by generally accepted accounting principles. The books and records of the Authority are public records and shall be open to inspection at all reasonable times by each Member and its representatives.

d. The Auditor shall either make, or contract with a certified public accountant or public accountant to make, an annual audit of the accounts and records of the Authority. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California, and shall conform to generally accepted auditing standards. When an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member (and also with the auditor of Sacramento County as the county in which the Authority's office is located) within 12 months after the end of the fiscal year.

e. In any year in which the annual budget of the Authority does not exceed five thousand dollars (\$5,000.00), the Board may, upon unanimous approval of the Board, replace the annual audit with an ensuing one-year period, but in no event for a period longer than two fiscal years.

16. Duties of Members or Associate Members; Breach

If any Member or Associate Member shall default in performing any covenant contained herein, such default shall not excuse that Member or Associate Member from fulfilling its other obligations hereunder, and such defaulting Member or Associate Member shall remain liable for the performance of all covenants hereof. Each Member or Associate Member hereby declares that this Agreement is entered into for the benefit of the Authority created hereby, and each Member or Associate Member hereby grants to the Authority the right to enforce, by whatever lawful means the Authority deems appropriate, all of the obligations of each of the parties hereunder. Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative, and the exercise of one right or remedy shall not impair the right of the Authority to any or all other remedies.

17. Indemnification

To the full extent permitted by law, the Board may authorize indemnification by the Authority of any person who is or was a Board Delegate, alternate, officer, consultant, employee or other agent of the Authority, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Delegate, alternate, officer, consultant, employee or other agent of the Authority. Such indemnification may be made against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Authority and, in the case of a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful and, in the case of an action by or in the right of the Authority, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

18. Immunities

All of the privileges and immunities from liabilities, exemptions from law, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activity of officers, agents or employees of any of the Members or Associate Members when performing their respective functions, shall apply to them to the same degree and extent while engaged as Delegates or otherwise as an officer, agent or other representative of the Authority or while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

19. Amendment

This Agreement may be amended by the adoption of the amendment by the governing bodies of a majority of the Members. The amendment shall become effective on the first day of the month following the last required member agency approval. An amendment may be initiated by the Board, upon approval by a majority of the Board. Any proposed amendment, including the text of the proposed change, shall be given by the Board to each Member's Delegate for presentation and action by each Member's board within 60 days, which time may be extended by the Board.

The list of Members, Attachment 1, may be updated to reflect new and/or withdrawn Members without requiring formal amendment of the Agreement by the Authority Board of Directors.

20. Withdrawal of Member or Associate Member

If a Member withdraws as member of RCRC, its membership in the Authority shall automatically terminate. A Member or Associate Member may withdraw from this Agreement upon written notice to the Board; provided however, that no such withdrawal shall result in the dissolution of the Authority as long as any Bonds or other obligations of the Authority remain outstanding. Any such withdrawal shall become effective thirty (30) days after a resolution adopted by the Member's governing body which authorizes withdrawal is received by the Authority. Notwithstanding the foregoing, any termination of membership or withdrawal from the Authority shall not operate to relieve any terminated or withdrawing Member or Associate Member from Obligations incurred by such terminated or withdrawing Member or Associate Member prior to the time of its termination or withdrawal.

20. Miscellaneous

a. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

b. **Construction.** The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

c. **Approvals.** Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

d. **Jurisdiction; Venue.** This Agreement is made in the State of California, under the Constitution and laws of such State and is to be so construed; any action to enforce or interpret its terms shall be brought in Sacramento County, California.

e. **Integration.** This Agreement is the complete and exclusive statement of the agreement among the parties hereto, and it supersedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the parties relating to the subject matter of this Agreement.

f. **Successors; Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the Board.

g. **Severability.** Should any part, term or provision of this Agreement be decided by the courts to be illegal or in conflict with any law of the State of California, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining parts, terms or provisions

hereof shall not be affected thereby.

The parties hereto have caused this Agreement to be executed and attested by their properly authorized officers.

AS ADOPTED BY THE MEMBERS:

Originally dated July 1, 1993

Amended and restated December 10, 1998

Amended and restated February 18, 1999

Amended and restated September 18, 2002

Amended and restated January 28, 2004

Amended and restated December 10, 2014

Amended and restated _____

[SIGNATURES ON FOLLOWING PAGES]

**** Example Signature Page to
Be Provided to each
Member County ****

By:_____

Dated:_____

Name:

Title:

Attest:

By_____

Clerk of the Board of Supervisors

PLEASE SEND TO:

| [California HomeGolden State](#) Finance Authority
1215 K Street, Suite 1650
Sacramento, CA 95814]

ATTACHMENT 1
CALIFORNIA HOME GOLDEN STATE FINANCE AUTHORITY MEMBERS

As of December 10, 2014

Alpine County
Amador County
Butte County
Calaveras County
Colusa County
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Inyo County
Lake County
Lassen County
Madera County
Mariposa County
Mendocino County
Merced County
Modoc County
Mono County
Napa County
Nevada County
Placer County
Plumas County
San Benito County
Shasta County
Sierra County
Siskiyou County
Sutter County
Tehama County
Trinity County
Tuolumne County
Yolo County
Yuba County



To: GSFA Board of Directors
From: Greg Norton
Executive Director
Date: March 10, 2015
Re: Ordinance No. 2015-01: Ordinance Levying Special Tax Solely Within
and Relating to Community Facilities District 2014-1 (Clean Energy) -
ACTION

Summary

In 2014, the Board took action to establish two property assessed clean energy (PACE) programs, one utilizing contractual assessments and the other, via a Community Facilities District (CFD), utilizing the special tax levy of the District. Ordinance No. 2015-01 authorizes levying a special tax for fiscal year 2015-16 and following fiscal years solely within and relating to the California Home Finance Authority Community Facilities District No. 2014-1 (Clean Energy).

Background

As staff has previously reported, the two PACE programs have been approved, and both are currently in the Civil Validation Action process, with the intention of utilizing only one of these programs for implementation of the PACE program and holding the other in the event it is beneficial to utilize in the future. The CFD PACE program utilizes the levying of a special tax to pay for the costs of the authorized improvements.

Participation in the program is permitted only when 1) the city or county within which the parcel is located has consented to include parcels within its boundaries in the District and 2) the property owner(s) have unanimously approved the annexation of their property by execution of the Unanimous Approval Agreement.

Issue

Levying of the special tax requires approval and publishing, in Sacramento County, of the Ordinance. Attached Ordinance 2015-01 approves the levying of the special tax on each parcel within the District whose property owner has executed the Unanimous Approval Agreement. In each case, the amount of the special tax on a parcel for the fiscal year is specified in each Unanimous Approval Agreement. The Ordinance also authorizes and directs the following:

- Determination of the appropriate amount of the special tax to be levied;
- Preparation of the annual special-tax roll for parcels in the District;

- Providing of all necessary and appropriate information to the appropriate County Auditor-Controller; and
- Other necessary actions to ensure accurate application and collection of the special tax.

Staff Recommendation

Staff recommends that the Board of Directors review and approve Ordinance No. 2015-01.

Attachment

Ordinance No. 2015-01

ORDINANCE NO. 2015-01

AN ORDINANCE LEVYING A SPECIAL TAX FOR FISCAL YEAR 2015-16 AND FOLLOWING FISCAL YEARS SOLELY WITHIN AND RELATING TO THE CALIFORNIA HOME FINANCE AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 2014-1 (CLEAN ENERGY)

WHEREAS, the California Home Finance Authority, a California joint powers authority, (the "Authority") established the Community Facilities District No. 2014-1 (Clean Energy) in accordance with the Mello-Roos Community Facilities Act, set forth in sections 53311 through 53368.3 of the California Government Code (the "Act") and particularly in accordance with sections 53313.5(l) and 53328.1(a) (the "District"); and

WHEREAS, the purpose of the District is to finance or refinance (including the payment of interest) the acquisition, installation, and improvement of energy efficiency, water conservation, renewable energy and electric vehicle charging infrastructure improvements permanently affixed to private or publicly-owned real property (the "Authorized Improvements"); and

WHEREAS, the Authority is in the process of amending the Authority Joint Powers Agreement to formally change its name to the Golden State Finance Authority; and

WHEREAS, in the Act, the Legislature has authorized a parcel within the territory of the District to annex to the District and be subject to the special tax levy of the District only (i) if the city or county within which the parcel is located has consented, by the adoption of a resolution by the applicable city council or county board of supervisors, to the inclusion of parcels within its boundaries in the District and (ii) with the unanimous written approval of the owner or owners of the parcel when it is annexed (the "Unanimous Approval Agreement"), which, as provided in section 53329.6 of the Act, shall constitute the election required by the California Constitution;

NOW, THEREFORE, the Board of Directors of the Authority hereby ordains as follows:

Section 1. Pursuant to Government Code section 53328.1 and Resolution No. 2014-07 (the "Resolution of Formation"), adopted by the Board on December 10, 2014, and relating to District, a special tax is hereby levied on each taxable parcel within the District for the 2015-16 fiscal year and for each subsequent fiscal year, in each case in the amount of the special tax specified for the fiscal year in the Unanimous Approval Agreement (the "Agreement") pertaining to the parcel.

Section 2. The Executive Director of the Authority or such officer's designee (the "Executive Director"), or any officer or staff member of the Authority succeeding to the duties of the Executive Director, is authorized and directed, with the aid of the appropriate officers and agents of the Authority, to do the following:

- (a) determine or cause to be determined each year, without further action of the Board, the appropriate amount of special tax to be levied on each parcel in the District;
- (b) prepare or cause to be prepared the annual special-tax roll for the parcels in the District in accordance with the Resolution of Formation and this ordinance; and
- (c) provide or cause to be provided all necessary and appropriate information to the appropriate County Auditor-Controller Division, in proper form and in proper time, to effect the correct and timely billing and collection of the special tax on the secured property-tax roll of such County, except that, as stated in the Resolution of Formation and in California Government Code section 53340(e), the Board hereby reserves the right to enforce the collection of delinquent special taxes through judicial foreclosure, including through the assignment of the ability to pursue judicial foreclosure as provided in the Act.

Section 3. The appropriate officers and agents of the Authority are authorized, if needed to match the special-tax levy with the assessor's parcel numbers the applicable County uses in sending out property-tax bills, to make adjustments to the special-tax roll before the final posting of the special taxes to the tax roll each fiscal year.

Section 4. If a court with jurisdiction finds, for any reason, that any portion of this ordinance is invalid or that the special tax does not apply to any particular parcel, the balance of this ordinance, and the application of the special tax to all other parcels, will not be affected.

Section 5. Upon completion of the payment of the entire special-tax obligation for a parcel within the District, as specified in the Agreement pertaining to that parcel, the appropriate officers of the Authority are authorized and directed, with the aid of the appropriate agents of the applicable County and without further action of this Board, to record or cause to be recorded a Notice of Cessation of Special Tax for such parcel in accordance with California Government Code section 53330.5.

Section 6. This ordinance shall take effect and be in full force thirty (30) days after the date of its final passage and before the expiration of fifteen (15) days from the date of its passage, it shall be published once in a newspaper of general circulation published in the County of Sacramento.

ON A MOTION BY _____, and seconded by _____, this ordinance was introduced and the title thereof read at the regular meeting of the Board of Directors of the California Home Finance Authority, (formal name change to Golden State Finance Authority pending) on March 18, 2015 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

**Kevin Cann
GSFA Board Chair**

Attest:

**By: _____
Authority Secretary**



To: GSFA Board of Directors
From: Greg Norton, Executive Director
Craig Ferguson, Vice President
Date: March 10, 2015
Re: Resolution 2015-03: Authorizing Multi-Family Housing Finance Program,
Resolution 2015-04: Authorizing Appointment of Multi-Family Action
Team - **ACTION**

Summary

At the December 10, 2014 GSFA Board meeting, the Board approved a commitment of up to \$5.0 million of GSFA resources for investment in loan subsidies for certain qualified multi-family financing projects to be issued through GSFA. Staff discussions with professionals and developers regarding potential multi-family projects have led to a specific request for financing of four projects up to a total of \$1.0 million. These projects are located in the counties of Yuba, Kern, Ventura and Riverside. The specific projects and proposed subsidy amounts are included in a table following the recommendations.

To facilitate the implementation and operation of the GSFA multi-family program, staff is recommending that the GSFA Board of Directors approve Resolution 2015-03 authorizing the initiation and implementation of the multi-family housing finance program including the development and approval of financing structures, application procedures and the participation in any application required to assist a potential borrower in being awarded tax exempt volume cap by the California Debt Limit Allocation Committee (CDLAC).

Financing of multi-family projects, among other steps, require submission of an application to CDLAC for each specific project. CDLAC meetings occur at specific times during the year and project financing requests may occur at a frequency that is not conducive to delay of approval until the next scheduled GSFA Board meeting. Therefore, to facilitate the timely implementation and operation of the GSFA multi-family program, staff is recommending that the GSFA Board approve Resolution 2015-04 that approves and authorizes the creation of a Multi-Family Action Team with authority to review and approve specific projects, loan subsidies, if any, and related actions in furtherance of the purposes of the Authority. It is recommended the Action Team consist of five GSFA Delegates appointed by the Chair and approved by the GSFA Executive Committee.

Staff discussed these recommendations with the GSFA Executive Committee on February 11, 2015.

Staff Recommendation:

Staff recommends that the GSFA Board of Directors approve the following:

1. Resolution 2015-03 authorizing:
 - a. The initiation and implementation of a multifamily housing finance program.
 - b. The issuance of debt for the financing of multi-family housing projects, the development and approval of financing structures, application procedures and the participation in any application required to assist a potential borrower in being awarded tax exempt volume cap by CDLAC.
2. Resolution 2015-04 authorizing appointment of a multi-family review and approval action team of five delegates to review and approve specific multi-family projects including financing amount, all necessary documents, and all other necessary steps to implement the program on behalf of GSFA.
3. Approve the investment of up to \$1.0 million of GSFA resources as subsidy loans to be allocated among the following four specific projects:

Project Name	Project Location	Units	Multifamily/ Senior Housing Project	Not To Exceed Bond Amount	Not To Exceed Subsidy Amount
Sycamore Walk	City of Bakersfield County of Kern	112	Multifamily Housing Project	\$6,100,000	\$150,000
Seasons at Simi Valley	City of Simi Valley County of Ventura	69	Senior Housing Project	\$7,400,000	\$150,000
East Linda Gardens	City of Marysville County of Yuba	103	Multifamily Housing Project	\$5,900,000	\$350,000
Las Palmas II	City of Coachella County of Riverside	81	Multifamily Housing Project	\$3,700,000	\$350,000

Attachment:

- Resolution 2015-03
- Resolution 2015-04

RESOLUTION NO. 2015-03

RESOLUTION AUTHORIZING THE INITIATION AND IMPLEMENTATION OF A MULTIFAMILY HOUSING FINANCE PROGRAM AND APPROVING OTHER RELATED ACTIONS IN CONNECTION THEREWITH.

WHEREAS, Chapter 7 of Part 5 of Division 31 of the California Health and Safety Code of the State of California (the "Act") authorize joint powers agencies established by cities and counties to incur indebtedness and issue bonds for the purpose of multifamily housing projects for occupancy by low and moderate income tenants as authorized by the Act, or to refund previously issued indebtedness, in whole or in part at any time, and the Act provides a complete additional and alternative method for doing the things authorized thereby;

WHEREAS, the governing board (the "Board") of Golden State Finance Authority ("GSFA") hereby finds and declares that it is necessary, essential and a public purpose for GSFA to assist in the financing of multifamily housing projects pursuant to the Act, in order to increase the supply of affordable housing within the geographical boundaries of GSFA for persons and families within the income limitations established by the Act;

WHEREAS, GSFA desires to initiate and implement a program to assist in the financing of multifamily housing projects pursuant to the Act (the "Program"), wherein agreement would be made with an underwriter or other finance professional to develop and structure methods of issuing tax-exempt and/or taxable bonds and/or in conjunction with other available secondary source financing assistance programs (such as low income housing tax credits, HOME funds, etc.) to provide economically efficient methods of financing;

WHEREAS, implementation of the Program may require that GSFA pay certain structuring fees and make other expenditures to facilitate the development of the Program;

WHEREAS, this Board hereby finds and declares that this Resolution is being adopted pursuant to the powers granted by the Act; and

WHEREAS, all acts, conditions and things required by the Act, and by all other laws of the State of California, to exist, to have happened and to have been performed precedent to and in connection with the initiation and implementation of the Program as contemplated by this Resolution exist, have happened, and have been performed in regular and due time, form and manner as required by the laws of the State of California, including the Act, and GSFA is now duly authorized and empowered, pursuant to each and every requirement of law, to act for the purpose, in the manner and upon the terms herein provided;

NOW, THEREFORE, BE IT RESOLVED by the Board of Golden State Finance Authority GSFA, as follows:

1. The above recitals, and each of them, are true and correct.
2. The Executive Director of GSFA is hereby authorized, on behalf of GSFA, to take such actions as are necessary and appropriate to initiate and implement the Program, including but not limited to development and approval of financing structures, application procedures and the participation in any application required to assist a potential Borrower in being awarded tax exempt volume cap by the State.
3. All actions heretofore taken by the officers and agents of GSFA with respect to the Program are hereby approved, confirmed and ratified. The proper officers of GSFA, including without limitation the Chair, the Vice Chair, the Executive Director, the Deputy Director, the Secretary or an Assistant Secretary, are hereby authorized and directed, for and in the name and on behalf of GSFA, to do any and all things, including the expenditure of any funds for GSFA and take any and all actions and execute and deliver any and all certificates, agreements and other documents, which they, or any of them, may deem necessary or advisable in order to develop, implement, carry out and administer the Program.
4. The GSFA Board hereby delegates authority to approve specific multifamily projects, and loan subsidies, if any, to the GSFA Executive Committee or a designated committee of Board members that can be convened more timely as may be necessary
5. The Executive Director of GSFA is hereby authorized, on behalf of GSFA, to retain the services of one or more financial professionals and enter into one or more agreements for the provision of services related to the development of the Program.
6. The Executive Director of GSFA is hereby authorized, on behalf of GSFA, to expend amounts not greater than \$100,000 in furtherance of the development and marketing of the Program contemplated herein.
7. This Resolution shall take effect immediately upon its adoption

PASSED, APPROVED AND ADOPTED by the Board of the Golden State Finance Authority, the 18th day of March 2015.

GOLDEN STATE FINANCE AUTHORITY

Kevin Cann
GSFA Board Chair

I certify that the foregoing resolution is a true and accurate copy of Resolution 2015-03, approved by the governing board of the Golden State Finance Authority on March 18, 2015 in Sacramento, California.

Date: _____

Assistant Secretary

RESOLUTION NO. 2015-04

BOARD RESOLUTION APPROVING AND AUTHORIZING APPOINTMENT OF MULTI-FAMILY REVIEW AND APPROVAL ACTION TEAM OF DELEGATES TO REVIEW AND APPROVE SPECIFIC MULTI- FAMILY PROJECTS

WHEREAS, the California Home Finance Authority is a duly constituted California joint exercise of powers authority ("JPA"), organized and existing under and by virtue of the laws of the State of California; and

WHEREAS, the California Home Finance Authority is in the process of changing its name to Golden State Finance Authority, and by Resolution No. 15-02, adopted on January 21, 2015, the Board authorized the use of the name Golden State Finance Authority for operational purposes and directed staff to proceed with efforts to formally change the name from California Home Finance Authority to Golden State Finance Authority (the "Authority"); and

WHEREAS, Section 7.g. of the Amended and Restated Joint Exercise of Powers Agreement (the "JPA Agreement") for the Authority provides that the Board has the authority, by resolution, to delegate any of its functions to one or more Delegates (as defined in the JPA Agreement), and to cause any such authorized Delegates to take any actions and execute documents for and in the name and on behalf of the Board or the Authority; and

WHEREAS, because specific deadlines relating to the application process and other requirements associated with certain multi-family projects do not always allow for timely review and approval by the Board or the Executive Committee, the Board desires to designate a committee of Delegates and authorize said committee to review and approve specific multi-family projects on behalf of the Authority;

NOW, THEREFORE, BE IT RESOLVED BY THE Board of the Authority as follows:

1. The Board hereby approves and authorizes the creation of a Multi-Family Review and Approval Action Team (the "Multi-Family Action Team"), to consist of five (5) Delegates to be appointed by the Chair of the Authority, and approved by the Executive Committee.

2. Following appointment and approval of the members of the Multi-Family Action Team as provided in Section 1, above, the Multi-Family Action Team shall thereafter have the authority to review and approve specific multi-family project applications applying for participation in a program sponsored by the Authority, on behalf of the Authority, and to direct staff to take such actions as may be necessary to help obtain financing for the construction, acquisition, improvement and/or rehabilitation

of real property with respect to such multi-family projects, in furtherance of the purposes of the Authority.

PASSED, APPROVED AND ADOPTED by the Board of the Golden State Finance Authority, the 18 day of March 2015.

GOLDEN STATE FINANCE AUTHORITY

Kevin Cann
GSFA Board Chair

I certify that the foregoing resolution is a true and accurate copy of Resolution 2015-04, approved by the governing board of the Golden State Finance Authority on March 18, 2015 in Sacramento, California.

Date: _____

Assistant Secretary

To: GSFA Board of Directors
From: Greg Norton, Executive Director
Craig Ferguson, Vice President
Date: March 10, 2015
Re: Resolution 2015-05: Official Intent to Issue Multi-Family Housing
Revenue Bonds - **ACTION**

Summary

The Board of Directors of the Golden State Finance Authority ("GSFA") is being asked to adopt an inducement resolution relating to the issuance by GSFA of multifamily housing revenue bonds for the purpose of financing the acquisition and rehabilitation of four multifamily residential housing facilities located in four counties that are members or associate members of GSFA (each a "Project" and collectively the "Projects"). The Projects are described on the attached exhibit.

There are several steps that must be taken before bonds can be issued for any Project. Prior to the issuance of bonds the Project will need to receive "private activity bond" allocation from the California Debt Limit Allocation Committee ("CDLAC"). Several documents must be submitted with the CDLAC application for "private activity bond" allocation, including an inducement resolution of the bond issuer, that is, GSFA. The inducement resolution does two things, it demonstrates to CDLAC the willingness of GSFA to issue bonds for the Project if all issuance requirements are met, and it also addresses a requirement of the Internal Revenue Code of 1986, as amended (the "Tax Code") relating to reimbursement of costs. It is a requirement of the Tax Code that if costs of a project are to be reimbursed with proceeds of bonds issued after the work on the project has begun, then there should be a declaration of intent to issue bonds at the commencement of the process. For these reasons, it is common for an initial resolution of intent, also known as an inducement resolution, to be presented to the bond issuer to give preliminary approval for the bond issue.

An additional Tax Code requirement is that the "applicable elected representatives" of the jurisdiction in which a project to be financed with "private activity bonds" is situated adopt a resolution approving the issuance of such "private activity bonds" after a public hearing has been held which has been noticed in a newspaper of general circulation in such jurisdiction. The Board of Supervisors of each member or associate member county in which a Project is located is being requested to adopt a resolution approving the issuance of bonds for the applicable Project in that county, after the public hearing has been held. The county resolution will act as the approval by the "applicable

elected representatives” with respect to the proposed Project in that county. The CDLAC application for “private activity bond” allocation for a multifamily housing project requires the inclusion of the county approval resolution, or if the resolution has not yet been adopted, an indication of when the approval resolution will be approved.

It is important to note that approval of an inducement resolution does not require that GSFA ultimately issue the bonds. The resolution includes a number of conditions that must be satisfied before the bonds can be issued, including such things as the developer obtaining the “private activity bond” allocation, the developer obtaining all permits for the project, compliance with all regulatory approvals, agreement with between the developer and the bond purchaser, acceptable to GSFA, as to the terms of the bonds and security for the repayment of bonds, and final approval of GSFA of the issuance of the bonds by a subsequent resolution.

It is also important to note that the bonds for a Project, when issued, would not be secured by any form of taxation, or by any obligation of either the county or GSFA. Neither would the debt represent or constitute a general obligation of either GSFA or the applicable county. The bonds would be payable solely from amounts received pursuant to the terms and provisions of financing agreements to be executed by the developer of the proposed housing project. In the financing documents the developer will also provide comprehensive indemnification to GSFA and its members and associate members, including the applicable county.

Staff Recommendation:

Staff recommends that the GSFA Board of Directors approve Resolution 2015-05 authorizing a declaration of intent to issue bonds, also known as an inducement resolution, relating to the issuance by GSFA of multifamily housing revenue bonds for the purpose of financing the acquisition and rehabilitation of four multifamily residential housing facilities located in four counties that are members or associate members of GSFA.

Attachment:

Resolution 2015-05

RESOLUTION NO. 2015-05

A RESOLUTION OF THE GOLDEN STATE FINANCE AUTHORITY SETTING FORTH THE AUTHORITY'S OFFICIAL INTENT TO ISSUE MULTIFAMILY HOUSING REVENUE BONDS TO UNDERTAKE THE FINANCING OF VARIOUS MULTIFAMILY AND SENIOR RENTAL HOUSING PROJECTS AND RELATED ACTIONS

WHEREAS, the Golden State Finance Authority (formerly known as the California Rural Home Mortgage Finance Authority, or CRHMFA Homebuyers Fund, and referred to herein as the "Authority") is authorized and empowered by the Title 1, Division 7, Chapter 5 of the California Government Code to issue multifamily housing revenue bonds pursuant to Part 5 (commencing with Section 52030) of the California Health and Safety Code (the "Act"), for the purpose of financing multifamily and senior rental housing projects; and

WHEREAS, the borrowers identified in Exhibit A hereto and/or related entities (collectively, the "Borrowers") have requested that the Authority issue and sell multifamily housing revenue bonds (the "Bonds") pursuant to the Act for the purpose of financing the acquisition and rehabilitation of certain multifamily and senior rental housing developments identified in Exhibit A hereto (collectively, the "Projects"); and

WHEREAS, the Authority, in the course of assisting the Borrowers in financing the Projects, expects that the Borrowers have paid or may pay certain expenditures (the "Reimbursement Expenditures") in connection with the Projects within 60 days prior to the adoption of this Resolution and prior to the issuance of the Bonds for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations require the Authority to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent tax-exempt borrowing; and

WHEREAS, the Authority wishes to declare its intention to authorize the issuance of Bonds for the purpose of financing costs of the Projects (including reimbursement of the Reimbursement Expenditures, when so requested by the Borrower upon such terms and conditions as may then be agreed upon by the Authority, the Borrower and the purchaser of the Bonds) in an aggregate principal amount not to exceed the amount with respect to each Project set forth in Exhibit A; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986 limits the amount of multifamily housing revenue bonds that may be issued on behalf of for-profit borrowers in any calendar year by entities within a state and authorizes the governor or the legislature of a state to provide the method of allocation within the state; and

WHEREAS, Chapter 11.8 of Division 1 of Title 2 of the California Government Code governs the allocation of the state ceiling among governmental units in the State of California having the authority to issue private activity bonds; and

WHEREAS, Section 8869.85 of the California Government Code requires a local agency desiring an allocation of the state ceiling to file an application with the California Debt Limit Allocation Committee (the "Committee") for such allocation, and the Committee has certain policies that are to be satisfied in connection with any such application;

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Authority as follows:

1. The above recitals, and each of them, are true and correct.
2. The Authority hereby determines that it is necessary and desirable to provide financing for the Projects (including reimbursement of the Reimbursement Expenditures) by the issuance and sale of Bonds pursuant to the Act, as shall be authorized by resolution of the Authority at a meeting to be held for such purpose, in aggregate principal amounts not to exceed the amounts set forth in Exhibit A. This action is taken expressly for the purpose of inducing the Borrowers to undertake the Projects, and nothing contained herein shall be construed to signify that the Projects comply with the planning, zoning, subdivision and building laws and ordinances applicable thereto or to suggest that the Authority or any program participant, officer or agent of the Authority will grant any such approval, consent or permit that may be required in connection with the acquisition and rehabilitation of the Projects, or that the Authority will make any expenditures, incur any indebtedness, or proceed with the financing of the Projects.
3. This resolution is being adopted by the Authority for purposes of establishing compliance with the requirements of Section 1.103-8(a)(5) and Section 1.150-2 of the Treasury Regulations. In such regard, the Authority hereby declares its official intent to use proceeds of indebtedness to reimburse the Reimbursement Expenditures.
4. The officers and/or the program managers of the Authority are hereby authorized and directed to apply to the Committee for an allocation from the state ceiling of private activity bonds to be issued by the Authority for each of the Projects in an amount not to exceed the amounts set forth in Exhibit A, and to take any and all other actions as may be necessary or appropriate in connection with such application, including but not limited to the payment of fees, the posting of deposits and the provision of certificates, and any such actions heretofore taken by such officers and program managers are hereby ratified, approved and confirmed.

PASSED, APPROVED AND ADOPTED by the Board of the Golden State Finance Authority, the 18th day of March, 2015 by the following vote:

AYES:

NOES:

ABSENT:

EXCUSED:

GOLDEN STATE FINANCE AUTHORITY

By _____
Kevin Cann
GSFA Board Chair

I certify that the foregoing resolution is a true and accurate copy of Resolution 2015-05, approved by the governing board of the Golden State Finance Authority on March 18, 2015 in Sacramento, California.

Date: _____

Assistant Secretary

EXHIBIT A

Project Name	Project Location	Units	Multifamily/ Senior Housing Project	Name of Initial Owner/Operator	Not To Exceed Bond Amount
Sycamore Walk	City of Bakersfield County of Kern	112	Multifamily Housing Project	Sycamore Bakersfield AR, L.P.	\$6,100,000
Seasons at Simi Valley	City of Simi Valley County of Ventura	69	Senior Housing Project	Seasons Simi Valley AR, L.P.	\$7,400,000
East Linda Gardens	City of Marysville County of Yuba	103	Multifamily Housing Project	East Linda Marysville AR, L.P.	\$5,900,000
Las Palmas II	City of Coachella County of Riverside	81	Multifamily Housing Project	Las Palmas Coachella AR, L.P.	\$3,700,000

