

**Golden State Finance  
Authority (GSFA)  
Multi-Family Review and Approval Action  
Team Meeting**



**Wednesday, July 3, 2019  
9:00 A.M.**

**1215 K Street, Suite 1650  
Sacramento CA 95814  
916-384-1600**





**Golden State Finance Authority (GSFA)  
Multi-Family Review and Approval Action Team Meeting  
Wednesday July 3, 2019  
9:00 a.m.  
1215 K Street Suite 1650  
Sacramento, CA 95814  
(916) 384-1600**

**AGENDA**

**Multi-Family Review and Approval Action Team Members**

<b>Supervisor Kevin Cann</b>	<b>5100 Bullion Street, Mariposa, CA</b>
<b>Supervisor Bob Williams</b>	<b>727 Oak Street, Red Bluff, CA</b>
<b>Supervisor Rex Bohn</b>	<b>825 5<sup>th</sup> Street, Arcata, CA</b>
<b>Supervisor Daron McDaniel</b>	<b>2222 M Street, Merced, CA</b>
<b>Supervisor Les Baugh</b>	<b>1887 Howard Street, Anderson, CA</b>

- 1. Call to Order & Determination of Quorum**  
*Supervisor Kevin Cann, Mariposa County*
- 2. Public Testimony**  
*Presentation only of any matters of concern to the general public*
- 3. Approval of the Minutes of the June 13, 2019 Meeting** **Page 1**
- 4. GSFA Resolution 2019-11: Official Intent to Issue Multi-Family Housing Revenue Bonds - ACTION** **Page 3**  
<http://www.gsfahome.org/admin/notices.shtml>  
*Craig Ferguson, Deputy Director*
- 5. 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 participant in a public meeting, please call Sarah Bolnik at (916) 384-1619 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)  
Multi-Family Review and Approval Action Team Meeting  
Thursday June 13, 2019, 11:15 a.m.**

**Teleconference: (916) 384-1600  
1215 K Street Suite 1650  
Sacramento, CA 95814**

**Minutes**

**Multi-Family Review and Approval Action Team Teleconference Address:**

<b>Supervisor Kevin Cann</b>	<b>5100 Bullion Street, Mariposa, CA</b>
<b>Supervisor Bob Williams</b>	<b>727 Oak Street, Red Bluff, CA</b>
<b>Supervisor Rex Bohn</b>	<b>825 5<sup>th</sup> Street, Arcata, CA</b>
<b>Supervisor Daron McDaniel</b>	<b>2222 M Street, Merced, CA</b>
<b>Supervisor Les Baugh</b>	<b>1887 Howard Street, Anderson, CA</b>

**Call to Order and Determination of Quorum**

GSFA Chair, Supervisor Kevin Cann, Mariposa County, called the Golden State Finance Authority Multi-Family Review and Approval Action Team Meeting to order at 11:15 a.m. A quorum was determined at that time, those present were as follows:

**Supervisors Present**

Supervisor Kevin Cann, Mariposa County  
Supervisor Bob Williams, Tehama County  
Supervisor Les Baugh, Shasta County  
Supervisor Daron McDaniel, Merced County

**Absent Members**

Supervisor Rex Bohn, Humboldt County (absent at call to order - joined at 11:20 a.m.)

**Others in Attendance**

Craig Ferguson, Deputy Director  
Sarah Bolnik, RCRC Economic Development Specialist

**Approval of Minutes of the March 25, 2019 Meeting**

*(Team Members absent from the meeting will be recorded as abstained unless indicated otherwise)*

**Supervisor Bob Williams, Tehama County, motioned to approve the minutes of the March 25, 2019 GSFA Multi-Family Review and Approval Action Team Meeting. Supervisor Les Baugh, Shasta County, seconded the motion. Motion passed by roll call vote:**

**AYE: Mariposa, Shasta, Tehama, Merced  
NAY: N/A  
ABSENT: Humboldt**

**GSFA Resolution 2019-10: Official Intent to Issue Multi-Family Housing Revenue Bonds**

Craig Ferguson, Deputy Director, gave the Multi-Family Review and Approval Action team an overview of Resolution 2019-10. If approved, this Resolution would authorize the issuance of debt for the financing of multi-family housing project in Contra Costa County.

**Recommendation**

It is recommended that the GSFA Multi-Family Approval and Action team review and approve the following:

GSFA Resolution 2019-10, with the correction of the number of units from 81 to 82 units, authorizing the issuance of debt for the financing of multi-family housing projects, the development and approval of financing structures, application procedures and participation in any application required to assist a potential borrower in being awarded tax exempt volume cap by CDLAC for the project listed in Exhibit A.

**Supervisor Daron McDaniel, Merced County, motioned to approve GSFA Resolution 2019-10. Supervisor Les Baugh, Shasta County, seconded the motion. Motion passed by roll call vote:**

**AYE: Mariposa, Shasta, Tehama, Merced**

**NAY: N/A**

**ABSENT: N/A**

**ABSTAIN: Humboldt**

**Adjournment**

Chair, Supervisor Kevin Cann, Mariposa County, adjourned the meeting of the GSFA Multi-Family Review and Approval Action Team at 11:30 a.m.



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**To:** GSFA Multi-Family Review and Approval Action Team  
**From:** Craig Ferguson, Deputy Director  
**Date:** July 1, 2019  
**Re:** GSFA Resolution 2019-11: Official Intent to Issue Multi-Family Housing Revenue Bonds – **ACTION**

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The Multi-Family Review and Approval Action Team (the “Team”) on behalf of the Board of the Golden State Finance Authority (the “Authority”) is being asked to adopt a resolution (the “Authorizing Resolution”) authorizing the issuance by the Authority of a Multifamily Housing Revenue Note (the “Note”) for the purpose of financing a multifamily residential housing facility located in Sonoma County (the “County”) that is a member or associate member of the Authority (the “Project”). The Project and the Note are described on the attached Exhibit A.

The Authority previously approved an inducement resolution covering the Project. At that time, it was noted that there were several steps to be taken before the Note could be delivered for the Project, including that the Project needed to receive “private activity bond” allocation from the California Debt Limit Allocation Committee (“CDLAC”) and that the “applicable elected representatives” of the County in which the Project is located, that is the County Board of Supervisors, 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 Sonoma County Board of Supervisors has adopted a resolution approving the issuance of such bonds after a public hearing, and CDLAC awarded “private activity bond” allocation for the Project and the Note at its meeting on December 12, 2018.

As noted in the Authorizing Resolution, the Note will be privately placed with Bank of America, N.A., or an affiliate thereof (the “Initial Lender”), as the initial lender in regard to the Note. The Authorizing Resolution also approves the execution and delivery of certain documents related to the Note, which are substantially in the form expected to be entered on the date of delivery of the Note, other than the completion of such items as the final Note principal amount, interest rate and the like (the interest rate on the Note is expected to be in the range of 5.00% and the final maturity date is expected to be no later than December 1, 2058). The documents related to the Note include (i) the Funding Loan Agreement under which the proceeds of the Note will be loaned by the Initial Lender to the Authority, (ii) the Borrower Loan Agreement under which the proceeds of the Note will be loaned by the Authority to the applicable California limited partnership,

as the borrower (the "Borrower"), and (iii) with respect to the Project, the Regulatory Agreement and Declaration of Restrictive Covenants that sets out the Borrower's agreement to provide at least 40% of the units to low and moderate income tenants, and such other documents and certificates as needed for the delivery of the Note (in fact, because the Project will be financed in part with low income housing tax credits, it is expected that 100% of the units will be rented to low and moderate income tenants). Before the Note is delivered, the final Note terms will be agreed to between the Borrower and the Initial Lender, and these terms will be incorporated into the Note documents.

It is important to note that the Note, when delivered, will not be secured by any form of taxation, or by any obligation of either the County or the Authority. The debt does not represent or constitute a general obligation of either the Authority or the County. The Note will be payable solely from amounts received pursuant to the terms and provisions of the Funding Loan Agreement, the Borrower Loan Agreement and the other Note documents. In the Borrower Loan Agreement, the Borrower provides comprehensive indemnification to the Authority and its members and associate members, including the County.

### **Recommendation**

It is recommended that the GSFA Multi-Family Approval and Action team review and approve the following:

GSFA Resolution 2019-11 authorizing the issuance of debt for the financing of multi-family housing projects, the development and approval of financing structures, application procedures and participation in any application required to assist a potential borrower in being awarded tax exempt volume cap by CDLAC for the project listed in Exhibit A.

### **Attachment(s)**

- GSFA Resolution 19-11
- Exhibit A



**GSFA RESOLUTION NO. 2019-11**

**A RESOLUTION OF THE GOLDEN STATE FINANCE AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A MULTIFAMILY HOUSING REVENUE NOTE IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED \$22,200,000 TO PROVIDE FOR THE FINANCING OF A MULTIFAMILY RENTAL HOUSING PROJECT TO BE GENERALLY KNOWN AS WINDSOR VETERANS VILLAGE AND LOCATED IN WINDSOR, CALIFORNIA; 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 SAID NOTE**

**WHEREAS**, the Golden State Finance Authority (referred to herein as the “Authority”) is authorized by the Joint Powers Act, commencing with Section 6500 of the California Government Code (the “JPA Law”), and its Amended and Restated Joint Exercise of Powers Agreement, dated as of July 1, 1993, 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 construction, acquisition, development and rehabilitation 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**, Section 7.g of the Agreement provides that the Governing Board of the Authority (the “Board”) has the authority, by resolution, to delegate any of its functions to one or more Delegates (as defined in the 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;

**WHEREAS**, the Authority adopted Amended and Restated Resolution No. 2015-04 on August 19, 2015, authorizing the delegation of certain authority to review and approve matters relating to the financing of multifamily project applications on behalf of the Authority, including the making of loans and grants by the Authority, the issuance of conduit revenue bonds by the Authority, the execution and delivery of revenue notes by the Authority and the execution of all documents relating to such financing on behalf of the Authority to the Authority’s Multi-Family Review and Approval Action Team (the “Team”);

**WHEREAS**, A0690 Windsor, L.P., a California limited partnership, and entities related thereto (collectively, the “Borrower”), has requested that the Authority execute and deliver its Multifamily Housing Revenue Note (Windsor Veterans Village Apartments Project), 2019 Series C (the “Note”), pursuant to a Funding Loan Agreement dated as of the date set forth therein (the “Funding Loan Agreement”), among the Authority, Bank of America, N.A., as fiscal agent (the “Fiscal Agent”), and Bank of America, N.A., as funding lender and initial holder of the Note (the “Funding Lender”), to assist in the financing of the acquisition, construction, improvement and development of a 60-unit multifamily rental housing development to be located in the City of Windsor, County of Sonoma, California and to be generally known as Windsor Veterans Village (the “Project”);

**WHEREAS**, the proceeds of the Note will be used to fund a loan (the “Loan”) to the Borrower pursuant to the Borrower Loan Agreement dated as of the date set forth therein (the “Borrower Loan Agreement”), among the Borrower, the Authority and the Fiscal Agent;

**WHEREAS**, to evidence its payment obligations under the Borrower Loan Agreement, the Borrower will execute and deliver to the Authority its Promissory Note (the “Borrower Note”) and the

obligations of the Borrower under the Borrower Note will be secured by a lien on and security interest in the Project pursuant to a Construction Deed of Trust, with Assignment of Rents, Security Agreement and Fixture Filing dated as of the date set forth therein (the "Security Instrument"), made by the Borrower in favor of the Authority, as assigned to the Funding Lender, to secure the performance by the Authority of its obligations under the Funding Loan Agreement;

**WHEREAS**, on December 12, 2018, the Authority received allocations in the amount of \$22,200,000 (the "Allocation Amount") from the California Debt Limit Allocation Committee in connection with the Project;

**WHEREAS**, the County of Sonoma is an Associate Member (as defined in the Agreement) of the Authority and has authorized the execution and delivery of the Note;

**WHEREAS**, the Authority is willing to execute and deliver the Note in a principal amount not to exceed \$22,200,000 (provided that the portion of the Note executed and delivered as a federally tax-exempt obligation shall not exceed the Allocation Amount) and loan the proceeds thereof to the Borrower to assist in providing financing for the Project, which will allow the Borrower to reduce the cost of the Project and to assist in providing housing for low income persons;

**WHEREAS**, it is anticipated that Citibank, N.A. (the "Permanent Lender"), will purchase the Note from the Funding Lender on the Conversion Date (as defined in the Borrower Loan Agreement) and on such date the Permanent Borrower Loan Agreement and Permanent Funding Loan Agreement (as such terms are defined below) will be executed and delivered by the parties thereto for the purpose of amending and restating the Borrower Loan Agreement and the Funding Loan Agreement in their entirety;

**WHEREAS**, there have been prepared and made available to the members of the Team the following documents required in connection with the execution and delivery of the Note and the financing of the Project, and such documents are now in substantially final form and are appropriate instruments to be executed and delivered for the purposes intended:

- (1) Funding Loan Agreement;
- (2) Borrower Loan Agreement;
- (3) Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement"), to be entered into by the Borrower and the Authority;
- (4) Amended and Restated Borrower Loan Agreement to be dated as of the date set forth therein (the "Permanent Borrower Loan Agreement"), to be entered into by the Authority and the Borrower; and
- (5) Amended and Restated Funding Loan Agreement to be dated as of the date set forth therein (the "Permanent Funding Loan Agreement"), to be entered into by the Authority and the Permanent Lender; and

**WHEREAS**, pursuant to California Government Code Section 5852.1, certain information regarding the Note, attached hereto as **Attachment I**, has been presented to the Authority by the Borrower based on good faith estimates provided to the Borrower;

**NOW, THEREFORE, BE IT RESOLVED** by the members of the Team, in the name of and on behalf of the Board and the Authority, as follows:

Section 1. The recitals set forth above are true and correct, and the members of the Team hereby find them to be so.

Section 2. Pursuant to the JPA Law and the Funding Loan Agreement, and in accordance with the Housing Law, the Authority is hereby authorized to execute and deliver the Note in a principal amount of not to exceed \$22,200,000; provided, however, that the principal amount of the Note representing a tax-exempt obligation shall not exceed the Allocation Amount. The Note shall be executed on behalf of the Authority by the manual signature of any Authorized Signatory (as defined below). Payment of the principal and interest on the Note shall be made solely from amounts pledged thereto under the Note, the Borrower Loan Agreement and the Funding Loan Agreement (the foregoing, together with the Permanent Borrower Loan Agreement and the Permanent Funding Loan Agreement, collectively referred to herein as the "Note Documents"), and the Note shall not be deemed to constitute a debt or liability of the Authority or any Associate Member or any Member of the Board of the Authority (each, a "Member").

Section 3. The Funding Loan Agreement substantially as in the form presented at this meeting is hereby approved. Any Member, the Authority's Director of Operations 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 a Resolution of the Authority, adopted on August 19, 2015) (together with the Members and the Authority's Director of Operations, 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 December 1, 2058), interest rate or rates (which shall not exceed 6.500%), interest payment dates, form, manner of execution, place of payment, terms of prepayment and other terms of the Note shall be as provided in the Funding Loan Agreement as finally executed.

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

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

Section 6. The Permanent Borrower Loan Agreement substantially as 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 Permanent Borrower Loan Agreement on or about the Conversion Date, 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 7. The Permanent Funding Loan Agreement substantially as 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 Permanent Funding Loan Agreement on or about the Conversion Date, 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 8. The Authority is hereby authorized to execute and deliver the Note to the Funding Lender pursuant to the terms and conditions of the Funding Loan Agreement.

Section 9. 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 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, a subordination or intercreditor agreement, an assignment of deed of trust, any endorsement, allonge and/or assignment of any note and such other documents as described in the Note Documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful execution and delivery of the 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 10. 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 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 Note or any prepayment of the 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 Note Documents.

Section 11. This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the Golden State Finance Authority this July 3, 2019.

The undersigned, an Authorized Signatory of the Golden State Finance Authority, DOES HEREBY CERTIFY that the foregoing resolution was duly adopted by the Multi-Family Review and Approval Action Team of the Authority at a duly called meeting of the Multi-Family Review and Approval Action Team of the Authority held in accordance with law on July 3, 2019.

By: \_\_\_\_\_  
GSFA 2019 Chair, Supervisor Kevin Cann



## ATTACHMENT I

### PUBLIC DISCLOSURES RELATING TO CONDUIT MULTIFAMILY HOUSING REVENUE NOTE

Pursuant to California Government Code Section 5852.1, A0690 Windsor, L.P., a California limited partnership (the "Borrower"), has provided the following required information to the Golden State Finance Authority (the "Authority"), as conduit financing provider, prior to a duly called meeting of the Multi-Family Review and Approval Action Team of the Authority on or about July 3, 2019 (the "Meeting"), at which Meeting the Multi-Family Review and Approval Action Team will consider the authorization of a Multifamily Housing Revenue Note in the principal amount of not to exceed \$22,200,000 (the "Note").

1. The Borrower has been provided with the required good faith estimates relating to the Note as follows:
  - A. The true interest cost of the Note, which means the interest rate necessary to discount the amounts payable on the respective principal and interest payment dates to the proceeds received for the Note (to the nearest ten-thousandth of one percent): 4.70%.
  - B. The finance charge of the Note, which means the sum of all fees and charges paid to third parties: \$800,000 (which includes Bank of America's origination fee of \$222,000 as initial funding lender, Citibank, N.A.'s origination fee of \$85,000 as permanent funding lender and the Authority's upfront issuer fee of \$7,500).
  - C. The amount of proceeds received by the Authority from the delivery of the Note less (i) the finance charge of the Note described in subparagraph (B) paid from the proceeds of the Note, and (ii) any reserves or capitalized interest paid or funded with proceeds of the Note: \$21,800,000.
  - D. The total payment amount, which means the sum total of all payments the Borrower will make to pay debt service on the Note plus the finance charge of the Note described in subparagraph (B) not paid with the proceeds of the Note (which total payment amount shall be calculated to the final maturity of the Note): \$32,300,000.
2. The good faith estimates provided above were based on certain information which was presented to the governing board of the Borrower, or presented to the official or officials or committee designated by the governing board of the Borrower to obligate the Borrower in connection with the Note and the related financing documents or, in the absence of a governing board, presented to the official or officials of the Borrower having authority to obligate the Borrower in connection with the Note and the related financing documents.

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

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





**EXHIBIT A  
NOTE**

<b>Project Name</b>	<b>Project Location</b>	<b>Units</b>	<b>Multifamily/ Senior Housing Project</b>	<b>Name of Initial Owner/Operator</b>	<b>Final Not To Exceed Note Amount</b>
Windsor Veterans Village	City of Windsor, County of Sonoma	60	Multifamily Housing Project	A0690 Windsor, L.P.	\$22,200,000

