



California Debt Limit Allocation Committee

CDLAC

Committee Meeting

Wednesday, November 8, 2023

9:00 AM



901 P Street, Suite 213A
Sacramento, CA 95814
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www.treasurer.ca.gov/cdlac

AMENDED: MEETING NOTICE AGENDA

MEETING DATE:
November 8, 2023

TIME:
9:00 AM

LOCATION:
901 P Street, Room 102
Sacramento, CA 95814

BOARD MEMBERS (voting)
FIONA MA, CPA, CHAIR
State Treasurer

MALIA M. COHEN
State Controller

GAVIN NEWSOM
Governor

ADVISORY MEMBERS (non-voting)
GUSTAVO VELASQUEZ
Director of HCD

TIENA JOHNSON-HALL
Executive Director of CalHFA

DIRECTOR
Vacant
Executive Director

Members of the public are invited to participate in person, remotely via TEAMS, or by telephone.*

[Click here to join the meeting \(full link below\)](#)

**Public Participation Call-In Number
(888) 557-8511
Participant Code:
5651115**

The California Debt Limit Allocation Committee (CDLAC) may take action on any item.
Items may be taken out of order.

There will be an opportunity for public comment at the end of each item, prior to any action.

1. Call to Order and Roll Call

Action Item: **2. Approval of the Minutes of the August 23, 2023, Meeting**

Informational: **3. Program Updates**
Presented by: Ricki Hammett

Action Item: **4. Recommendation for Award of Allocation to Qualified Private Activity Bonds for Exempt Facility (EXF) Projects (Round 4)**
[EXF Preliminary Recommendation List](#)
Presented by: Emily Burgos

Action Item: 5. **Request to Waive the Maximum Bond Allocation Amount (\$75,000,000) for Qualified Residential Rental Project (Cal. Code Regs., tit. 4 §5232)**
Application Number Project Name
CA-23-638 Transbay Block 2 Family
CA-23-660, CA-23-661, CA-23-662, CA-23-664 All Hallows Apartments, Bayview Apartments, La Salle Apartments, & Shoreview Apartments

Presented by: D.C. Navarrette

Action Item: 6. **Supplemental Bond Allocation Request Above the Executive Director's Authority (Cal. Code Regs., tit. 4, §5240)**

<u>Application Number</u>	<u>Project Name</u>
CA-23-671	Aspen Woods
CA-23-674	Prospera at Homestead
CA-23-676	La Prensa Libre Apartments
CA-23-679	803 E 5 th Street
CA-23-681	Residency at Mayer Hollywood*
CA-23-684	3 rd and Dangler Apartments
CA-23-685	Marcella Gardens

Presented by: D.C. Navarrette

Action Item: 7. **Request to Extend the Bond Allocation Issuance Deadline for Qualified Residential Rental Project and Request to Waive Forfeiture of the Performance Deposit (Cal. Code Regs., tit. 4 §§5052, 5100, 5132)**

<u>Application Number</u>	<u>Project Name</u>
CA-23-430	80 Saratoga Avenue Apartments
CA-23-436	Valhalla Townhomes
CA-23-451	West LA VA – MacArthur Field B
CA-23-488	Belmont Family Apartments
CA-23-585	The Arlington
CA-23-472	Woodlake Family Apartments

Presented by: D.C. Navarrette

Action Item: 8. **Request to Transfer Unused Exempt Facility (EXF) Project Allocation and Unused Industrial Development Bond (IDB) Project Allocation to the Qualified Residential Rental Project (QRRP) Round 3 Allocation (Cal. Code Regs., tit. 4 §5021)**

9. **Public Comment**

10. **Adjournment**

FOR ADDITIONAL INFORMATION

CDLAC

901 P Street, Suite 213A, Sacramento, CA 95814

(916) 654-6340

This notice may also be found on the following Internet site:

<https://www.treasurer.ca.gov/cdlac>

*At the time of publication on October 27, 2023, Residency at Mayer Hollywood (CA-23-681) was inadvertently left out in the “**Supplemental Bond Allocation Request Above the Executive Director's Authority**” Action Item due to staff’s oversight. This amended Agenda is to rectify CDLAC’s oversight by putting CA-23-681 on the agenda.

*Interested members of the public may use the call-in number or TEAMS to listen to and/or comment on items before CDLAC. Additional instructions will be provided to participants once they call the indicated number or join via TEAMS. The call-in number and TEAMS information are provided as an option for public participation.

CDLAC complies with the Americans with Disabilities Act (ADA) by ensuring that the facilities are accessible to persons with disabilities, and providing this notice and information given to the members of CDLAC in appropriate alternative formats when requested. If you need further assistance, including disability-related modifications or accommodations, please contact CDLAC staff no later than five calendar days before the meeting at (916) 654-6340. From a California Relay (telephone) Service for the Deaf or Hearing Impaired TDD Device, please call (800) 735-2929 or from a voice phone, (800) 735-2922.

Full TEAMS Link

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MTY1MmNkNDQtNmRhOC00MWU0LWJkZGUtYTkYNTA2Nzk4ZTg4%40thread.v2/0?context=%7b%22Tid%22%3a%223bee5c8a-6cb4-4c10-a77b-cd2eaeb7534e%22%2c%22Oid%22%3a%22838e980b-c8bc-472b-bce3-9ef042b5569b%22%7d



California Debt Limit Allocation Committee

AGENDA ITEM 2
Approval of the Minutes
of the August 23, 2023,
Meeting



California Debt Limit Allocation Committee

901 P Street, Room 102, Sacramento, CA 95814
1021 O Street, Suite 3110, Sacramento, CA 95814
2020 W. El Camino Avenue, Suite 500, Sacramento, CA 95833

August 23, 2023

CDLAC Committee Meeting Minutes

1. *Agenda Item: Call to Order and Roll Call*

The California Debt Limit Allocation Committee (CDLAC) meeting was called to order at 9:04 a.m. with the following Committee members present:

Voting Members: Fiona Ma, CPA, State Treasurer
Evan Johnson for State Controller Malia M. Cohen
Gayle Miller for Governor Gavin Newsom

Advisory Members: Anthony Sertich for Department of Housing and Community
Development (HCD) Director Gustavo Velasquez
Tiena Johnson Hall, Executive Director for the California Housing
Finance Agency (CalHFA)

Mr. Sertich joined the meeting remotely from 2020 W. El Camino Avenue, Suite 500, Sacramento, CA 95833.

Ms. Miller was present for roll call in-person at the State Treasurer's Office. She expressed her condolences on the recent passing of Pat Sabelhaus, a Sacramento attorney who specialized in state and federal affordable housing tax credit law and tax-exempt bond financing. She expressed gratitude for his service to the housing industry.

Chairperson Ma agreed that his passing will be a loss to the community.

Ms. Miller attended the remainder of the meeting remotely at the publicly noticed location - 1021 O Street, Suite 3110, Sacramento, CA 95814.

2. *Agenda Item: Approval of the Minutes of the July 26, 2023, Meeting – (Action Item)*

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to approve the minutes of the July 26, 2023, meeting, and Chairperson Ma seconded the motion.

The motion passed unanimously via roll call vote.

3. *Agenda Item: Program Updates*

Presented by: Ricki Hammett

Ms. Hammett discussed the following topics:



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Grand Openings: On August 3, 2023, Ms. Hammett and CTCAC Section Chief Carmen Doonan attended the groundbreaking event for the On Broadway project in Sacramento. The developer is EAH Housing, and this is their first project in Sacramento. The project includes tax credit and tax-exempt bond financing, and it will create 140 units, 138 of which are affordable housing units. This is a new construction, Extremely Low Income/Very Low Income, large family project, with 37 units for the homeless set-aside and incomes ranging between 30-60% or less of the area median income.

Extension Updates: Since the last meeting, one additional extension was approved related to the impacts from bank closures.

Supplemental Pool Update: The beginning supplemental pool amount was \$195,149,006. So far, staff has received 44 total supplemental requests, seven of which are pending. Thirty-seven have been completed, totaling approximately \$82.6 million. Two of the 44 requests are on the agenda today for Committee approval, as they are above the Executive Director's delegated authority. If all 44 requests are approved, CDLAC will have allocated approximately \$95.1 million, leaving a balance of approximately \$100 million.

Chairperson Ma called for public comments:
None.

4. **Agenda Item: Appeals for Round 2 Award of Allocation of Qualified Private Activity Bonds for Qualified Residential Rental Projects (Cal. Code Regs., tit. 4, §5038)**

This item was skipped because no appeals were received.

5. **Agenda Item: Round 2 Award of Allocation of Qualified Private Activity Bonds for Qualified Residential Rental Projects (Cal. Code Regs., tit. 4, §5037) – (Action Item)**
Presented by: Eddie Fairchild

Mr. Fairchild reported that 60 applications were received on May 23, 2023, for Round 2. Staff is recommending 34 awards for a total of 4,648 [actual amount is 4,600] total units, 4,596 [actual amount is 4,549] low-income units, and 344 homeless units. The total allocation is \$1,340,689,256, which includes \$1,220,094,158 of 2023 bond cap, \$120,575,098 of 2022 carryforward, and \$20,000 of 2021 carryforward. The applications have been reviewed for completeness and compliance with federal and state laws.

Chairperson Ma commended the staff for the detailed Final Recommendations List and said it has improved in the past five years.

Chairperson Ma called for public comments:
None.

MOTION: Mr. Johnson motioned to approve staff's recommendations, and Chairperson Ma seconded the motion.

The motion passed unanimously via roll call vote.



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6. **Agenda Item: Resolution No. 23-030, Adoption of the Updated 2023 CDLAC Meeting Calendar and Award Schedule Adding an Additional Round for Exempt Facility and Industrial Development Bond Projects (Cal. Code of Regs., tit. 4, §§5021, 5030) – (Action Item)**

Presented by: Ricki Hammett

Ms. Hammett explained that this resolution will adopt an updated 2023 CDLAC meeting calendar and award schedule, adding an additional round for Other Exempt Facility (EXF) and Industrial Development Bond (IBD) project applications. At the February 1, 2023, CDLAC meeting, the Committee approved allocating \$600 million of qualified private activity bonds for EXF projects and \$30 million for IBD projects. After these rounds, there was \$350 million remaining for EXF projects and \$24 million remaining for IBD projects. Staff has received public comments in support of adding an additional round for these projects before the end of the year, and it was discussed at the July 26, 2023, meeting. Staff can accommodate an additional round as it will assist in allocating as much bond cap as possible and reduce the amount of carryforward in 2024.

Chairperson Ma thanked the staff and stakeholders for their input on this issue.

Chairperson Ma called for public comments:

Ben Barker from California Municipal Finance Authority (CMFA) thanked the staff for adding the additional round. CMFA plans to apply for the remaining EXF allocation, but they do not currently have any IBD projects.

Chairperson Ma asked if the EXF projects are for garbage and recycling.

Mr. Barker confirmed that they are all garbage and recycling projects, including 32 landfills throughout the state.

Chairperson Ma closed public comment.

MOTION: Mr. Johnson motioned to adopt Resolution No. 23-030, and Chairperson Ma seconded the motion.

The motion passed unanimously via roll call vote.

7. **Agenda Item: Request to Extend the Bond Allocation Issuance Deadline for Qualified Exempt Facility Project and Request to Waive Forfeiture of the Performance Deposit (Cal. Code of Regs., tit. 4, §§5052, 5100) – (Action Item)**

Presented by: Emily Burgos

Ms. Burgos reported that there is one EXF project requesting a bond allocation issuance deadline extension and waiver of forfeiture of the performance deposit, TPI-Holloway Lost Hills Recycling Project (CA-23-102). The project was awarded an allocation at the March 15, 2023, meeting, and the original issuance deadline was September 11, 2023. Due to a permitting delay with the County of Kern, the applicant has requested an extension until the end of the year. The county has indicated that



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the permit should be approved by the end of November, and the financing team is working to ensure the project can close within 30 days of the issuance of the permit.

Chairperson Ma invited a representative from the bond issuer, California Public Finance Authority (CalPFA), to speak.

Caitlin Lanctot, Project Manager at CalPFA, explained that they are requesting an extension until December 31, 2023, to finalize permits and bond documents. Currently, the transaction is planned to close in early December. Representatives from the bond counsel, the underwriter, and the developer are available to answer questions.

Mr. Johnson requested an explanation of the cause of the permitting delay.

Mark Huddle, bond counsel, asked Brian Maxted from Holloway to address the delay.

Mr. Maxted explained that the developer has been working with the county on the permitting process since March 2022. After the initial submission, the county determined that additional studies were needed to determine the type of Conditional Use Permit (CUP) required. The required studies were completed and submitted to the county, and then it was determined that an Environmental Impact Report (EIR) addendum was needed. Due to time constraints, the county asked Holloway to hire a third-party independent consultant to prepare the addendum. Holloway then entered into an agreement with ESA Associates, a well-known California Environmental Quality Act (CEQA) consultant, to prepare the addendum. After the addendum was prepared and reviewed by a CEQA attorney, it was submitted to the county. It is currently in the possession of the county and will go through the ordinary review process. The consultant's findings did not identify any roadblocks or findings that would prevent the project from moving forward, and the county has fully supported the project. The project should be able to wrap up in the next few months.

Chairperson Ma asked if the permits were approved at the time of the bond application.

Ms. Burgos explained that the requirements for EXF projects are slightly different than housing, and applicants are only required to show that they have made the initial permit application and have obtained preliminary approvals; they do not have to be fully approved at the time of application. The project met the application requirements at that time.

Ms. Johnson Hall asked for confirmation that no public review is required at the county level.

Mr. Maxted confirmed that is correct; there is no requirement of a 60-day waiting period for the EIR addendum. The addendum is a minor addition to the much larger review that was previously submitted.

Chairperson Ma called for public comments:

None.

Mr. Johnson indicated that he would motion to approve the extension.



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Ms. Burgos asked if the motion would include the waiver of forfeiture of the performance deposit.

Chairperson Ma asked what the process has been in the past.

Ms. Burgos said this is a relatively new circumstance because of the blanket extensions that were granted previously, but the past couple of times when this issue has come up, the Committee has waived the forfeiture of the performance deposit. If the project does not close by the December 31, 2023, deadline, the performance deposit will be retained. The applicant could come back to the Committee and request a refund of the performance deposit at that time. This action item will grant the extension and give the project an opportunity to close by the new deadline without forfeiture of the performance deposit. Essentially, the forfeiture of the performance deposit will align with the new deadline.

Mr. Johnson said the Committee tries to balance keeping pressure on the applicants to adhere to the timelines without penalizing them for delays outside of their control. Waiving the forfeiture of the performance deposit now is useful because the Committee will retain the ability to keep the deposit at the end of the year if the project does not close by the new deadline. However, the Committee should keep an eye on this to ensure it does not become a frequent practice.

Chairperson Ma said the Committee is trying to prevent carryforward, so if the project is unable to close by December 31, she would recommend that the funds go back into the pool for another project to potentially use. One of the mandates from the state audit was that there should not be a large amount of carryforward. Deadlines should not be extended repeatedly, and applicants should not be able to apply if their projects are not ready to move forward. There should be some consequences.

Ms. Burgos said the bond issuer for this project has a positive working relationship with CDLAC and has been engaged with staff along the way. Staff had a discussion with the issuer about the possibility of carryforward and the potential to reallocate the funds if this project does not close by the end of the year, which is why the project has only requested an extension until the end of the year. If the project does not close, the Committee will have the opportunity to use that allocation elsewhere.

Chairperson Ma asked if the Committee would need to make the decision to reallocate the funds in January since they will not know if this project has closed until after December 31.

Ms. Burgos said staff will be prepared at the December meeting with all the necessary paperwork to give the Committee the opportunity to reallocate the funds in the event that the project does not close. The allocation will not be retained by the issuer and carried forward as EXF allocation unless that is what the Committee dictates.

Chairperson Ma asked Ms. Burgos to confirm the amount of the allocation.

Ms. Burgos said it is \$150 million.

Chairperson Ma asked if staff plans to prepare a proposal to reallocate the funds if the project is unlikely to close by the December 31 deadline.



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Ms. Burgos responded affirmatively. At the end of each year, staff asks the Committee for delegated authority to carryforward funds, and the Committee determines how the funds should be carried forward. Staff will consider the possibility that the project will not close in that request for delegated authority so the funds can be carried forward at the direction of the Committee.

Chairperson Ma expressed that she does not want carryforward. She asked if the Committee could set a date by which the bonds could be used by a housing project or another EXF project if the deadline is not met.

Ms. Burgos said staff should know by the November meeting if there will be any other projects that could use the allocation. By November, staff will have received the third round of housing applications, and they will know at that time if there are any housing applications that cannot be awarded due to lack of funds. There is time to make that determination, and staff is clear on the intent of the Committee not to carryforward allocation if possible, and not to have large allocations carried forward for EXF projects. At this point, staff does not have enough information to be more specific. Staff will be prepared to be flexible at the Committee's direction.

Ms. Johnson Hall said it is important for staff to bring all the necessary information back to the Committee as soon as possible.

Ms. Burgos said that by the next meeting on November 8, she will have a good idea of the projects requesting funding for the rest of the year among the IBD, EXF, QRRP rounds.

Mr. Johnson asked for clarification that if the allocation is not used by December, the only option is for it to be carried forward.

Ms. Burgos said that is correct at the moment, but at the November meeting, she will be able to brief the Committee on whether there are other projects that could use the allocation to prevent carryforward. Currently, there are no applications for IBD, EXF, or QRRP projects for the upcoming rounds.

Mr. Johnson asked if the deadline could be altered if necessary.

Ms. Burgos said that if the funds can be used by other projects this year, staff will present a creative solution to the Committee that will not alter this project's deadline but will still give the Committee the flexibility to prevent carryforward.

Chairperson Ma said the Committee needs to determine if the deadline should be December 31 or earlier. She asked if it would be possible to set an earlier deadline, such as December 1, by which if the project does not close, the plan approved by the Committee in November will take effect. That would eliminate the need to wait until December 31.

Ms. Miller asked if it would be possible to approve the extension of the issuance deadline today but wait to make a determination on the performance deposit in November when staff has made a recommendation.



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Chairperson Ma said the performance deposit is not the issue being debated at the moment. The project is requesting a December 31 closing deadline, and the Committee could potentially move that date up, since the project appears to be close to closing. Since a public comment period is not required, moving up the deadline would ensure that the allocation could be used by another project before December 31 if this project cannot close.

Ms. Miller said that if the Committee anticipates that the performance deposit motivates an earlier closing, it could be left on the table until November.

Chairperson Ma said that the amount of the performance deposit is \$100,000.

Ms. Johnson Hall said that the performance deposit is a nominal amount, and deferring a decision on its forfeiture may not yield the results that the Committee is trying to achieve. She recommends moving the deadline up since that appears to be the key piece to avoiding carryforward, as long as there are no regulations that would prevent the Committee from taking that action.

Theodore Ballmer, legal counsel for CDLAC, confirmed that the Committee may change the deadline to a date other than December 31.

Ms. Burgos said she is not certain if there will be enough housing, IBD, or EXF applications to use the \$150 million allocated to this project if it does not close by the end of the year. If CDLAC receives applications for projects that could use that allocation, staff can propose a conditional approval to ensure that if the allocation is not used by the end of the year, it can be allocated to another available project. She is concerned that if this project does not receive permits until November 30, there will be almost no time for it to close if the deadline is moved up. The timeline is already very tight with a December 31 deadline. Additionally, Ms. Burgos is not confident there will be another project to use the \$150 million allocation, but she is confident she can determine a creative solution to utilize the funds if there is another project available and this project does not close in time. While she agrees that the best motivator would be moving up the deadline, there is also a risk of this project not being able to close and staff not having another project to use the allocation.

Chairperson Ma said she believes there are a lot of projects out there that could use the allocation.

Ms. Burgos said the issue that housing projects are facing is the lack of available tax credits. Housing allocation is being left on the table because there are not enough tax credits to align with the bonds. Additionally, a new EXF round is being added with relatively short notice. Although she agrees that there are a lot of projects, she is not sure how many of them will be ready to apply in the next three weeks, and she does not know how many housing applications CDLAC will receive that are not also requesting state tax credits. Staff's recommendation on the best way to handle this allocation and avoid carryforward is to give this project until the end of the year to close, give staff time to assess if there is another project that could use the allocation if this project does not close, and give staff the opportunity to find an administrative pathway to reallocate that \$150 million to another project if one exists.

Chairperson Ma asked if December 31 gives staff enough time to make those determinations.



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Ms. Burgos responded affirmatively that staff have technically until February 15 and typically the lump sum carryforward is not done until January 2 each year, so although it would be a quick turnaround, staff would have enough time. If this project is not expected to close by the December 31 deadline, staff will know far enough in advance to prepare the necessary paperwork to move the allocation.

Chairperson Ma said many government offices often do not work during the last two weeks of the year.

Ms. Burgos said the County of Kern should be done with the permitting process by the end of November. The financing will need to be completed by the end of the year, but the issuer for this project is reliable and will be available to get it completed.

Ms. Johnson Hall asked the bond counsel for the project to provide his input.

Mark Huddle, bond counsel for the project, confirmed that the finance team is currently projecting an early December closing, but they would like a couple of extra weeks due to market conditions. They will not be waiting for the final permit approval to begin working on documents. They have already started that process and will be moving forward aggressively so they are in position to close in early December.

Aaron Gadouas from Ziegler Investment Banking said that his intention is to be in the marketplace in November, well before permitting is verified, but bonds will be priced contingent upon receiving the permits in early December.

Ms. Johnson Hall said this is a tough situation, but Ms. Burgos's plan is a good solution, and the Committee can trust the staff to manage this process tightly. The Committee will be in a better position to change direction if needed in November, so she recommends revisiting this issue at that time.

Ms. Burgos said staff will provide more information in November, and hopefully this project will already have closed by the December meeting.

Mr. Ballmer said this item may be bifurcated if the Committee wishes to vote on the extension of the bond allocation issuance deadline and waiver of forfeiture of the performance deposit separately, or a single vote can be taken on both issues.

MOTION: Ms. Miller motioned to extend the bond allocation issuance deadline and waiver of forfeiture of the performance deposit for TPI-Holloway Lost Hills Recycling Project, and Mr. Johnson seconded the motion.

Chairperson Ma called for additional public comments:
None.

Motion passed unanimously via roll call vote.

8. **Agenda Item: Supplemental Bond Allocation Request Above the Executive Director's Authority (Cal. Code Regs., tit. 4, §5240) – (Action Item)**
Presented by: D.C. Navarrette



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Mr. Navarrette reported that there are two projects requesting supplemental bond allocations above the Executive Director's authority. The first project, The Monarch Apartment Homes (CA-23-583), is currently requesting \$1,290,215 in supplemental allocation. The project was originally allocated \$15,176,717 and also received two previous supplemental allocations: \$1,517,672, which was approved at the Executive Director's level, and \$1,420,457, which was approved by the Committee. The combined non-Committee approved supplemental request is now \$2,807,887, which is 16.92% of the total Committee-approved allocation of \$16,597,174. The project meets the 52% test. This is a 60-unit, large family, new construction project in Palm Springs. The applicant is CMFA and the developer is Community Housing Opportunities Corporation (CHOC).

Chairperson Ma invited representatives from CMFA and CHOC to speak on behalf of the project.

Anthony Stubbs from CMFA explained that the project has encountered cost overruns on materials such as HVAC, steel, and labor. There were also unforeseen change orders to some of the construction materials from steel to wood, which caused delays.

Vince Nicholas, Vice President of Real Estate Development at CHOC, said he was available to answer questions.

Chairperson Ma said she has been to the project site and there is a lot of community support for this project, which is exciting because housing is needed in the area.

Mr. Nicholas said the project is aiming to begin occupancy in October.

Chairperson Ma called for public comments on The Monarch Apartment Homes:
None.

MOTION: Ms. Miller motioned to approve the supplemental bond allocation request for The Monarch Apartment Homes, and Mr. Johnson seconded the motion.

Motion passed unanimously via roll call vote.

Mr. Navarrette introduced the second project requesting a supplemental bond allocation above the Executive Director's authority, North Harbor Village (CA-23-584). The project is currently requesting \$2,218,110 in supplemental allocation. The project's original allocation was \$19,000,000 and it received a previous supplemental allocation of \$1,535,178, which was approved at the Executive Director's level. Additionally, it received a second supplemental allocation of \$4,284,275, which was approved by the Committee. The combined non-Committee approved supplemental request is \$3,753,288, which is 16.12% of the Committee approved allocation, which totals \$23,284,275. The project meets the 52% test. The project is a 91-unit, special needs, new construction project in Santa Ana. The applicant is CMFA and the developer is Jamboree Housing Corporation.

Chairperson Ma invited representatives of the project to speak.

Mr. Stubbs explained that this project has experienced cost overruns and had a comprehensive plan check requested by the city which resulted in an unexpected requirement for seismic building code upgrades.



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Tish Kelly, Senior Vice President of Housing Development at Jamboree, explained that North Harbor Village is an Acquisition/Rehabilitation project which is a conversion of a former hotel. Construction is expected to be completed by the end of the year. The project experienced many hurdles due to the COVID-19 pandemic and is requesting a third supplemental allocation. Unknown structural issues had to be resolved once construction commenced, which caused cost overruns. Additionally, the most recent supplemental allocation requested is needed due to an additional comprehensive plan check that was required by the city at the beginning of this year, and additional costs were incurred due to the requirement for seismic and building code upgrades. This included a requirement for added shear walls, which were not required at the time of permitting. This impacted the project's scope and caused delays. Other cost overruns impacting the project include increased interest rates, construction administration, construction management, and soft cost increases attributable to delays. Closing on the bonds is expected to occur within the next 60 days, and the project should be completed by the end of the year. Lease-up efforts have already begun.

Chairperson Ma asked for an estimate of the cost per unit. CDLAC has a cost minimum of \$60,000 per unit.

Mr. Navarrette clarified that this is a conversion of a hotel to a residential project, so the cost per unit is likely to be much higher than a typical Acquisition/Rehabilitation project.

Chairperson Ma called for public comments on North Harbor Village:
None.

MOTION: Mr. Johnson motioned to approve the supplemental bond allocation request for North Harbor Village, and Ms. Miller seconded the motion.

Motion passed unanimously via roll call vote.

9. Public Comment

Ms. Miller stated that she has been at the remote location listed on the meeting agenda since she departed from the State Treasurer's Office, and she heard the whole meeting in transit. There is no public comment at her location.

William Leach from Kingdom Development thanked the Committee and staff for holding public forums, allowing the public to hear deliberations over important issues, and giving the industry an opportunity to voice concerns and pose questions. The process is refreshing and not every state housing agency operates this way; for example, HCD does not have a public process that involves stakeholders, which inhibits transparency and predictability. He thanked the staff for providing an applicant list for each program with all the pertinent scoring information necessary for the industry to gauge whether they will be successful in the competition. When applicants are able to gauge their likelihood of success, they are able to make important decisions on their project that either expedite the project's delivery or contain costs while they wait to be awarded another allocation. CDLAC's effort to inform the industry and applicants is not standard across all housing departments.

Mr. Leach additionally stated that Kingdom Development has a couple of projects with a November 6 readiness deadline, but the next Committee meeting is November 8. With the deadline so close to the next meeting, housing sponsors are questioning whether they will have an opportunity to request an extension. He asked the Committee to consider holding a meeting in October to hear extension requests.



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Chairperson Ma said the Committee is open to holding an additional meeting if necessary. She asked Mr. Leach to keep staff informed on the status of his projects.

Chairperson Ma expressed her appreciation for the virtual meeting participation capabilities. When she was first elected, there were few attendees at the Committee meetings, yet housing was the number one topic. Transparency is important, and because there are only three voting members on the Committee, no discussions between Committee members can take place outside of meetings. Some meetings have lasted several hours because working through these issues must be a transparent and public process. Additionally, the other State Treasurer's Office committees have learned from the housing community the importance of giving the industry as much early communication as possible and having good communication with stakeholders. For example, the STO is currently rolling out \$150 million for distressed hospitals, so they conducted a preliminary assessment and notified potential applicants that they may be eligible and should complete the entire application if they were interested. Chairperson Ma thanked Mr. Leach for his comments.

Mr. Barker said that CMFA is currently working on September 6 QRRP applications, and currently they have approximately 52 Acquisition/Rehabilitation projects and other projects that will be submitting applications, for a total of about \$1.3 billion in allocation needed. Mr. Barker anticipates that CMFA will be able to compete for the excess funds available, and he hopes there is no carryforward. He has spoken with other issuers such as CalHFA, California Statewide Communities Development Authority (CSCDA), CalPFA, and others who will be submitting applications that do not require state tax credits. Everyone is hoping the excess funds will be used by the end of the year and there will be no carryforward.

Chairperson Ma said many cities have been waiting for Other Rehab allocations.

10. Adjournment

The meeting was adjourned at 10:00 a.m.



AGENDA ITEM 3
Program Updates
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AGENDA ITEM 4

Recommendation for Award of Allocation to Qualified Private Activity Bonds for Exempt Facility (EXF) Projects (Round 4)

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
Exempt Facilities Program 2023 Round 4
Recommendation List

App. No.	Applicant	Project Name	Requested Amount	Recommended Amount	Round 4
Round 4 Allocation					\$350,000,000
23-104	California Pollution Control Financing Authority	Garaventa Enterprises, Inc	\$30,500,000	\$30,500,000	
23-105	California Municipal Finance Authority	Republic Services	\$100,000,000	\$100,000,000	
23-106	California Municipal Finance Authority	McClellan Food Recovery Plant Upgrade	\$75,000,000	\$75,000,000	
Total Recommended for Round 4					\$205,500,000
Total EXF Allocation Remaining					\$144,500,000

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
November 8, 2023
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR AN
EXEMPT FACILITY PROJECT

Prepared by: Anthony Wey

Applicant: California Pollution Control Financing Authority

Allocation Amount Requested: \$30,500,000

Project Information:

Name: Garaventa Enterprises, Inc.
Project Addresses: (Various Locations), CA
Project Cites, Zip Codes: (Various Locations), CA
County: (Various Counties)

Project Sponsor Information:

Name: Garaventa Enterprises, Inc.
Address: 4080 Mallard Drive, Concord, CA 94520
Principals: Patrick Dolim
Contact: Patrick Dolim
Phone: (925) 692-2216

Project User Information:

Name: Same as Project Sponsor
Address: Same as Project Sponsor
Contact: Same as Project Sponsor
Phone: Same as Project Sponsor

Project Financing Information:

Bond Counsel: Law Offices of Leslie M. Lava
Underwriter: Piper Sandler & Co.
Private Placement Purchaser: U.S. BANCORP
TEFRA Hearing Date: October 13, 2023

Project Sponsor's Principal Activity: Developing new buildings for foodwaste processing.

First Tier Business (Yes/No): Yes

Regulatory Mandate (Yes/No): Yes

Details of Project Financing
Sources of Funds:

Tax-Exempt Bond Proceeds	\$	30,500,000
Total Sources	\$	30,500,000

Uses of Funds:

Site Preparation	\$	13,000,000
Construction of New Buildings	\$	14,000,000
Utilities Connection	\$	1,000,000
Acquisition/Installation of New Equipment	\$	2,000,000
Bond Issuance Expenses (Including Discount)	\$	500,000
Total Uses	\$	30,500,000

Description of Proposed Project:

Garaventa Enterprises, Inc. will consist of developing a new approximately 92,000 square foot building and associated improvements to comply with SB1383 CA Food Waste Compliance Regulations. In addition, additional equipment to receive and process the foodwaste will be added to the new building. To support the new building and associated equipment, a new PG&E interconnect and power island will be installed. The new interconnect will also support the future use of electric rolling stock.

Environmental Impact:

- 1) Air Quality:
SB 1383 improvements will help establish the methane emission reduction targets issued by the state. In addition, a portion of the funds will be used to purchase an upgraded interconnect that will support the future demand of electric rolling stock.
- 2) Water Quality:
The facility operates on a concrete surface to prevent seepage of undesirable materials into the ground water. New paving and landscaping will assist in mitigating water pollution. CNG Fueled vehicles will create less particulate matter.
- 3) Energy Efficiency:
New MRF equipment is more efficient with increased material throughput. The new interconnect will support the electrical demand of new buildings equipment and future electrical vehicle charging.
- 4) Recycling of Commodities:
Upgrades and improvements to the Project Sponsor's MRF should increase the amount of material that is recycled and thus increase waste diversion from the landfill
- 5) Safety and Compliance:
The project will be compliant with all State and local mandates.
- 6) Consumer Costs Savings and Efficiencies:
The lower cost of tax-exempt financing and the increase in operating efficiency of the new MRF equipment will provide greater flexibility as far as future rate structures.

Local Government Support:

The Applicant provided a letter of support from the government entity where their company is currently located.

Legal Questionnaire:

No information was disclosed that raised any question regarding the financial viability or legal integrity of the Project Sponsor.

Recommendation:

Staff recommends approval of \$30,500,000 in tax exempt bond allocation.

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
November 8, 2023
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR AN
EXEMPT FACILITY PROJECT

Prepared by: Anthony Wey

Applicant: California Municipal Finance Authority

Allocation Amount Requested: \$100,000,000

Project Information:

Name: Republic Services, Inc. Project
Project Addresses: (Various Locations), CA
Project Cites, Zip Codes: (Various Locations), CA
County: (Various Counties)

Project Sponsor Information:

Name: Republic Services, Inc.
Address: 18500 North Allied Way, Phoenix, AZ 85054
Principals: Calvin Boyd
Contact: Calvin Boyd
Phone: (480) 627-7098

Project User Information:

Name: Same as Project Sponsor
Address: Same as Project Sponsor
Contact: Same as Project Sponsor
Phone: Same as Project Sponsor

Project Financing Information:

Bond Counsel: Orrick, Herrington & Sutcliffe
Underwriter: BofA Securities, Inc.

Project Sponsor's Principal Activity:

Improving existing landfill facilities.

First Tier Business (Yes/No): No

Regulatory Mandate (Yes/No): No

Details of Project Financing
Sources of Funds:

Tax-Exempt Bond Proceeds	\$	100,000,000
Total Sources	\$	100,000,000

Uses of Funds:

Bond Issuance Expenses (Including Discount)	\$	2,000,000
Other	\$	98,000,000
Total Uses	\$	100,000,000

Description of Proposed Project:

Republic Services, Inc. consists of financing solid waste disposal facilities as follows: construction of new disposal cells and liners within currently permitted acreage, improvements to the leachate collection and treatment system, improvements to methane gas systems, installation of new liners, acquisition of equipment to be used at landfill facilities, and acquisition of other equipment and assets necessary to support the foregoing improvements and to place them into service.

Environmental Impact:

- 1) Air Quality:
Improving capacity and efficiency will reduce air pollution by reducing the length of truck routes and number of trucks on the road.
- 2) Water Quality:
Construction of new landfill cells will ensure protection of groundwater due to state-of-the-art liners and systems for mitigating infiltration and runoff of water seeping through the refuse.
- 3) Safety and Compliance:
Republic Services, Inc. is in compliance with all state and federal regulations.

Local Government Support:

The Applicant provided a letter of support from the government entity where their company is currently located.

Legal Questionnaire:

No information was disclosed that raised any question regarding the financial viability or legal integrity of the Project Sponsor.

Recommendation:

Staff recommends approval of \$100,000,000 in tax exempt bond allocation.

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE
November 8, 2023
Staff Report
REQUEST FOR A QUALIFIED PRIVATE ACTIVITY BOND ALLOCATION FOR AN
EXEMPT FACILITY PROJECT

Prepared by: Anthony Wey

Applicant: California Municipal Finance Authority

Allocation Amount Requested: \$75,000,000

Project Information:

Name: McClellan Food Recovery Plant Upgrade Project
Project Addresses: 4700 Lance Ave., Bay C
Project Cites, Zip Codes: McClellan, CA 95652
County: Sacramento County

Project Sponsor Information:

Name: California Safe Soil, LLC
Address: 4700 Lang Ave., Bay C
Principals: Daniel Morash, CEO
Contact: Daniel Morash, CEO
Phone: (916) 539-5458

Project User Information:

Name: Same as Project Sponsor
Address: Same as Project Sponsor
Contact: Same as Project Sponsor
Phone: Same as Project Sponsor

Project Financing Information:

Bond Counsel: Jones Hall
Underwriter: Goldman Sachs
TEFRA Hearing Date: N/A

Project Sponsor's Principal Activity:

Food waste collection and processing.

First Tier Business (Yes/No): Yes

Regulatory Mandate (Yes/No): No

Details of Project Financing
Sources of Funds:

Tax-Exempt Bond Proceeds	\$	75,000,000
Other Company Sources	\$	4,000,000
Total Sources	\$	79,000,000

Uses of Funds:

Black & Veatch Contract	\$	55,786,564
Engineering/Architecture	\$	2,450,000
Debt Service Reserve Fund	\$	7,500,000
Bond Issuance Expenses (Including Discount)	\$	3,300,000
Interest During Construction	\$	11,463,436
Interest Income During Construction	\$	(1,500,000)
USDA FPEP Grant	\$	-
Total Uses	\$	79,000,000

Description of Proposed Project:

California Safe Soils recycles organics from supermarkets into fertilizer for farms and food for animals. This project plans to upgrade the commercial plant located at McClellan Business Park located in McClellan, CA. The plant aims to capture unsold food before it starts to rot for recycling.

Environmental Impact:

- 1) Air Quality:
The project aims to reduce GHG emissions from 30,000 tons/year of food waste.
- 2) Water Quality:
Reduction of chemical fertilizer use and the attendant eutrophication of downstream riparian resources.
- 3) Recycling of Commodities:
The project aims to recycle 30,000 tons/year of recovered organic material.
- 4) Safety and Compliance:
The project helps supermarkets and other supply partners comply with AB 1826 and SB 1383 laws requiring the recycling of organic materials.
- 5) Consumer Costs Savings and Efficiencies:
Supermarkets and other suppliers will save more money disposing food they cannot sell or donate compared to landfill, anaerobic digestion or composting alternatives.

Local Government Support:

The Applicant provided a letter of support from the government entity where their company is currently located.

Legal Questionnaire:

No information was disclosed that raised any question regarding the financial viability or legal integrity of the Project Sponsor.

Recommendation:

Staff recommends approval of \$75,000,000 in tax exempt bond allocation.



AGENDA ITEM 5

**Request to Waive the Maximum Bond
Allocation Amount (\$75,000,000) for
Qualified Residential Rental Project
(Cal. Code Regs., tit. 4 §5232)**

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

November 8, 2023

Request to Waive the Maximum Bond Allocation (\$75,000,000) Amount for Qualified Residential Rental Project (Cal. Code Regs., §5232)

(Agenda Item No. 5)

ACTION:

Approve waiving the maximum bond allocation (\$75,000,000) amount for Qualified Residential Rental Projects (QRRP) that applied in Round 3 of 2023. This does not guarantee the projects will be recommended for or awarded bond allocation.

BACKGROUND:

CDLAC regulation, California Code of Regulations, title 4, section 5232(a), limits the bond allocation to no more than \$75,000,000 for any proposed Qualified Residential Rental Project (QRRP) during a Competitive Application Process. Where a QRRP is located within one-fourth mile of another QRRP involving the same Project Sponsor or Related Party to the Project Sponsor, the Allocation amount, in the aggregate, cannot exceed \$75,000,000 within a calendar year.

Additionally, CDLAC regulation Section 5232(b) states:

“The Committee may waive the maximum allocation amount if the Committee determines that the demand for allocation for QRRPs is such that the maximum allocation amount is not warranted. An Applicant requesting an Allocation in excess of seventy-five million dollars (\$75,000,000) may seek a waiver from the Committee based on the following factors:

- (1) The Qualified Residential Rental Project qualifies as an At-Risk Project [as defined in California Code of Regulations, title 4, section 5170]; or
- (2) Documentation is provided in the Application indicating why a QRRP cannot be developed in phases at a \$75,000,000 level. The documentation must be specific and may include, but is not limited to, a site plan detailing the layout of the subject property, unit mix per stage of the phase, any unique features of the property which inhibits phasing, a description of infrastructure costs, and a cost breakdown by phases.”

DISCUSSION:

The projects below are requesting a waiver and meets the requirements pursuant to CDLAC regulation section 5232(b):

APPLICATION NUMBER	NAME	TOTAL ALLOCATION	TIMEFRAME
CA-23-638	Transbay Block 2 Family	\$95,866,019	Applied in current round
CA-23-660, 661, 662, 664	All Hallows Apartments, Bayview Apartments, La Salle Apartments, Shoreview Apartments	\$264,500,000 combined request for projects in close proximity	Applied in current round

The applicant for the Transbay Block 2 Family project has indicated that phasing the project would make the project cost prohibitive and not feasible given the project's design.

The applicants for the All Hallows Apartments (\$73,000,000 requested), Bayview Apartments (\$57,000,000 requested), La Salle Apartments (\$63,500,000 requested), and Shoreview Apartments (\$71,000,000 requested) have indicated that the projects are large existing projects with their own unique and currently existing CTCAC regulatory agreements and existing financing structure.

Staff have determined that an approval of this waiver request will not impact the possible award of any other project.

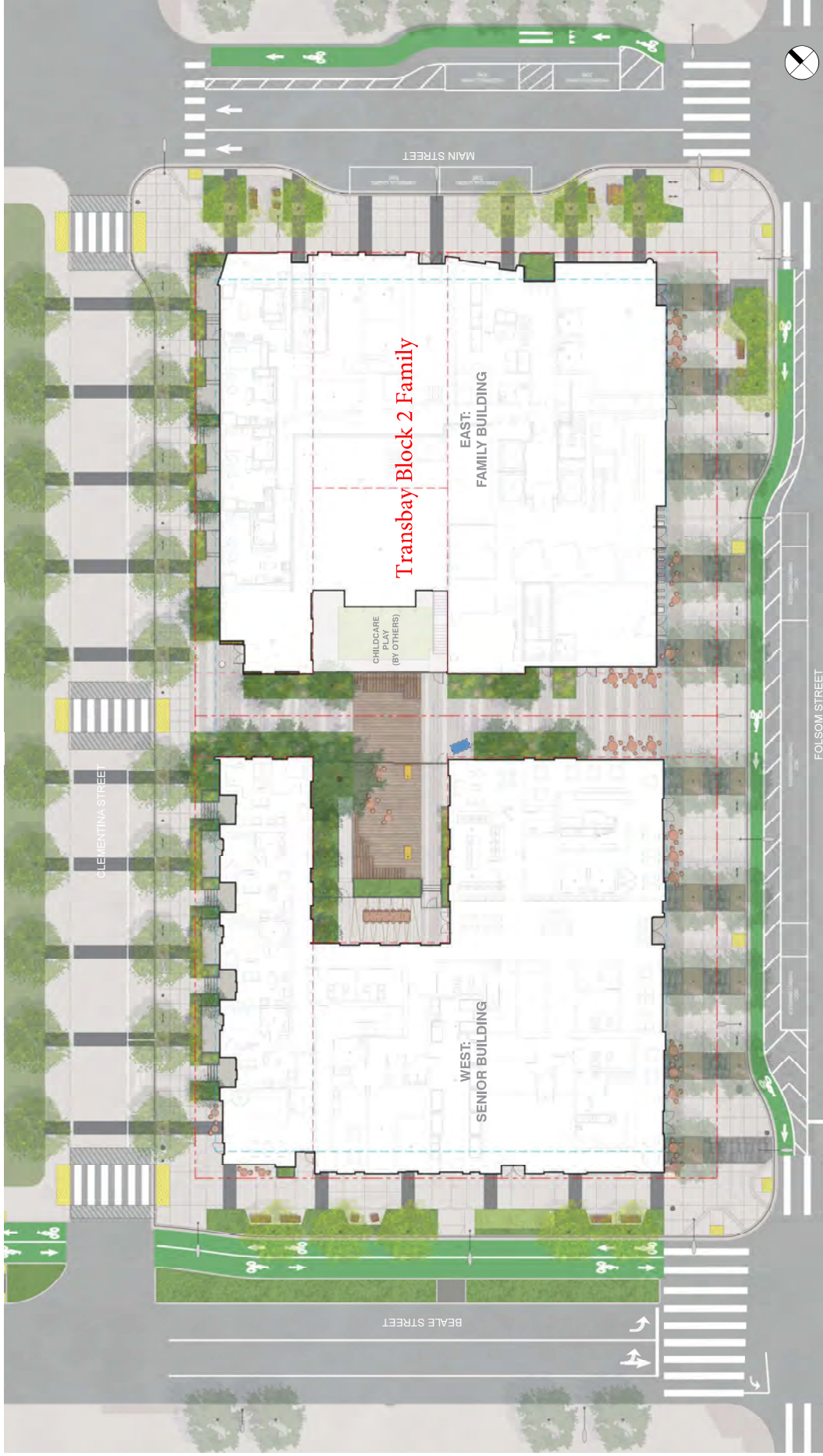


Transbay Block 2 Family
Mercy Housing California

Tab 35 – Bond Allocation Greater than \$75 Million

Transbay Block 2 Family requests a waiver of the \$75,000,000 maximum allocation amount. Transbay Block 2 Family is a 17-story, 184-unit, one building project. As one residential tower, it cannot be built in phases and separated into different projects. Infrastructure costs related to the site are not included in this project, as the existing site will be prepared for the residential tower construction in a separate and earlier project. A site plan, which details the layout of the subject property shows that the project cannot be phased in stages. A unit mix per stage of the phase and a cost breakdown by phase is not included, as the project is all being built in one phase. For further architectural drawings, please see Attachment 12-E1.

Illustrative Site Plan



Transbay Block 2 - East Family Building

Schematic Design Document

21 October 2022

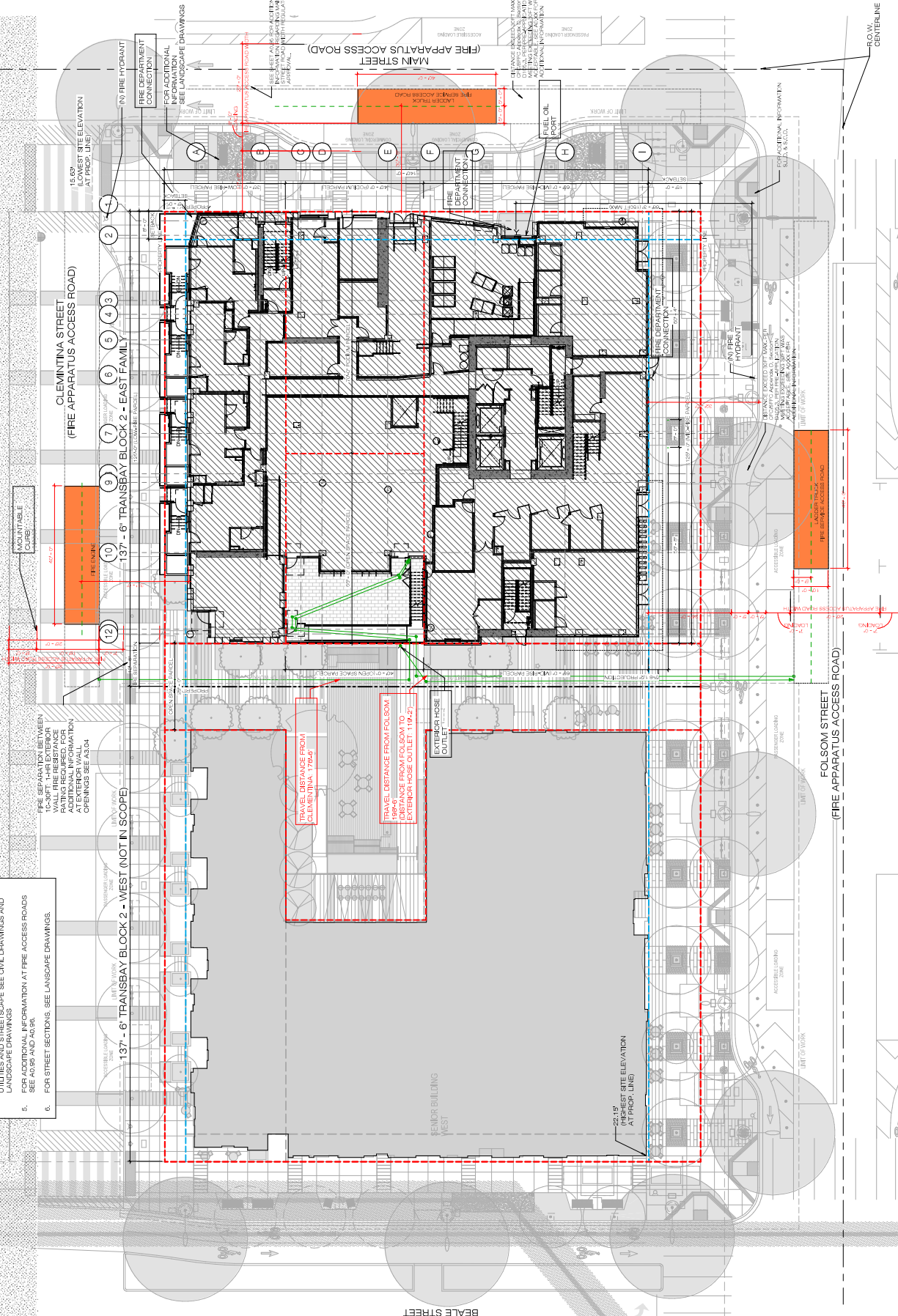
Page 29

GRAPHIC LEGEND

- PROPERTY LINE
- FUTURE PROPERTY LINE
- ZONING PARCEL LINE
- LINE OF COLLECTION ALIVE

- NOTES**
- 18.97' (AVERAGE SITE ELEVATION)
 - FOLSOM STREET, MAIN STREET AND CLEMINTINA STREET ALL HAVE FIRE SEPARATION DISTANCES GREATER THAN 30FTING OPENING PROTECTIVE OR FIRE RESISTANCE RATING IS REQUIRED AT EXTERIOR WALLS.
 - SEE SHEET A3.04 WEST ELEVATION FOR THE OPEN UTILITIES AND STREETScape SEE CIVIL DRAWINGS AND LANDSCAPE DRAWINGS.
 - FOR ADDITIONAL INFORMATION AT FIRE ACCESS ROADS SEE A3.05 AND A3.04.
 - FOR STREET SECTIONS SEE LANDSCAPE DRAWINGS.

TRANSBAY BLOCK 2 PARK (NOT IN SCOPE OF WORK)



1 SITE PLAN
A3.02 - 147

100% USEN DEVELOPMENT	7/23/22	5/23/22
100% SD PRELIMS	7/23/22	5/23/22
100% DD	7/23/22	5/23/22

NO. FLR	NO. STAIRS	NO. ELEVATORS
NO. STAIRS	NO. ELEVATORS	NO. STAIRS
NO. ELEVATORS	NO. STAIRS	NO. ELEVATORS

CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

Waiver for Multiple Projects within ¼ mile

The Applicant along with three other affiliated Applicant entities are submitted a total of four applications for the following projects:

All Hallows

Bayview Apartments

La Salle Apartments

Shoreview Apartments

These projects are all located within ¼ mile of one another.

A waiver is requested to submit separate applications due to the fact that are very large existing projects with their own unique and currently existing TCAC regulatory agreements, HAP contracts, and existing financing. To bundle them together in a single CDLAC / TCAC application try to close them into a single financing structure would be impractical and probably impossible due to the existing separate regulatory agreements.

The total bond amount requested between the four sites will exceed the \$75,000,000 threshold



AGENDA ITEM 6

Supplemental Bond Allocation Request Above the Executive Director's Authority (Cal. Code Regs., tit. 4, §5240)

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

November 8, 2023

Supplemental Bond Allocation Request Above the Executive Director's Authority

(Cal. Code Regs., tit. 4, §5240)

(Agenda Item No. 6)

BACKGROUND:

Pursuant to California Code of Regulations, title 4, section 5240(a), requests for Supplemental Allocations for Qualified Residential Rental Projects may be submitted to the California Debt Limit Allocation Committee (CDLAC) during any Allocation Round throughout the year. Staff is required to review each request for Supplemental Allocation and make a recommendation to CDLAC regarding any possible award of additional Allocation. CDLAC has delegated authority to the CDLAC Executive Director to award Supplemental Allocation to projects where the total supplemental request are no more than 10 % of the project's original allocation and no more than 52% of the aggregate depreciable basis plus land basis, pursuant to California Code of Regulations, title 4, section 5240(b). The CDLAC Executive Director oversees the administration of CDLAC and is responsible for ensuring the various functions of CDLAC are carried out. Awards of Supplemental Allocations are required to be memorialized in a CDLAC resolution. All applicable requirements imposed on the associated initial project Allocation, including, but not limited to, the expiration of the Allocation, bond issuance deadlines, extensions, transfers of Allocation, carry-forward elections, and reporting will be equally applicable to Supplemental Allocations.

DISCUSSION:

Seven project applicants are requesting a Supplemental Allocation above the Executive Director's authority. Staff have reviewed the applications for compliance and accuracy. The project applicants have submitted letters to support their requests.

APPLICATION NUMBER	NAME	APPLICANT	TOTAL SUPPLEMENTAL REQUEST	COMMITTEE APPROVED ALLOCATION	TOTAL ALLOCATION	SUP %	BASIS
CA-23-671	Aspen Woods	California Municipal Finance Authority	\$1,622,763 (\$2,634,230 previously approved at ED level)	\$26,342,943	\$30,600,000	16.16%	51.58%
CA-23-674	Prospera at Homestead	California Statewide Communities Development Authority	\$2,850,000 (\$1,900,000 previously approved at ED level)	\$19,000,000	\$23,750,000	25.00%	52.00%
CA-23-676	La Prensa Libre Apartments	California Municipal Finance Authority	\$1,463,513 (\$1,592,260 previously approved at ED level)	\$27,200,000	\$30,255,773	11.23%	51.45%

CA-23-679	803 E 5 TH Street	City of Los Angeles	\$5,100,000	\$34,900,000 (includes previous \$6,900,000 supplemental allocation)	\$40,000,000	14.61%	51.68%
CA-23-681	Residency at the Mayer Hollywood	California Housing Finance Agency	\$11,500,000	\$29,505,000	\$29,505,000	38.97%	50.21%
CA-23-684	3 rd & Dangler Apartments	Los Angeles County Development Authority	\$4,800,000	\$22,000,000	\$26,800,000	21.82%	51.53%
CA-23-685	Marcella Gardens	City of Los Angeles	\$1,955,095	\$15,900,000	\$17,855,095	12.30%	52.00%

RECOMMENDATION:

Staff recommend approval of the Supplemental Allocation requests above the Executive Director authority.



10/26/2023

California Debt Limit Allocation Committee
901 P Street, Suite 213A
Sacramento, CA 95814

RE: Aspen Wood Apartments
Supplemental Bond Allocation – 10% Threshold Waiver

To Whom It May Concern:

On behalf of the Aspen Wood Apartments project, we hereby request 1) a waiver of the 10% supplemental bond allocation threshold, and 2) approval of the \$1,622,763 supplemental bond allocation request submitted to CDLAC on September 6, 2023.

Aspen Wood Apartments received a supplemental allocation of tax-exempt bonds in August 2022 in the amount of \$2,634,294 (CDLAC Resolution No. 22-180). In the time period between the prior supplemental bond allocation and the current request, project costs (driven primarily by rising interest rates) have continued to rise. We have applied for an additional supplemental bond allocation in the amount of \$1,622,763 so that we will be able to absorb these costs into tax credit basis for 4% non-competitive federal credits and pass the 50% test.

Thank you for the consideration and feel free to contact Brian Yang, byang@standard-communities.com, with any questions.

Sincerely,

Standard Northeast LLC (Developer)

A handwritten signature in blue ink that reads 'Robert E. Koerner'.

Robert E. Koerner
Authorized Representative



October 25, 2023

CDLAC
901 P Street, Suite 213A
Sacramento, CA 95814

RE: Prospera at Homestead CA #22-592, Additional Supplemental Bond Request

Dear CDLAC,

Please accept this as a formal request on behalf of Prospera at Homestead for a second supplemental bond allocation in the amount of \$2,850,000 which is equal to 52% of the aggregate basis. Prospera at Homestead was awarded \$19,000,000 in tax-exempt bonds in Round 2 2022 (resolution No. 22-239). Due to inflationary construction pricing and rising interest rates, an application for supplemental bonds equal to 10% of the original allocation was awarded in May 2023 (resolution No. 23-162). Unfortunately, as market conditions have continued to get worse with interest rates consistently rising and continued inflationary pressure on construction costs, Prospera at Homestead is faced with a financing gap.

A large driver of the increased gap and need for additional bonds to pass the 50% test has been increased interest carry related to taxable debt that is required as a construction loan given the scarcity of tax-exempt debt. This taxable debt has gotten increasingly expensive given the turmoil in the banking industry and the rising cost of capital. In addition, construction costs are much higher than originally estimated due to consistent inflationary pressure particularly in the price of labor and transport costs due to commodity price increases.

Our team is working diligently to solve the financing gap by finding additional sources to cover the increased construction costs and interest expense. This second supplemental bond request above the 10% threshold requiring Committee approval is to ensure the 50% test is met and to aid in reducing the financing gap.

Prospera at Homestead is permit ready and our team is focused on successfully closing on the financing so we may bring 108 affordable homes to Dixon, CA. Thank you for your consideration of this request. Please contact the undersigned with any additional questions.

Sincerely,

Greg Gossard
President
The Hampstead Companies
greg@hampstead.com
619-543-4204



30141 AGOURA RD. ♦ STE. #100 ♦ AGOURA HILLS, CALIF. ♦ 91301-4332
PHONE: (818) 706-0694 ♦ FAX: (818) 706-3752

October 26, 2023

California Debt Limit Allocation Committee
915 Capitol Mall, Room 485
Sacramento, CA 95814

RE: La Prensa Libre Apartments
Project No. CA-20-547
10% Supplemental Bond Threshold Waiver Request

To whom it may concern:

We have submitted a Supplemental Application for an allocation of additional Tax-Exempt Bonds and 4% Tax Credits for the La Prensa Libre Apartments, CDLAC Application #CA-20-547, currently under construction.

We exceeded the 10% threshold for Supplemental Bonds, because we were requesting a reset of our applicable fraction from 3.08% to 4.0%. We were advised by tax counsel that in order to be within the IRS safe harbor for a 4.0% bond reset the project should request slightly more than 10% of the aggregate Tax Exempt bonds previously issued.

The project's original Tax Exempt Bond allocation was \$27,200,000. The 1st Supplemental Bond Allocation was \$1,592,260; therefore, the aggregate issuance prior to our request for a 2nd Supplemental Bond Allocation was \$28,796,260. In order to comply with the rules as our tax counsel outlined, our 2nd Supplemental Allocation request was sized to result in an overall supplemental allocation that was slightly higher than the 10% supplemental allocation required to trigger a reset of the applicable fraction for the bonds. We hereby request a waiver of that threshold to ensure full compliance with IRS regulations pertaining to this matter.

We appreciate your consideration and remain available to address any further questions or concerns.

Sincerely,
AMCAL Washington Fund L.P.

A handwritten signature in blue ink, appearing to read "A Pratt", is written over the typed name.

Alexander Pratt
Vice President of Development
AMCAL Multi-Housing, Inc.
Administrative General Partner



October 12, 2023

Daniel Huynh
Los Angeles Housing Department
1200 W. 7th Street, 8th Floor
Los Angeles, CA 90017

RE: Exceeding 10% Threshold Limit on Supplemental Bond Request – 803 E 5th Street Apartments

CRCD is submitting to LAHD our Supplemental Bond application for 803 E 5th Street Apartments, and we are further requesting that LAHD request approval from the CDLAC Committee to exceed the 10% threshold limit on the supplemental bond request. The requested \$5,100,000 bond increase is a 14.61% increase over the original \$28,000,000 bond allocation amount plus \$6,900,000 supplemental request.

The increase in costs is because our project has been impacted by 3 significant issues:

- 1) Additional environmental mediation (asbestos and lead based paint) and demolition.
- 2) Increases to labor, materials.
- 3) Changes to the structural foundation of the building required by the LADBS City structural plan checker.

The redesign of our structural plans came to us as an unexpected shock because our design and engineering team had been working with the structural plan checker for over 16 months before a new design was required. The plan checker informed us that his department has been negatively impacted by Covid, specifically, that his department lost many plan checkers to the “early retirement” process that the city underwent during the early stages of Covid, and numerous times stated that he was understaffed and overwhelmed with projects. Our permitted structural plans took over 24 months to approve, which caused delays in the project and increased labor and material costs.

When we started construction, our structural plans were “final”, but we were told that the plan checker was overwhelmed and that he could not complete his “final” review of the plans and therefore could not “stamp” the plans as “final”. We worked with the structural plan checker (Suen Lieu) and Binh Phan, Permit and Engineering Bureau, Chief to secure an “Early Start Permit” which allowed us to close on our tax credit financing and start construction. The redesign occurred during the time that the Early Start Permit was issued, and our structural plans were finally “stamped” and approved.

For additional information please contact Ernesto Espinoza, Chief Real Estate Officer for CRCD Partners, LLC at ernesto@crcdpartners.com.

Sincerely,

A handwritten signature in blue ink that reads "Alejandro Martinez". The signature is fluid and cursive, with the first name "Alejandro" and the last name "Martinez" clearly distinguishable.

Alejandro Martinez
President,
CRCD Partners, LLC

Ann Sewill, General Manager
Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager
Anna E. Ortega, Assistant General Manager
Luz C. Santiago, Assistant General Manager

City of Los Angeles



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT
1200 West 7th Street, 9th Floor
Los Angeles, CA 90017
Tel: 213.808.8808
housing.lacity.org

October 18, 2023

Ricki Hammett, Deputy Executive Director
California Debt Limit Allocation Committee
901 P Street, Suite 213A
Sacramento, CA 95814

Via Email

**Re: 803 E. 5th Street (Resolution No. 21-117, Supplemental Application No. 4123)
Request for Waiver of Regulation Section 5240(b) And Board Meeting Consideration**

Dear Ms. Hammett,

On behalf of the sponsor for 803 E. 5th Street, (the “Project”), the City of Los Angeles (“Applicant”) is requesting a waiver of CDLAC’s Regulation Section 5240(b) regarding limiting supplemental applications to 10% of the project’s Committee approved allocation and no more than 52% of the aggregate depreciable basis plus land basis.

The City’s request is based upon sponsor’s written request (attached) which is due to uncontrollable and unforeseeable construction cost increases and additional environmental mediation. On behalf of the sponsor, the City has submitted a second supplemental bond application for \$5,100,000, or 14.61% of the original \$28,000,000 bond allocation plus \$6,900,000 of the supplemental amount.

The City and the sponsor are working diligently to fill this funding gap. In light of the foregoing, we respectfully request a waiver of CDLAC’s Regulation Section 5240(b). In addition, please include this request in the next CDLAC Board meeting of November 8, 2023.

The Applicant very much appreciates your consideration of this request. If you have any questions, please do not hesitate to contact Cecilia Rosales of my staff at (213) 808-8981 or cecilia.rosales@lacity.org. Please indicate your approval (and/or additional conditions) under separate cover.

Sincerely,

Elizabeth Selby
Director, Multifamily Housing Finance

Attachment: Sponsor Letter

November 3, 2023

California Debt Limit Allocation Committee
901 P Street, Room 102
Sacramento, CA 95814
Attn: Ricki Hammett, Deputy Executive Director

Re: Request for approval of supplemental bonds above the Executive Director's Authority
Project Name: Residency at the Mayer Hollywood
CDLAC App#: 23-681 (Web: 4130)

Dear Ms. Hammett,

On October 16, 2023, CalHFA, as the applicant, applied for supplemental bonds for Residency at the Mayer Hollywood in an amount above the Executive Director's authority to approve. The supplemental bond amount is above the 10% threshold and requires approval by the CDLAC Committee.

As described in the attached letter from the Developer dated November 3, 2023, the supplemental bond amount of \$11,500,000 is needed in order to meet the 50% test.

Please contact Ashley Carroll at 916-326-8810 or acarroll@calhfa.ca.gov if you have any questions related to this request.

Thank you,



Kate Ferguson
Director of Multifamily Programs



November 3, 2023

CDLAC
915 Capitol Mall, Room 311
Sacramento, CA 95814

RE : Residency at the Mayer Hollywood – Supplemental Bond Request Explanation

To Whom It May Concern:

We are requesting a supplemental bond allocation over the 10% threshold for Residency at the Mayer Hollywood for the following reason.

The original residential development cost for the project was \$66,964,328.00 . And, the project had received an allocation of \$29,500,000.00 in Tax-Exempt Bonds, which yielded a percentage of 52.13% with an estimated aggregate basis of \$56,594,148.00.

The new total development cost is currently \$82,970,657.00, with an estimated aggregate basis of \$81,649,340.00. Thus in order to meet the 50% test requirement for the current development cost, we are requesting a supplemental bond allocation of \$11,500,000.00 for the project. If allocated the total Tax-Exempt Bonds will be \$41,000,000.00, which will represent 50.21% of the revised estimated aggregate basis.

And, attached are the reasons for the increase in development cost.

If you have any questions, please feel free to reach out at 323-464-7853.

Sincerely,

Samir Srivastava
On Behalf of the AGP for Residency at the Mayer LP



Residency at the Mayer Hollywood Letter of Explanation for High Costs

Residency at the Mayer Hollywood is an adaptive reuse and historical preservation development of 79 units 100% affordable for senior housing, located at 5500 Hollywood Blvd Los Angeles, CA 90028. For which the revised project costs are as listed below:

The Total Project Cost is:	\$82,970,657
The Total Project Cost per Unit is:	\$1,050,262
The True Cash Project Cost* is:	\$57,636,932
The True Cash per unit Cost* is:	\$729,582

**(Less Deferred Developer Fees of \$10,650,000 and Seller Carry Back Loan of \$14,683,725)*

The high development cost for Residency at the Mayer Hollywood is a result of the following items:

1. Continued and uncontrolled escalation/inflation in construction prices for labor, material, fuel, interest rate, etc. between Award Date Round 3 FY2020 and current completion date of March 2024.
2. Accommodating for prevailing wage increases. The project was priced with the 2020 prevailing wage rates, but pricing had to be adjusted based on the increased prevailing rates that have been implemented after 2021.
3. Due to delay of closing on the project bonds, the holding cost of the project incurred was higher than anticipated. Per the PSA package submitted during the original bond application, the project was slated for closing in 2020 but the closing was not finalized until 10/22/21. Causing the total holding cost to be \$8,407,352, instead of \$3,057,352.
4. Major Costs attributed to Seismic Upgrades and preservation of Historical Resources to achieve change of use from Commercial to Residential Use while maintaining the building integrity and historical relevance.
5. Major water damage was caused to the Project by the unusual and unforeseen weather conditions caused by Hurricane Hilary that occurred during August 2023. As a result of the hurricane storm, the project has had to incur with Serv-Pro a total of \$1.6MM in mitigation cost and an estimation of \$1.0MM in reconstruction cost.



October 24, 2023

California Debt Limit Allocation Committee
901 P Street, Suite 213A
Sacramento, CA 95814

Re: 3rd & Dangler Apartments (now named Las Dahlias)
CA-20-704 Attachment 35-B Narrative Explanation

Dear CDLAC,

3rd & Dangler Apartments, now named Las Dahlias, is requesting a Supplemental Bond allocation in the amount of \$4,800,000. This amount exceeds 10% of the Committee approved original bond allocation of \$22,000,000 and requires Committee approval.

3rd & Dangler Apartments received a bond allocation in the amount of \$22,000,000 on December 9, 2020, and closed construction financing on June 10, 2021. Since 2021, the project has been faced with several delays and cost increases due to unforeseen utility-related buildability challenges and the discovery during excavation of several old sewer laterals that had not been properly abandoned. In addition, the increases in costs of labor and materials that have been experienced industry-wide resulted in contracting costs for HVAC, structural steel, lumber and electrical increasing 25% to 40% from our budgeted values. The plumbing contractor who had been fully vetted also faltered and ultimately became insolvent, and had to be replaced at the current rates, causing a \$1 million increase to that line item alone and a two month delay on the project schedule. These challenges, along with the increased interest expense for a longer construction schedule due to delays at increasing rates, increased insurance costs and additional architecture and engineering costs have increased the total development costs and necessitated the need for the Supplemental Bond request of 21.81%, thus exceeding the 10% triggering Committee approval.

While the project has faced delays and challenges, it is scheduled to be completed in February 2024. We appreciate your consideration of our request and please contact us with any questions or clarifications.

Sincerely,
Lesley Hampton
Lesley Hampton
Vice President, Project Development



9692 Haven Avenue, Suite 100
Rancho Cucamonga, CA 91730

www.nationalcore.org

Together, we transform lives and communities



October 26, 2023

Daniel Huynh
Los Angeles Housing Department
1200 W. 7th Street, 8th Floor
Los Angeles, CA 90017

RE: Exceeding 10% Threshold Limit on Supplemental Bond Request – Marcella Gardens Apartments

CRCD is requesting that LAHD support our Supplemental Bond application for Marcella Gardens Apartments, and we are further requesting that LAHD request approval from the CDLAC Committee to exceed the 10% threshold limit on the supplemental bond request. The requested \$2,000,000 bond increase is a 12.58% increase over the original \$15,900,000 bond allocation amount.

The increase in costs is because our project has been impacted by 2 significant issues:

- 1) Los Angeles Department of Water and Power (LADWP) permanent power installation completion and energizing delays. There was approximately a 8 month delay from when the project was substantially complete to receive permanent power installation until the time that LADWP actually arrived on-site to complete the work. This work is crucial as it affects the ability to complete the project permit sign-offs and get Certificate of Occupancy and lease-up the units.
- 2) Increased financing carrying costs due to project completion delays because of the LADWP delay, we incurred additional loan interest costs associated with carrying the construction loan longer than anticipated, we had to extend the maturity date of the construction loan at a cost not budgeted for. Along with those costs we had to extend our project insurance policies, pay for extended General Conditions to the contractor, extended oversight costs by our architect, construction manager, engineers and inspectors.

For these main reasons we are requesting the relief on the 10% threshold limit and support of the Supplemental Bond allocation. If you require additional information please contact Ernesto Espinoza, Chief Real Estate Officer for CRCD Partners, LLC at ernesto@crcdpartners.com.

Sincerely,

A handwritten signature in blue ink that reads 'Alejandro Martinez'.

Alejandro Martinez
President,
CRCD Partners, LLC



AGENDA ITEM 7

**Request to Extend the Bond Allocation
Issuance Deadline for Qualified Residential
Rental Project and Request to Waive
Forfeiture of the Performance Deposit
(Cal. Code Regs., tit. 4 §§5052, 5100, 5132)**

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

November 8, 2023

**Request to Extend the Bond Allocation Issuance Deadline for
Qualified Residential Rental Project and Request to Waive Forfeiture of the Performance Deposit
(Cal. Code Regs., tit. 4, §§ 5052, 5100, 5132)**

(Agenda Item No. 7)

Action:

Approve bond issuance deadline extension requests and waiver of the forfeiture of the performance deposit on listed projects.

BACKGROUND:

Pursuant to California Code of Regulations, title 4, section 5100, the expiration date for issuing Qualified Residential Rental Project Bonds is either 180 days, 194 days, or 208 days depending on the circumstances at the time of allocation.

Per the project resolutions, for four of the awarded allocations (23-430, 23-436, 23-451, 23-462), if the bond allocation transferred to the applicant has not been issued by the issuance deadline, the applicant shall notify CDLAC and carryforward the allocation to the next approved project to be awarded a bond allocation in accordance with California Code of Regulations, title 4, Section 5133. The other four awarded 2023 allocation (23-675, 23-472, 23-488, 23-585) would be required to return the allocation to the Committee because they have an issuance date this year. In a case of extreme hardship, the Executive Director may extend this date by up to five business days.

Per section 5051 of the CDLAC Regulations, an extension of the expiration date for Qualified Residential Rental Bonds granted pursuant to Section 5101 or 5132 will result in forfeiture of the Project's performance deposit to the extent that the performance deposit has not previously been forfeited.

DISCUSSION

The applicants for the projects below are requesting bond issuance deadline extensions and waivers of performance deposit forfeitures outside of the Executive Director's authority. The original allocation for each project was awarded on May 10, 2023, and two supplementals approved on September 6, 2023, and October 27, 2023.

Project No.	Project Name	Project Type	No. of Units	Allocation	Location	Issuance Deadline	Extension Requested
CA-23-430	80 Saratoga Avenue Apartments	New Construction, Large Family	198	\$75,000,000	Santa Clara	11/13/23	30 days
CA-23-436 & 23-675 (Sup)	Valhalla Townhomes	Preservation, At-Risk	44	\$6,200,000 and \$371,000	Crescent City	11/13/23	90 days

CA-23-451	West LA VA - MacArthur Field B	New Construction, Homeless	74	\$23,500,000	Los Angeles	11/13/23	90 days
CA-23-472	Woodlake Family Apartments	New Construction, Large Family	99	\$40,000,000	Los Angeles	11/20/23	40 days
CA-23-488	Belmont Family Apartments	New Construction, ELI/VLI, Large Family	124	\$63,920,895	Belmont	11/13/23	150 days
CA-23-462 & CA-23-585 (Sup)	The Arlington	New Construction, Homeless	83	\$33,500,000 and \$3,350,000	Los Angeles	11/13/23	90 days

The applicants have submitted formal extension requests and the bond issuer and/or the project sponsor will speak on behalf of each project.



2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

October 24, 2023

Ms. Ricki Hammett
Deputy Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 30-day CDLAC closing deadline extension for the 80 Saratoga Avenue Apartments Project (CDLAC Application No. 23-430)

Dear Ms. Hammett:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 30-day CDLAC extension for the 80 Saratoga Avenue Apartments project. The Project (Resolution No. 23-130) was awarded allocation on May 10, 2023, with a closing deadline of November 6, 2023.

As you know, 80 Saratoga Avenue (the "Project") has a readiness deadline of 11/6/2023 to pull permits, provide an executed notice to proceed, and to close construction financing.

At this time, the Project Sponsor is encountering unforeseen challenges with the city of Santa Clara, which is hindering their ability to pull permits. Although they had provided a clean phase 1 environmental report showing that no further action was required to develop the Project, the City is requiring additional environmental clearances from the County of Santa Clara, which, in the Project Sponsor's opinion, should not be required. Furthermore, the construction lender (Bank of America) is also requiring additional soil testing related to the same report before they agree to close. The environmental consultant has indicated it could take up to a month to conduct environmental sampling and to receive the results in order to satisfy the bank. The bank has indicated they don't have the ability to provide a waiver or deferral of this item, in order to allow closing before the readiness deadline.

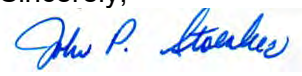
Therefore, we request a 30-day extension to readiness / bond issuance deadline through 12/6/2023, in order to further coordinate future action with the City and County of Santa Clara as required and the lender, and/or conduct any required testing at the site for the construction lender.

Again, we apologize for the delay and appreciate your consideration of our request. Please accept this letter as a request to the CDLAC Board to have negative points waived and a waiver of the forfeiture of the performance deposit.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1221

Thank you for your consideration.

Sincerely,



John P. Stoecker

Financial Advisor

California Municipal Finance Authority



2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

September 26, 2023

Ms. Ricki Hammett
Deputy Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC closing deadline extension for the Valhalla Townhomes Project (CDLAC Application No. 23-436)

Dear Ms. Hammett:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 90-day CDLAC extension for the Valhalla Townhomes project. The Project (Resolution No. 23-132) was awarded allocation on May 10, 2023, with a closing deadline of November 6, 2023.

We respectfully request a 90-day extension from November 6th, 2023, to February 4th, 2024, in order to acquire insurance for the project.

The delay in getting insurance is due to the Smith River Complex Fire, which began around August 15th, 2023. To date, it has burned over 94,000 acres and is still only partially contained. It has resulted in many closures in Del Norte County during the time period. The City in which the project is located, Crescent City, was without power for a week, and ultimately ended up bringing in generators due to the fires (Smith River Fire is actually 13 separate fires burning in Del Norte County). The insurance broker has reached out to several carriers and is even pursuing California Fair Plan for a portion of coverage. However, thus far the insurance carriers have not wanted to provide quotes until the fire was contained. As of today, the fire is approximately 85% contained, with a forecast of rain over the next several days.

[Smith River Complex in Northern California inches toward containment | Courthouse News Service](#)

Please accept this letter as a request to the CDLAC Board to have negative points waived and a waiver of the forfeiture of the performance deposit.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1221

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "John P. Stoecker".

John P. Stoecker

Financial Advisor
California Municipal Finance Authority



**Crescent City Fire &
Rescue**
Station: **001**

Location: Pacific Command 911 Pacific # 41 Crescent City CA 95531	Incident Type: 111 - Building fire
Lat/Long: N 41° 45' 28.09" W 124° 12' 43.3"	FDID: 08005 Incident #: 2023-2997 Exposure ID: 76042172 Exposure #: 0 Incident Date: 10/06/2023
Zone: City Limits - City Limits Location Type: 1 - Street address	

Report Completed by:	Duncan , Vanessa	ID:	Date: 10/16/2023
Report Reviewed by:	Duncan , Vanessa	ID:	Date: 10/16/2023
Report Printed by:	Duncan, Vanessa	ID:	Date: 10/16/2023 Time: 13:54

Structure Type: Enclosed building	Property Use: 419 - 1 or 2 family dwelling		
Automatic Extinguishment System Present: <input type="checkbox"/>	Detectors Present: <input type="checkbox"/>	Cause of Ignition: Cause under investigation	
Aid Given or Received: Mutual aid received	Primary action taken: 10 - Fire control or extinguishment, other		
Additional actions: 12 - Salvage & overhaul , 32 - Provide basic life support (BLS)			
Losses	Pre-Incident Values		
Property: \$100,000.00	Property: \$100,000.00	Civilian Injuries: 0	Fire Service Injuries: 0
Contents: \$20,000.00	Contents: \$20,000.00	Civilian Fatalities: 0	Fire Service Fatalities: 0
Total: \$120,000.00	Total: \$120,000.00	Total Casualties: 0	Total Fire Service Casualties: 0
Total # of apparatus on call:	6	Total # of personnel on call:	9

Neighboring Agencies
Agency Name: CALFIRE Agency ID: Agency Type: Fire
Agency Name: Crescent City Police Department Agency ID: Agency Type: Law

NARRATIVE (1)

Narrative Title: n/a

Narrative Author: Carey, Kevin

Narrative Date: 10/06/2023 16:39:32

Narrative Apparatus ID: 5100

Narrative:

CCFR units responded to 911 Pacific Ave. for reports of a possible structure fire involving a mattress. Dispatch notified of multiple calls with smoke and fire seen. 5111 immediately requested a double tone as well as mutual aid request to CAL fire and pelican Bay. 5111 arrived on scene and reported white smoke from the second story of a multifamily eight unit apartment building. 5111 advanced inch and three-quarter Crosslay to begin fire attack to unit 41. 5100 arrived to assume incident command. The incident was named Pacific command. 5111 fire attack made entry with a charged hose line. There was now black smoke coming from the upstairs second-floor bedroom. 5111 had initially reported an all clear stating that residents were all out of the building. CCPD evacuated seven other units of the common building. Reports had two patients complaining of smoke inhalation problems. 5100 requested medical response. Patients were AMA'd by DNA. Later on in the incident, family requested medical return to the scene for complications of shortness of breath. Pacific power was notified to secure electrical. They were unable to isolate to the single unit and had to shut down the entire eight unit building because there was no meter labels and were painted over. Cal fire 1265 arrived and were assigned back up fire attack as well as an objective to check for extension horizontally and vertically . 5172 arrived and Captain Maxwell was notified to secure water supply to 5111. 5181 arrived and were requested to assess the need in position themselves on Pacific to the Charlie side of the building for possible second-floor laddering or rescue problem. 5112 arrived and we're asked to take the west hydrant and lay into 5111 with water supply. All personnel were used strategically for salvage, overhaul, adjoining unit extension checks, and water cleanup. Captain Borges was on scene and was requested to set up a ventilation fan once interior crews confirmed knockdown and no extension to the attic with pulling ceiling and thermal imaging. Red Cross was notified by 5100 possibly for individuals needing housing. Medications were taken out of the interior of unit 41 per resident request. All crews performed decontamination for turn outs and made apparatus ready with equipment. All fire units returned to service. Initial investigation for cause and origin revealed initial reports of electrical or fire onto the bed. Fire crews found extension cords and other electrical burned up the wall in the corner of the closet as well as across the bed. Fire crews also removed several burnt gaming consoles, and noted the presence of several computer monitors, hard drives and other electrical equipment. Fire and burn patterns suggest that the fire started in the wall opposite the door near the closet where most of the electrical equipment was found. The individual stated he woke up to the outlet and part of the bed on fire.

APPARATUS			
Unit	5100	Unit	E5111
Type:	Chief officer car	Type:	Engine
Use:	Other	Use:	Suppression
Response Mode:	()	Response Mode:	()
# of People	1	# of People	2
Alarm	10 /06/2023 11:03:00	Alarm	10 /06/2023 11:03:00
Dispatched	10 /06/2023 11:03:00	Dispatched	10 /06/2023 11:03:00
Enroute	-- /-- /-- -- :-- :--	Enroute	-- /-- /-- -- :-- :--
Arrived	10 /06/2023 11:08:00	Arrived	10 /06/2023 11:08:00
Cancelled	-- /-- /-- -- :-- :--	Cancelled	-- /-- /-- -- :-- :--
Cleared Scene	10 /06/2023 13:03:00	Cleared Scene	10 /06/2023 13:03:00
In Quarters	-- /-- /-- -- :-- :--	In Quarters	-- /-- /-- -- :-- :--
In Service	-- /-- /-- -- :-- :--	In Service	-- /-- /-- -- :-- :--
Unit	E5112	Unit	PV
Type:	Engine	Type:	Privately owned vehicle
Use:	Suppression	Use:	Other
Response Mode:	()	Response Mode:	()
# of People	2	# of People	1
Alarm	10 /06/2023 11:03:00	Alarm	10 /06/2023 11:03:00
Dispatched	10 /06/2023 11:03:00	Dispatched	10 /06/2023 11:03:00
Enroute	-- /-- /-- -- :-- :--	Enroute	-- /-- /-- -- :-- :--
Arrived	10 /06/2023 11:08:00	Arrived	10 /06/2023 11:08:00
Cancelled	-- /-- /-- -- :-- :--	Cancelled	-- /-- /-- -- :-- :--
Cleared Scene	10 /06/2023 13:03:00	Cleared Scene	10 /06/2023 13:03:00
In Quarters	-- /-- /-- -- :-- :--	In Quarters	-- /-- /-- -- :-- :--
In Service	-- /-- /-- -- :-- :--	In Service	-- /-- /-- -- :-- :--
Unit	T5181	Unit	R5172
Type:	Truck or aerial	Type:	Rescue unit
Use:	Suppression	Use:	Other
Response Mode:	()	Response Mode:	()
# of People	2	# of People	1
Alarm	10 /06/2023 11:03:00	Alarm	10 /06/2023 11:03:00
Dispatched	10 /06/2023 11:03:00	Dispatched	10 /06/2023 11:03:00
Enroute	-- /-- /-- -- :-- :--	Enroute	-- /-- /-- -- :-- :--
Arrived	10 /06/2023 11:08:00	Arrived	10 /06/2023 11:08:00
Cancelled	-- /-- /-- -- :-- :--	Cancelled	-- /-- /-- -- :-- :--
Cleared Scene	10 /06/2023 13:03:00	Cleared Scene	10 /06/2023 13:03:00
In Quarters	-- /-- /-- -- :-- :--	In Quarters	-- /-- /-- -- :-- :--
In Service	-- /-- /-- -- :-- :--	In Service	-- /-- /-- -- :-- :--
Number Of People not on apparatus: 0			

FIRE			
Acres Burned	None or Less Than One	Acres Burn From Wildland Form	False
Area Of Fire Origin	Bedroom - < 5 persons; included are jail or prison	Heat Source	Undetermined
Item First Ignited	Undetermined	Fire Is Confined To Object Of Origin	
Type Of Material	Undetermined	Cause Of Ignition	Cause under investigation
Factor Contributing To Ignition	Electrical failure, malfunction, other		
Human Factors Contributing	Asleep,		

STRUCTURE FIRE			
Structure Type	Enclosed building	Building Status	In normal use
# Of Stories At Above Grade	2	# Of Stories Below Grade	0
Square Feet	1400	Length	
Width		Floor Of Origin	2
Fire Spread	Confined to floor of origin		
Minor Damage	0	Significant Damage	0
Heavy Damage	0	Extreme Damage	0

ARSON

Agency Name	Agency Address	Agency Phone
CCFR	255 Washington Crescent City CA 95531	

Remarks:
 Heaviest fire damage and "V" pattern located in the Charlie-Delta corner of the room. Heavy presence of computers, electronics, and gaming consoles. Fire crews State that multiple burned wires located near C-D corner and on the bed mattress. The occupant stated that he woke up on the bed to burning wires/outlets. Popping sounds could be heard and seen across the room in what was described as outlets on fire.

CUSTOM FIELDS FORM

Was Narcan administered by CCF&R?	NO
Was this incident transient related?	NO

PERSONNEL ON CALL

Name	Personnel Rank	Role(s)	Apparatus
Barlow, William	Engineer/EMT		E5112
Borges, Jason	Career Captain		T5181
Bowdish Jr, David	Firefighter		E5111
Carey, Kevin	Chief		5100
Decker, Noah	Firefighter/EMT		PV
Horner, Shelby	Firefighter		E5112
Maxwell, Jon	Captain		R5172
Short, Darrin	Battalion Chief		T5181
Smith, Beau	Career Captain		E5111

Member Making Report (Vanessa Duncan): _____

Incident Reviewer (Vanessa Duncan): _____

October 3, 2023

California Debt Limit Allocation Committee
901 P Street, Room 102
Sacramento, CA 95814
Attn: Ricki Hammett, Deputy Executive Director

Re: Request for 5-Business Day Hardship and 90-Day Extension to Bond Issuance Deadline
Project Name: West LA VA – MacArthur Field B
CDLAC Resolution#: 23-138
CDLAC App#: 23-451

Dear Ms. Hammett,

On September 29, 2023, CalHFA was asked by The Core Companies, the Developer on the above-mentioned project, to request a 5-business day hardship extension to the bond issuance deadline of November 6, 2023, and a 90-day extension from the Committee at the November 8, 2023 CDLAC meeting.

As described in the attached letter from the Developer dated September 29, 2023, the developer needs additional time to close the transaction due to the Ground Lease (EUL) that the borrower must enter into with the Department of Veteran Affairs (VA) as a requirement of construction loan closing. The EUL requires congressional approval, and a representative of Congress must sign off on the EUL. At this time the VA hasn't provided any confirmation that the EUL will be approved by Congress by the bond issuance deadline.

CalHFA formally requests a 5-business day hardship extension to the bond issuance deadline from November 6, 2023, to November 13, 2023. As a precautionary measure as the VA hasn't provided any reassurance that it will be approved CalHFA also requests a 90-day extension request which would move the bond issuance deadline to February 5, 2024. The Developer intends on proceeding to close as soon as the EUL is signed off by Congress.

CalHFA also requests that CDLAC waives any forfeiture of the performance deposit or assignment of negative points to the Project Sponsor that could be imposed by this request. These circumstances were outside of the Project Sponsor's control.

Please contact Ashley Carroll at 916-326-8810 or acarroll@calhfa.ca.gov if you have any questions related to this request.

Thank you,



Kate Ferguson
Director of Multifamily Programs

CORE affordable

September 29, 2023

Ashley Carrol
Loan Administrator
California Housing Finance Agency
500 Capitol Mall, STE 400
Sacramento, CA 95814

**RE: West LA VA MacArthur Field B – Extension Request Letter
Resolution No. 23-138 / West LA VA – MacArthur Field B**

Dear Ms. Carroll

We hereby request that the CalHFA ask CDLAC for five (5) business day extension under CDLAC regulation 5103 to the bond issuance deadline of November 6, 2023, for the West LA VA MacArthur Field B (Resolution No. 23-138) project. As you are aware, on May 10, 2023, CDLAC approved the authorization allowing HCD to apply \$23,500,000 of their 2022 Carryforward Allocations to be used in 2023 for the project. This award allocation is critical to the project to provide much needed housing to disabled veterans.

As the developer, MacArthur B, LP, must enter a Ground Lease (EUL) with the Department of Veteran Affairs (VA) as a component of our construction loan closing. The EUL requires congressional approval, and unfortunately, as of today, we do not have confirmation from the VA on timing for a representative of Congress to sign the EUL. The VA has received all required documents for the EUL to obtain the required signatures, the building permits and financing documents are all proceeding on schedule to close no later than November 6, 2023. However, we have no control over Congress and their timing to sign off on the EUL. Without confirmation or receipt of their approval by November 6, 2023, our existing financing commitments will lapse, and the project will incur higher costs due to delays.

We therefore make the following extension request to CDLAC:

1. We request a 5 business-day extension under CDLAC Regulation 5103 to extend the bond issuance deadline from November 6, 2023, to November 13, 2023.
2. We also request, subsequent to our 5- business day extension, a ninety (90) day extension to cover Congressional signing of our EUL Ground Lease documents. We understand that this longer extension must be approved by CDLAC at the next meeting (November 8th).

As noted, we are proceeding to close as soon as we possibly can but need the added time as a precaution given the VA's delay and congressional approval requirement.

Thank you for your consideration of this request. Please contact me with any questions.

Sincerely,



Rich Truempier
Senior Vice-President
The Core Companies



2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

October 27, 2023

Ricki Hammett, Deputy Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: 23-148 / Woodlake Family Apartments
Request of extension of the bond issuance deadline and waiver of forfeiture of
performance deposit

Dear Ms. Hammett:

On behalf of 23036 Ventura, LP (the "Sponsor") the sponsor of the above referenced Woodlake Family Apartments (the "Project") project I am requesting an extension of the November 20, 2023 deadline to issue bonds until December 31, 2023 and a waiver of the forfeiture of the Sponsor's performance deposit pursuant to Section 5052(e) as the circumstances necessitating the requested extension are unforeseen and outside the control of the Sponsor.

Despite diligent efforts by the Project's development team several factors outside its control necessitate the requested extension. The continuing rise of interest rates and project costs created a financing gap that the Sponsor has worked diligently to fill. The Developer has obtained a commitment for a subordinate loan from Apple to be administered by Housing Trust Silicon Valley to fill the gap however additional time is needed to finalize the documentation for the subordinate financing and receive final approvals from our senior lender and low-income housing tax credit investor.

Additionally, while the Sponsor has timely submitted all materials required by the various City of Los Angeles departments necessary for issuance of building permits, response times from the Los Angeles Fire Department, City Attorney (relative to Land Use Covenants required by the City as a condition of developing the property), Los Angeles Department of Water and Power, Metropolitan Water District of Southern California and California State Water Resources Control Board Division of Drinking Water have extended beyond typical and expected periods. Additionally, while the Sponsor has agreed to utilize the haul route recommended by the Los Angeles Department of Building and Safety the final approval of the haul route requires the Department to notice the approval for a certain amount of time and the Department experienced delays issuing such notices. Those notices have now been issued but the noticing period will extend beyond our current deadline to issue bonds.

As the extent of the continuing increases in project costs and interest rates was unforeseeable to the Sponsor as were the delays beyond typical response and noticing times by the various public agencies the Sponsor is also requesting waiver of the forfeiture of the performance deposit. The Sponsor has timely submitted all materials required by the various agencies to be able to receive building permits and has worked diligently to find funding to fill the project's financing gap I believe the requested extension and waiver of forfeiture of the performance deposit are warranted.

I appreciate your consideration of this matter and am available to discuss if helpful.

Sincerely,

A handwritten signature in blue ink that reads "John P. Stoecker". The signature is written in a cursive style with a light blue background behind it.

John P. Stoecker
Financial Advisor
California Municipal Finance Authority



September 12, 2023

VIA EMAIL

Ricki Hammett, Deputy Executive Director
California Debt Limit Allocation Committee
915 Capitol Mall, Room 311
Sacramento, CA 95814

Re: RE: 23-488 / Belmont Family Apartments 150-Day Bond Allocation Extension Request

Dear Ms. Hammett:

On behalf of ROEM West, LLC (ROEM), the project sponsor of the above referenced project, we hereby formally request a 150-day extension to the project's bond allocation expiration date. Since being awarded allocation, ROEM has diligently collaborated with the City of Belmont, seeking a waiver from Belmont's grading moratorium that spans from November 15 to April 15 each year. Regrettably, despite their persistent efforts, the City has chosen not to grant this waiver, primarily due to the slope of the site and the risk of opening the door for other projects to receive a waiver in the future. While ROEM has pursued the waiver, they understand and empathize with the City's concerns, especially considering the site's topography and the impending risks associated with potential heavy rainfall during the forecasted El Niño this winter.

Given that ROEM will not receive permission to commence grading, and consequently, construction until April 15, 2024, it is imperative to extend the bond allocation deadline to April 4, 2024. While ROEM has contemplated applying in a subsequent round to better synchronize with the bond allocation deadline, this approach is unfortunately infeasible for this project. The project's reliance on a substantial amount of state tax credits necessitates an application in any year's initial round, ensuring the availability of these credits. This requirement would remain consistent regardless of the year in which ROEM seeks funding.

Considering the unique challenges this project encounters, we earnestly request a 150-day extension of the bond allocation deadline. This will significantly aid in the development of 125 essential affordable-housing units for the City of Belmont. Please also see the enclosed letter from the City.

We appreciate your understanding and consideration of our request.

Sincerely,

Jon Penkower
Managing Director



One Twin Pines Lane
Belmont, CA 94002

September 7, 2023

Ricki Hammett
Deputy Director
CDLAC
901 P Street, Suite 213A
Sacramento, CA 95814

Re: 23-488/Belmont Family Apartments – ROEM Inc. – 803 Belmont Avenue

Dear Ricki,

The City of Belmont has thoroughly reviewed ROEM's request for a waiver of Belmont's grading moratorium. Unfortunately, the City is unable to accommodate this request; this grading moratorium is in effect every year from November 15 through April 15. Given Belmont's unique and variable topography, allowing grading during these rainy months poses significant risks to both the project and the safety of Belmont's citizens.

Belmont Family Apartments, situated at 803 Belmont Avenue, is not exempt from this policy. The steep topography of the 803 Belmont Avenue property necessitates extensive grading and shoring to facilitate the construction of the 125-unit affordable project envisioned by ROEM.

While we cannot grant ROEM's request for a waiver, the City wholeheartedly supports ROEM and this affordable housing initiative and looks forward to full scale project construction commencing in Spring 2024. ROEM has collaborated closely with the City to reach this stage, and we eagerly anticipate the positive impact this project will impart to the community, especially for the future residents of Belmont Family Apartments.

If you have any questions about this letter, feel free to contact me directly at (650) 595-7440 or via email at cdemelo@belmont.gov

Sincerely,

Carlos de Melo
Community Development Director



September 6, 2023

Emily Burgos
Senior Program Manager
California Debt Limit Allocation Committee (CDLAC)
901 P Street, Room 213A
Sacramento, CA 95814

RE: Readiness Deadline Extension Request for The Arlington (CA- 23-585)

Dear Ms. Burgos:

We respectfully request a 90-day extension of the readiness deadline for the Arlington project (CA-23-585) from November 6th, 2023 to February 4th, 2024 due to extraordinary delay caused by weather events in Spring 2023 (the “atmospheric river”) that flooded the redevelopment site. This delayed completion of additional, extraordinary environmental site investigation work needed to finalize the remedial action work plan (RAW) required by the Los Angeles Regional Water Quality Control Board (“RWQCB” or the “Board”). These circumstances subsequently delayed the RWQCB’s ability to review the RAW and provide clearance for building permit. The building permit is otherwise on track to be issued by the current readiness deadline, but for the RWQCB’s final approval.

The Arlington project meets multiple state and local policy goals. It cleans up and repurposes a former urban oil/ gas extraction and production facility located near housing and a school to provide new affordable supportive housing. The project aligns with the State of California and Governor Newsom’s goal to decommission, eliminate operation of oil and gas wells and cleanup sites near sensitive receptors (housing, schools, etc.) to reduce health risks to disadvantaged communities pursuant to SB-1137.

We completed the additional environmental site investigation work including soil sampling, groundwater testing, and a pilot soil vapor extraction test in Fall 2023 with close oversight of the RWQCB after a several month delay due to the atmospheric river. The RAW will be submitted this month for review by the RWQCB. We expect RWQCB to provide their approval by November or early December to allow for the issuance of the building permit ahead of the February 4th, 2024 extended deadline.

We are grateful for your consideration and are hopeful for a favorable response so that this important project may proceed to achieve multiple State and local goals: elimination of an urban oil production facility and repurposing of the site into affordable supportive housing.



THOMAS SAFRAN & ASSOCIATES

Sincerely,

ARLINGTON HEIGHTS LP,
a California limited partnership

By: Arlington Heights LLC,
a California limited liability company,
Its administrative general partner


By: 
Jordan Pynes (Sep 6, 2023 15:07 PDT)
Jordan Pynes, President



EXHIBIT 1














23-0905_The Arlington_Extension Request_FINAL

Final Audit Report

2023-09-06

Created:	2023-09-06
By:	Tyler Monroe (tyler@tsahousing.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAq8ZJOGtLGNwLeexC1Cg2yHHAdVSBP3N3

"23-0905_The Arlington_Extension Request_FINAL" History

-  Document created by Tyler Monroe (tyler@tsahousing.com)
2023-09-06 - 9:37:23 PM GMT- IP address: 47.176.69.122
-  Document emailed to Jordan Pynes (jordan@tsahousing.com) for signature
2023-09-06 - 9:37:44 PM GMT
-  Email viewed by Jordan Pynes (jordan@tsahousing.com)
2023-09-06 - 10:07:15 PM GMT- IP address: 104.47.57.254
-  Document e-signed by Jordan Pynes (jordan@tsahousing.com)
Signature Date: 2023-09-06 - 10:07:32 PM GMT - Time Source: server- IP address: 47.176.69.122
-  Agreement completed.
2023-09-06 - 10:07:32 PM GMT



2111 Palomar Airport Road, Suite 320 • Carlsbad, CA 92011 • (760) 930-1221 • Fax (760) 683-3390

September 6, 2023

Ms. Emily Burgos
Interim Executive Director
California Debt Limit Allocation Committee
901 P Street, Room 213A
Sacramento, CA 95814

Re: Requesting a 90-day CDLAC closing deadline extension for The Arlington Apartments Project (CDLAC Application No. 23-585)

Dear Ms. Robles:

I am writing on behalf of the California Municipal Finance Authority (the "Authority") to request a 90-day CDLAC extension for The Arlington Apartments project. The Project (Resolution No. 23-142) was awarded allocation on May 10, 2023, with a closing deadline of November 6, 2023.

We respectfully request a 90-day extension from November 6th, 2023 to February 4th, 2024 due to extraordinary delay caused by weather events in Spring 2023 (the "atmospheric river") that flooded the redevelopment site. This delayed completion of additional, extraordinary environmental site investigation work needed to finalize the remedial action work plan (RAW) required by the Los Angeles Regional Water Quality Control Board ("RWQCB" or the "Board"). These circumstances subsequently delayed the RWQCB's ability to review the RAW and provide clearance for building permit. The building permit is otherwise on track to be issued by the current readiness deadline, but for the RWQCB's final approval.

The Arlington project meets multiple state and local policy goals. It cleans up and repurposes a former urban oil/ gas extraction and production facility located near housing and a school to provide new affordable supportive housing. The project aligns with the State of California and Governor Newsom's goal to decommission, eliminate operation of oil and gas wells and cleanup sites near sensitive receptors (housing, schools, etc.) to reduce health risks to disadvantaged communities pursuant to SB-1137.

Additional environmental site investigation work has been completed, including soil sampling, groundwater testing, and a pilot soil vapor extraction test in Fall 2023 with close oversight of the RWQCB after a several month delay due to the atmospheric river. The RAW will be submitted this month for review by the RWQCB. We expect RWQCB to provide their approval by November or early December to allow for the issuance of the building permit ahead of the February 4th, 2024 extended deadline.

Please accept this letter as a request to the CDLAC Board to have negative points waived and a waiver of the forfeiture of the performance deposit.

Should you have any questions or need further information, please don't hesitate to contact me. I can be reached at (760) 930-1221

Thank you for your consideration.

Sincerely,



John P. Stoecker
Financial Advisor
California Municipal Finance Authority



AGENDA ITEM 8

**Request to Transfer Unused Exempt Facility
(EXF) Project Allocation and Unused Industrial
Development Bond (IDB) Project Allocation to
the Qualified Residential Rental Project (QRRP)
Round 3 Allocation
(Cal. Code Regs., tit. 4 §5021)**

THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE

November 8, 2023

Recommendation to Transfer Unused Exempt Facility (EXF) and Industrial Development Bond (IDB) Project Allocation to the Qualified Residential Rental Project (QRRP) Round Three Allocation
(Cal. Code Regs., tit. 4 §5021)

(Agenda Item No. 8)

ACTION: Approve the transfer of unused Exempt Facility (EXF) and Industrial Development Bond (IDB) Project allocation to the Qualified Residential Rental Project (QRRP) round three allocation.

BACKGROUND:

In 2023 CDLAC approved allocating \$600,000,000 to EXF projects and \$30,000,000 to IDB projects. After all rounds, \$174,000,000 remains.

DISCUSSION:

With the CDLAC priority of financing multifamily affordable housing developments it is recommended that the unused EXF and IDB allocation be transferred to the QRRP final and third round pool.

RECOMMENDATION:

Approve the transfer of unused EXF and IDB project allocation to the QRRP round three allocation pool.



California Debt Limit Allocation Committee

AGENDA ITEM 9

Public Comment



California Debt Limit Allocation Committee

AGENDA ITEM 10

Adjournment