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**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

FORM APPROVED COUNTY COUNSEL  
BY: GREGORY P. PRIAMOS DATE: 5/31/16

**FROM:** Economic Development Agency

**SUBMITTAL DATE:**  
June 9, 2016

**SUBJECT:** Conduct Public Hearing and Adopt Resolution No. 2016-134, Approving the Issuance by the Golden State Finance Authority of Tax Exempt Bonds for the Benefit of Las Palmas II Apartments, District 4, [\$0] (Vote on separately)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Conduct a public hearing per Section 147(f) of the Internal Revenue Code of 1986;
2. Adopt Resolution No. 2016-134, approving the issuance of tax-exempt bonds by the Golden State Finance Authority (Authority) to finance or refinance the acquisition, rehabilitation and equipping of the Las Palmas II Apartments project (Project); and
3. Authorize the Assistant County Executive Officer/EDA, or designee, to take all necessary steps to implement Resolution No. 2016-134, including but not limited to, signing subsequent essential and relevant documents.

**BACKGROUND:** (Commences on Page 2)

Robert Field  
Assistant County Executive Officer/EDA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

**SOURCE OF FUNDS:** N/A

**Budget Adjustment:** No

**For Fiscal Year:** 2015/16

**C.E.O. RECOMMENDATION:**

APPROVE

BY: Rohini Dasika  
Rohini Dasika

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Ashley, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

**Ayes:** Jeffries, Tavaglione, Washington, Benoit and Ashley  
**Nays:** None  
**Absent:** None  
**Date:** June 21, 2016  
**xc:** EDA

Kecia Harper-Ihem  
 Clerk of the Board  
 By: [Signature]  
 Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

**Prev. Agn. Ref.:** 2/4/97 3.15, 4/14/15 9.1 | **District:** 4 | **Agenda Number:**

## **SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

Economic Development Agency

**FORM 11:** Resolution No. 2016-134, Approving the Issuance by the Golden State Finance Authority (formerly known as California Rural Home Mortgage Finance Authority, or CRHMFA Homebuyers Fund) of Tax Exempt Bonds for the Benefit of Las Palmas II Apartments, District 4, [\$0], (Vote on Separately)

**DATE:** April 2, 2015

**PAGE:** 2 of 3

### **BACKGROUND:**

#### **Summary**

On February 4, 1997 Item 3.15 the Board of Supervisors, the elected legislative body of the County of Riverside (Board of Supervisors), adopted Resolution No. 97-022 and authorized the execution and delivery of an Amended and Restated Joint Exercise of Powers Agreement (Agreement). The Agreement establishes County of Riverside's participation as an Associate Member of the California Rural Home Mortgage Finance Authority in the Rural California Gold Lease-Purchase Program (CRHMFA). On July 21, 2015 the Internal Revenue Service accepted the name change from CRHMFA to the Golden State Finance Authority with EIN 68-0322272 (Authority). The Authority is authorized to issue revenue bonds for the purpose of financing the acquisition and rehabilitation of multifamily residential housing facilities.

In its capacity as an Associate Member of the Authority, the Board of Supervisors is asked to conduct a public hearing and adopt a resolution. The resolution affirms the issuance of multifamily housing revenue bonds by the Authority for the purpose of financing the acquisition and rehabilitation of a multifamily residential housing facility located within the County jurisdiction. The housing facility, known as Las Palmas II Apartments, is an 81-unit multifamily rental housing project located at 51075 Frederick Street, Coachella, California 92236.

The Internal Revenue Code of 1986 (the Code) requires "applicable elected representatives" of the jurisdiction in which a project to be financed with "private activity bonds" is situated, adopt a resolution approving the issuance of such "private activity bonds" after a public hearing has been held, and duly noticed in a newspaper of general circulation in such jurisdiction. The resolution would constitute the first step in the finance process of the proposed Project. Prior to the issuance of bonds, the Project must receive a "private activity bond" allocation from the California Debt Limit Allocation Committee (CDLAC). The Authority will be required to adopt a resolution which would approve the execution and delivery of certain bond documents that would reflect the terms of the bonds.

The CDLAC application for "private activity bond" allocation requires the inclusion of the approval resolution, or if the resolution has not yet been adopted, an indication of when the approval resolution will be approved. The Authority has submitted such an application to CDLAC for the Project and has advised CDLAC of the proposed date for the public hearing and consideration of the resolution. If the Board of Supervisors adopts this resolution, the Authority will supplement the submission to CDLAC.

The County of Riverside would not be a party to the financing documents. As set forth in Section 5 (d) of the Agreement, the debt would not be secured by any form of taxation, or by any obligation of either the County of Riverside or the Authority. Neither would the debt represent or constitute a general obligation of either the County of Riverside or the Authority. Pursuant to the governing California statutes and the Agreement, a member or associate member of the Authority is not responsible for the repayment of obligations incurred by the Authority. The debt would be payable solely from amounts received pursuant to the terms and provisions of financing agreements to be executed by the Developer of the proposed facility. In the financing documents the Developer will also provide comprehensive indemnification to the Authority and its members and associate members, including the County of Riverside.

The County of Riverside's membership in the Authority bears with it no cost or other financing obligation, but serves as a public acknowledgement by the host jurisdiction of the project financing.

(Continued)

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

Economic Development Agency

**FORM 11:** Resolution No. 2016-134, Approving the Issuance by the Golden State Finance Authority (formerly known as California Rural Home Mortgage Finance Authority, or CRHMFA Homebuyers Fund) of Tax Exempt Bonds for the Benefit of Las Palmas II Apartments, District 4, [\$0], (Vote on Separately)

**DATE:** April 2, 2015

**PAGE:** 3 of 3

**BACKGROUND:**

**Summary** (Continued)

The Board of Supervisors held a prior public hearing and adopted Resolution No. 2015-065 related to this project on April 14, 2015. That action approved the issuance of Bonds by the Authority to finance the Project. However, since the Bonds were not issued within one year of the adoption of such Resolution, a new public hearing must be held and an additional approval of the issuance of the Bonds is necessary pursuant to the public approval requirement of section 147(f) of the code.

County Counsel has reviewed and approved the attached Resolution. Staff recommends approval of Resolution No. 2016-134.

**Impact on Citizens and Businesses**

The issuance of the bond will provide the opportunity to acquire and rehabilitate an affordable housing project in the City of Coachella. The developer, Highridge Costa Housing Partners, LLC seeks these funds and will syndicate a limited partnership to hold ownership of the project. The project offers 16 two bedrooms, 33 three bedrooms and 32 four bedroom units with a family demographic and 100% are set aside for households with income at or below 50% to 60% of the area median income. The project amenities include: clubhouse/community room, picnic/barbecue area, tot lot, swimming pool and central laundry facilities. The project has a current and historical occupancy rate of 99% (vacancy 1.09%). The project was placed in service via 9% tax credit financing in 1999. The acquisition and rehabilitation of these units will improve the 16 year old property and continue to offer affordable housing to low income families by an experienced provider.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

A fee of \$6,500 has been paid to the County of Riverside to cover the costs of preparing all necessary documents required to conduct the public hearing for the approval of the issuance of tax exempt housing revenue bonds through the Authority.

Attachments:

Resolution No. 2016-134

Public Notice

1 **BOARD OF SUPERVISORS**

**COUNTY OF RIVERSIDE**

2 **RESOLUTION NO. 2016-134**

3  
4 **RESOLUTION OF THE RIVERSIDE COUNTY BOARD OF SUPERVISORS**  
5 **APPROVING FOR PURPOSES OF SECTION 147(f) OF THE INTERNAL REVENUE**  
6 **CODE OF 1986 THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS**  
7 **BY THE GOLDEN STATE FINANCE AUTHORITY TO FINANCE THE**  
8 **ACQUISITION, REHABILITATION AND EQUIPPING OF A MULTIFAMILY**  
9 **HOUSING PROJECT LOCATED WITHIN RIVERSIDE COUNTY.**

10  
11 **WHEREAS,** Riverside County (the "County") is an associate member of the Golden  
12 State Finance Authority, a joint powers authority organized and existing under the laws of the  
13 State of California (the "Authority"); and

14 **WHEREAS,** the Authority is authorized, pursuant to the provisions of California  
15 Government Code Section 6500 et seq. and the terms of the Amended and Restated Joint  
16 Exercise Powers Agreement, originally dated as of July 1, 1993, and as thereafter from time to  
17 time amended and restated, among certain local agencies throughout the State of California  
18 (the "Agreement"), including the County, to issue its revenue bonds in accordance with  
19 Chapter 7 of Part 5 of Division 31 of California Health and Safety Code for the purpose of  
20 providing financing for the acquisition, rehabilitation and equipping of multifamily rental  
21 housing for persons and families of low or moderate income; and

22 **WHEREAS,** Las Palmas Coachella AR, L.P., a California limited partnership (the  
23 "Borrower") has requested that the Authority issue one or more series of revenue bonds in an  
24 aggregate principal amount not to exceed \$3,900,000 (the "Bonds") and lend the proceeds of  
25 the Bonds to the Borrower or related entities for the purpose of financing the costs of  
26 acquisition, rehabilitation and equipping of a 81-unit multifamily rental housing project

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FORM APPROVED COUNTY COUNSEL  
BY *Debra Gardner*  
DATE 5/27/16  
DALE A. GARDNER

1 located at 51075 Frederick Street, Coachella, California 92236, Riverside County, generally  
2 known as Las Palmas II Apartments (the "Project"); and

3 **WHEREAS**, in 2015 the Borrower requested that the Authority issue the Bonds to  
4 finance the Project, however, Bonds were not issued to finance the Project in 2015, and the  
5 Borrower has submitted a new request to the Authority for the issuance of Bonds in 2016; and

6 **WHEREAS**, the Project is located wholly within the County; and

7 **WHEREAS**, the interest on the Bonds may qualify for a federal tax exemption under  
8 Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code"), only if the Bonds are  
9 approved in accordance with Section 147(f) of the Code; and

10 **WHEREAS**, the issuance of the Bonds by the Authority must be approved by the  
11 County because the Project is located within the territorial limits of the County; and

12 **WHEREAS**, the Board of Supervisors of the County (the "Board of Supervisors") is the  
13 elected legislative body of the County and is an "applicable elected representative" with  
14 respect to the approval of the issuance of the Bonds under section 147(f) of the Code; and

15 **WHEREAS**, on April 14, 2015, the Board of Supervisors held a public hearing and  
16 adopted Resolution No. 2015-065 approving the issuance of Bonds by the Authority to finance  
17 the Project, however, since the Bonds were not issued within one year of the adoption of such  
18 Resolution, a new public hearing must be held and an additional approval of the issuance of  
19 the Bonds is necessary pursuant to the public approval requirement of section 147(f) of the  
20 Code; and

21 **WHEREAS**, the Authority has requested that the Board of Supervisors approve the  
22 issuance of Bonds by the Authority in order to satisfy the public approval requirement of  
23 section 147(f) of the Code; and

24 **WHEREAS**, pursuant to Section 147(f) of the Code, the Authority caused a notice to  
25 appear in a newspaper of general circulation in the County, on May 31, 2016 to the effect that  
26 a public hearing would be held with respect to the Project on June 21, 2016 regarding the  
27 issuance of the Bonds; and

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1           **WHEREAS**, the Board of Supervisors held said public hearing on such date, at which  
2 time an opportunity was provided to present arguments both for and against the issuance of  
3 the Bonds; and

4           **NOW, THEREFORE, BE IT RESOLVED, FOUND DETERMINED AND**  
5 **ORDERED** by the Board of Supervisors of the County of Riverside, as follows:

6           SECTION 1. The recitals hereinabove set forth are true and correct, and this Board of  
7 Supervisors so finds.

8           SECTION 2. Pursuant to and solely for purposes of Section 147(f) of the Code, the  
9 Board of Supervisors hereby approves the issuance of the Bonds by the Authority in one or  
10 more series to finance the Project and to reimburse certain costs of the Project incurred no  
11 more than 60 days prior to the date of the adoption of this Resolution. It is intended that this  
12 Resolution constitute approval of the Bonds by the applicable elected representative of the  
13 governmental unit having jurisdiction over the area in which the Project is located in  
14 accordance with: (i) said Section 147(f) of the Code; and (ii) Section 6 of the Agreement.

15           SECTION 3. The payment of the principal, prepayment premium, if any, and purchase  
16 price of and interest on the Bonds shall be solely the responsibility of the Borrower. The  
17 Bonds shall not constitute a debt or obligation of the County.

18           SECTION 4. The adoption of this Resolution shall not obligate the County or any  
19 department thereof to (i) provide any financing to acquire or rehabilitate the Project; (ii)  
20 approve any application or request for or take any other action in connection with any  
21 planning approval, permit or other action necessary for the rehabilitation or operating of the  
22 Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv)  
23 take any further action with respect to the Authority or its membership therein.

24           SECTION 5. The officers of the County are hereby authorized and directed, jointly and  
25 severally, to do any and all things and to execute and deliver any and all documents which  
26 they deem necessary or advisable in order to carry out, give effect to and comply with the  
27 terms and intent of this Resolution and the financing transaction approved hereby.

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SECTION 6. The Clerk of the Board is hereby directed to forward a certified copy of this Resolution to the Bond Counsel for the Bonds, addressed as follows:

Kathryn P. Peters, Esq.  
Kutak Rock LLP  
2300 Main St., Suite 800  
Kansas City, MO 64108

SECTION 7. This Resolution shall take effect immediately upon its passage and adoption.

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THE FOREGOING RESOLUTION is approved and adopted by the Board of Supervisors of the County of Riverside this 21st day of June, 2016, by the following vote:

AYES: Jeffries, Tavaglione, Washington, Benoit and Ashley

NOES: None

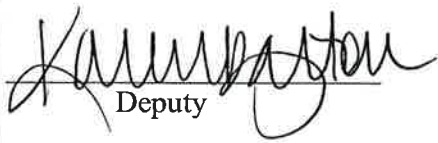
ABSENT: None

ABSTAINING: None

  
\_\_\_\_\_  
John J. Benoit, Chairman

Board of Supervisors

**ATTEST:**  
Kecia Harper-Ihem  
Clerk of the Board

  
\_\_\_\_\_  
Deputy

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA HARPER-IHEM, Clerk of said Board

By   
\_\_\_\_\_  
Deputy



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# **GOLDEN STATE FINANCE AUTHORITY**

**Project Report**

## **Las Palmas II Apartments**

**Issuer for 4% Tax-Exempt Multi-Family Bonds and Project Loan**

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**Executive Summary  
Attachments**

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**Prepared by  
The Dust Group, LLC**

**March 21, 2016**

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# The DUST GROUP, LLC

14377 83<sup>rd</sup> PLN, Seminole, FL 33776

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Mr. Craig Ferguson  
Golden State Finance Authority  
1215 K Street, Suite 1650  
Sacramento, California 95814

RE: LAS PALMAS II APARTMENTS

Dear Mr. Ferguson:

The Dust Group, LLC, acting as the Program Manager for Golden State Finance Authority ("GSFA"), has reviewed the application and request on behalf of Highridge Costa Housing Partners, LLC ("HCH") to do an acquisition rehab on a family community property located at **51075 Frederick St, Coachella, CA 92236, Riverside County**. The developer is requesting the consent of approval of GSFA to act as Issuer and submit the project to CDLAC for approval.

In addition, the Developer, HCH, is requesting that GSFA make a loan in the amount of \$350,000. The acquisition rehabilitation of the Development will result in the improvement of the property as well as having a positive impact on the neighborhood.

The Dust Group, LLC has reviewed the request, performed certain due diligence and has reached and formulated a recommendation. For purpose of this analysis, The Dust Group, LLC, reviewed the following:

- ❖ Financials including Sources and Uses and Fifteen Year Pro Forma
- ❖ Financial Information on the Developer
- ❖ Development History/Capability of the Developer
- ❖ Proposed Acquisition and Rehabilitation
- ❖ Occupancy History
- ❖ Term of Purchase

### **Development Information**

The Development is located at **51075 Frederick St, Coachella, CA 92236, Riverside County** is an existing 96-unit family community apartment complex constructed in 2001. Las Palmas II Apartments offer 81 two bedrooms, 33 three bedrooms and 32 four bedroom units with a family demographic and 100% are set aside with incomes at or below 50% - 60% of the Average Median Income ("AMI").

The Development has the following common area amenities: clubhouse/community room, computer room, picnic/barbeque area, tot area and central laundry facilities. The facility has both open and carport parking.

Per CDLAC's Occupancy Report, the Development has a present occupancy rate of 99% and a historical occupancy rate for the last two years of 99% and 99%. The economic vacancy

# The DUST GROUP, LLC

14377 83<sup>rd</sup> PLN, Seminole, FL 33776

rate has been .85% historically and the vacancy rate used in the Pro Forma is 5%, well above the historical levels.

## **Subsidy Request Information**

The borrower is requesting \$350,000 from GSFA in order to assist in paying debt service and maintaining the property. The loan is a balloon loan that is secured by a lien on the property.

## **Debt Information**

Las Palmas II Apartments is owned by Bakersfield Affordable Senior Housing, L.P. The Development was financed with a 9% tax-credit transaction 1999.

## **Purchase Contract**

The Purchase Contract is expected to be executed in April 2016.

## **Proposed Ownership Information**

The Actual Owner will be an LLC formed by HCH. Highridge Costa Companies (www.housingpartners.com) are among America's leading developers and operators of affordable housing, families and seniors in the Country.

They have developed over 27,000 units throughout 275 communities in the United States and Puerto Rico. In California, they have developed 71 units for over 6,633 units (see attachment).

## **Financial Information Summary**

### **Sources and Uses**

<b>Source</b>	<b>Lender</b>	<b>Construction</b>	<b>Permanent</b>
Construction Loan		\$3,113,000	\$0
Tax-Credit Equity		\$121,876	\$2,033,812
Bonds	America First		\$1,345,943
Seller	Seller	\$2,484,692	\$2,484,692
GSFA	GSFA	\$350,000	\$350,000
Income During Construction		\$51,214	\$51,214
Costs Paid at Perm Financing		\$903,653	\$0
HCHP Developer Loan		\$0	\$758,774
<b>Total</b>		<b>\$7,024,435</b>	<b>\$7,024,435</b>

<b>Use</b>	<b>Amount</b>
Acquisition and Pre Development Purchase Price	\$4,080,000
Feasibility Studies	\$75,378
Hard Costs Construction	\$1,312,200
Soft Cost Construction	\$1,162,964
Lease Up and Sales	\$393,893
<b>Total</b>	<b>\$7,024,435</b>

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# The DUST GROUP, LLC

14377 83<sup>rd</sup> PLN, Seminole, FL 33776

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## **Pro Forma**

Attached is the Pro Forma for the 15 year period following closing.

The Pro Forma indicates Debt Service Coverage at 1.34 in the first year decreasing to 1.10 Debt Service Coverage at the end of the 15 year Pro Forma period to cover 1<sup>st</sup> position debt. The projects actual debt service coverage based on historical vacancy rate would be over 1.40 and decreasing to approximately 1.25. The decrease is based on the inability to raise rents to correspond to increases in expenses.

The developer is also working on ways to decrease the on-going expenses.

Attached are the Cash Flows.

## **Summary and Recommendation**

The above information is an update of the information from 2015 submitted to GSFA. The Dust Group, LLC recommended the project in 2015 and recommends it in 2016. The project and the \$350,000 GSFA loan were approved in 2015.

The property has been around since 2001 and is in need of improvements after fifteen years. The transaction will provide the funds to purchase the property and put in \$15,000 per unit for rehab. This will improve and maintain the units as well as benefit the surrounding neighborhood.

The lending of \$350,000 to the borrower at favorable rates, will allow them a benefit in both covering debt service and maintaining the property. Apartments complex in rural communities are the most difficult to finance and maintain based on extremely tight cash flows.

The area is well suited for multi-family affordable rental housing, is experiencing a growth in population, has been affected by the national recession but the affordable comparable housing units all have experienced close to full occupancy with waiting lists at Las Palmas II of up to a year.

In addition, the properties rents in 2015 were 50% to 53% less than the market estimated achievable rents.

# The DUST GROUP, LLC

14377 83rd PLN, Seminole, FL 33776

Las Palmas Real Estate Management, LLC  
 3522718  
 12/31/18

Las Palmas & Sonchella, CA  
 3522718  
 12/31/18

YEAR	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	TOTAL
REVENUE	518,000	539,218	557,875	577,023	597,248	617,381	637,514	657,647	677,780	697,913	718,046	738,179	758,312	778,445	798,578	818,711
ANNUAL INCOME INCREASES	3.00%	3.92%	3.33%	3.62%	3.38%	3.26%	3.14%	3.02%	2.90%	2.78%	2.66%	2.54%	2.42%	2.30%	2.18%	2.06%
ANNUAL INCOME DECREASES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
NUMBER OF UNITS AVAILABLE FOR RENT	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
VACANCY RATE	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
REVENUE	518,000	539,218	557,875	577,023	597,248	617,381	637,514	657,647	677,780	697,913	718,046	738,179	758,312	778,445	798,578	818,711
OPERATING EXPENSES	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
DEPRECIATION	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
PROPERTY TAXES	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
MAINTENANCE	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
UTILITIES	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
INSURANCE	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
REPAIRS	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
ADVERTISING	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
LEGAL FEES	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
PROFESSOR FEES	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
NET OPERATING INCOME	418,000	439,218	457,875	477,023	497,248	517,381	537,514	557,647	577,780	597,913	618,046	638,179	658,312	678,445	698,578	718,711
DEBT SERVICE	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
DEBT SERVICE COV	4.18	4.39	4.58	4.77	4.97	5.17	5.37	5.57	5.77	5.97	6.18	6.38	6.58	6.78	6.98	7.18
ACCUMULATED DEBT SERVICE RESERVE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AVAILABLE CASH FLOW FOR FEES	418,000	439,218	457,875	477,023	497,248	517,381	537,514	557,647	577,780	597,913	618,046	638,179	658,312	678,445	698,578	718,711
AVAILABLE CASH FLOW FOR FEES 1	418,000	439,218	457,875	477,023	497,248	517,381	537,514	557,647	577,780	597,913	618,046	638,179	658,312	678,445	698,578	718,711
PERCENTAGE APPLIED TO ADJUSTED ASSET MANAGEMENT FEE INVESTMENT	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
AVAILABLE CASH FLOW FOR FEES DUE TO PARTNERS	393,000	414,218	432,875	452,023	471,248	490,381	509,514	528,647	547,780	566,913	586,046	605,179	624,312	643,445	662,578	681,711
PERCENTAGE APPLIED TO NUP AND AUP	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
Total Balance	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Amount Account	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

# The DUST GROUP, LLC

14377 83<sup>rd</sup> PLN, Seminole, FL 33776

California Bond Experience Highridge Costa Housing Partners, LLC				
Project Name	Location	County	Senior/Family	# of Units
Almaden I Family Apts.	San Jose, CA	Santa Clara	Family	225
Bay View Vista Apts.	Vallejo, CA	Solano	Family	194
Belmont Meadows Apts.	Delano, CA	Kern	Family	70
Cambridge Heights Senior	Westminster, CA	Orange	Senior	22
Casa Del Sol	Calipatria, CA	Imperial	Family	81
Center Pointe Villas	Norwalk, CA	Los Angeles	Senior	240
Courtyard Apartments	Fullerton, CA	Orange	Family	108
Daybreak Apts.	McFarland, CA	Kern	Family	61
Desert Gardens	Adelanto, CA	San Bernardino	Family	81
Dorado Senior Apts.	Buena Park, CA	Orange	Senior	150
El Jardin Apartments	Coachella, CA	Riverside	Family	81
El Palmar Apartments	Avenal, CA	Kings	Family	81
El Paseo Family Apts.	San Pablo, CA	Contra Costa	Family	132
Fairfield Heights	Fairfield, CA	Solano	Family	52
Gateway I Family Apts.	San Diego, CA	San Diego	Family	42
Harmony Court	Torrance, CA	Los Angeles	Senior	187
Harmony Court	Bakersfield, CA	Kern	Senior	96
Harmony Creek Apartments	Orange, CA	Orange	Senior	83
Harmony Park	Buena Park, CA	Orange	Senior	59
Harmony Terrace	Simi Valley, CA	Ventura	Family	136
Harden Ranch	Salinas, CA	Monterey	Family	100
Hearthstone Village	Avenal, CA	Kings	Family	81
Kings Manor	Corcoran, CA	Kings	Family	81
Las Flores Apts.	Coachella, CA	Riverside	Family	81
Lindsay Family Apts.	Lindsay, CA	Tulare	Family	61
Los Arboles Family Apts.	Orange Cove, CA	Fresno	Family	81
Luis Spud Moreno Senior	Calexico, CA	Imperial	Senior	80
Montecito at Williams Ranch	Salinas, CA	Monterey	Senior	132
Monterey Park Senior Village	Monterey Park, CA	Los Angeles	Senior	114
Montevista Senior Apartments	San Pablo, CA	Contra Costa	Senior	82
Mountain View Senior Apts.	Ontario, CA	San Bernardino	Senior	86
Mountain View II Senior Apts.	Ontario, CA	San Bernardino	Senior	22
North Avenue Apts.	Sacramento, CA	Sacramento	Family	80
Oakwood Apts.	Moreno Valley, CA	Riverside	Family	241
Oasis Village Apts.	Adelanto, CA	San Bernardino	Family	81
Ocean Breeze Apartments	Santa Monica, CA	Los Angeles	Senior	20
Orchard View Apts.	Holtville, CA	Imperial	Family	81
Palmer Heights	Huron, CA	Fresno	Family	61
Park View Village	Porterville, CA	Tulare	Family	81
Peppertree Apartments	Banning, CA	Riverside	Family	81
Perris Station Apartments	Perris, CA	Riverside	Senior	84
Regency Place Senior Apts.	Anderson, CA	Shasta	Senior	81
River Gardens Apts.	Needles, CA	San Bernardino	Family	81
Riverview Apts.	Barstow, CA	San Bernardino	Family	81
Seasons Senior Villas @ The Civic Center	Chino, CA	San Bernardino	Senior	104
Seasons Senior Apartments	San Juan Capistrano, CA	Orange	Senior	112
Seasons II Senior Apartments	San Juan Capistrano, CA	Orange	Senior	38
Seasons II Senior Apts.	Lakewood, CA	Los Angeles	Senior	85
Second Street Senior Apts.	Dixon, CA	Solano	Senior	81
Sierra Village	Oroville, CA	Butte	Family	61
Sierra Vista Apts.	Seeley, CA	Imperial	Family	48
Solano Vista Senior Apts.	Vallejo, CA	Solano	Senior	96
Sonterra Apts.	Brawley, CA	Imperial	Family	54
Stonegate Apartments	San Jose, CA	Santa Clara	Family	120
Summercrest Villas	San Jose, CA	Santa Clara	Senior	66
Summerhill Apartments	Bakersfield, CA	Kern	Family	128
Summit Ridge	Banning, CA	Riverside	Family	81
Suncrest Apartments	Barstow, CA	San Bernardino	Family	81
Sungrove Senior Apts.	Garden Grove, CA	Orange	Senior	82
Sunny View Apts.	Merced, CA	Merced	Family	114
Sunnyside Apartments	Merced, CA	Merced	Family	121
Sycamore Walk	Bakersfield, CA	kern	Family	112
The Haven at Tapo Street	Simi Valley, CA	Ventura	Senior	36
Tuolumne Village Apts.	Parlier, CA	Fresno	Family	81
Valle Verde Apts.	Orange Cove, CA	Fresno	Family	73
Valley Village	Valley Village, CA	Los Angeles	Senior	188
Villa Monterey	Blythe, CA	Riverside	Family	81
Villa Rose Apts.	Selma, CA	Fresno	Family	53
Villa Savannah	San Jose, CA	Santa Clara	Family	140
Villas Santa Fe	Delano, CA	Kern	Family	81
Zaninovich Village Senior Apts.	Orange Cove, CA	Fresno	Senior	81
<b>TOTAL</b>				<b>6,633</b>

**NOTICE OF PUBLIC HEARING ON ISSUANCE OF  
MULTIFAMILY RENTAL HOUSING REVENUE BONDS  
FOR LAS PALMAS II APARTMENTS**

Notice is hereby given that on \_\_\_\_\_, 2016, a public hearing will be held as required by Section 147(f) of the Internal Revenue Code of 1986 by the County of Riverside with respect to the proposed issuance by the Golden State Finance Authority (the "Authority") of multifamily housing revenue bonds (the "Bonds") in one or more series in the maximum principal amount of \$3,900,000, for the purpose of providing funds to finance the acquisition, rehabilitation and equipping of a 81-unit multifamily rental housing project located at 51075 Frederick Street, Coachella, California 92236, Riverside County (the "Project"). The Project is to be owned by Las Palmas Coachella AR, L.P., a California limited partnership (the "Borrower") or related entities, and is generally known as Las Palmas II Apartments.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect, thereto will not constitute an indebtedness or an obligation by the Authority, Riverside County, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them, but will be payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The hearing will commence at \_\_\_\_ a.m., \_\_\_\_\_, 2016, and will be held in the Riverside County Administration Center, Board Chambers (1<sup>st</sup> Floor), 4080 Lemon Street, Riverside, CA 95201. Interested persons wishing to express their views on either the issuance of the Bonds or the Project will be given an opportunity to do so at the public hearing or may deliver written comments to the County prior to the hearing. Written comments may be submitted to the Clerk of the Board at any time prior to the hearing at 4080 Lemon Street, Riverside, CA 95201.

# THE PRESS-ENTERPRISE

1825 Chicago Ave, Suite 100  
Riverside, CA 92507  
951-684-1200  
951-368-9018 FAX

## PROOF OF PUBLICATION (2010, 2015.5 C.C.P)

Publication(s): The Press-Enterprise

### PROOF OF PUBLICATION OF

Ad Desc.:

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper in general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

05/31/2016

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: May 31, 2016

At: Riverside, California

  
Legal Advertising Representative, The Press-Enterprise

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1215 K STREET, SUITE 1650  
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#### NOTICE OF PUBLIC HEARING ON ISSUANCE OF MULTIFAMILY RENTAL HOUSING REVENUE BONDS FOR LAS PALMAS II APARTMENTS

Notice is hereby given that on June 21, 2016, a public hearing will be held as required by Section 147(f) of the Internal Revenue Code of 1986 by the County of Riverside with respect to the proposed issuance by the Golden State Finance Authority (the "Authority") of multifamily housing revenue bonds (the "Bonds") in one or more series in the maximum principal amount of \$3,900,000, for the purpose of providing funds to finance the acquisition, rehabilitation and equipping of a 81-unit multifamily rental housing project located at 51075 Frederick Street, Coachella, California 92236, Riverside County (the "Project"). The Project is to be owned by Las Palmas Coachella AR, L.P., a California limited partnership (the "Borrower") or related entities, and is generally known as Las Palmas II Apartments.

The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect, thereto will not constitute an indebtedness or an obligation by the Authority, Riverside County, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them, but will be payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower.

The hearing will commence at 9:00 a.m. or as soon thereafter as the matter may be heard, June 21, 2016, and will be held in the Riverside County Administration Center, Board Chambers (1st Floor), 4080 Lemon Street, Riverside, CA 95201. Interested persons wishing to express their views on either the issuance of the Bonds or the Project will be given an opportunity to do so at the public hearing or may deliver written comments to the County prior to the hearing. Written comments may be submitted to the Clerk of the Board at any time prior to the hearing at 4080 Lemon Street, 1st floor, Riverside, CA 95201.

5/31

