

City of Santa Rosa Tax Exempt Multifamily Housing Bond Term Sheet

Issuer	City of Santa Rosa
Definition	“Bonds” means tax-exempt and taxable bonds, notes or any other evidence of indebtedness authorized to be issued pursuant to Santa Rosa City Code and any applicable provisions of State law.
Bond Rating	Rating of AA or better from Standard & Poor’s or a comparable rating from another agency, except that private placement bond issues may be done without a rating or with a rating less than AA in accordance with the provisions set forth in Council Policy 000-15 Exhibit A.
Costs and Fees - General	Borrower pays all costs associated with the bond issuance and post bond issuance, including, but not limited to costs of the City/Issuer, bond counsel, financial advisor, California Debt Limit Allocation Committee, lender, trustee, rating agencies, requests for waivers of Council Policy, other closing costs and fees of any other parties required to complete the transaction, compliance monitoring, amendments, transfers of ownership, subordinations, default proceedings, IRS audits, change of ownership and/or property management company, amendments, subordinations, default proceedings, redemptions and prepayments.
Issuer Application Fee	An Application Fee in the amount of \$5,000 is due with submittal of an application for bond issuance. This non-refundable fee is compensation for the Issuer’s initial review of the application and the TEFRA public hearing. If the City is the Bond issuer, the Application Fee is credited toward the Bond Issuance Fee at bond closing.
Issuer Bond Issuance Fee	A Bond Issuance Fee in the amount of 25 basis points (0.25%) of the principal amount of the Bonds issued with a minimum fee of \$20,000, is payable at Bond closing. This fee is compensation for the Issuer’s administrative costs associated with issuing the Bonds.
Issuer Annual Compliance Monitoring Fee	An Annual Compliance Monitoring Fee in the amount of 12.5 basis points (0.125%) of the principal amount of the Bonds originally issued is payable in advance in two equal installments semi-annually (except that the first payment is prorated) with the first installment paid at Bond closing and every anniversary thereof and the second installment paid six months later. This fee is compensation for compliance monitoring of regulatory restrictions and administration of outstanding Bonds.
Land Use and Environmental Policies	All proposals must be consistent with adopted General Plan, Zoning Code, Design Review Guidelines, and any other land use policies of the City, state and federal governments, Environmental Laws, and other policies, as applicable.
Application Submittal	Application Submittal Requirements are set forth in Council Policy 000-15, Exhibit A, Section IV.A.
Repayment by Borrower	Bonds are intended to be non-recourse conduit financing in which the Issuer will not be responsible for the repayment of the debt. Repayment of principal and interest on Bonds issued by the Issuer will not be secured by any revenues, funds or assets of the City of Santa Rosa or the Housing Authority of the City of Santa Rosa, but only by the proceeds generated by the Project or other collateral, funds or moneys pledged and assigned by the Borrower to secure payment of the Bonds.
Further information:	City Council Policy 000-15 adopted by Council Resolution No. RES-2018-071 and City Code Chapter 4-52, as both may be amended from time to time.
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