

Advancing California Finance Authority

Governing Board

July 17, 2025

Agenda Item 6.a.

Windemere Ranch Infrastructure Financing Program

Subject:

Adoption of Resolution No. 2025-006 Directing the Use of Surplus Revenues Related to the Windemere Ranch Infrastructure Financing Program, and Approving Documents and Authorizing Actions in Connection Therewith

Background:

Windemere Ranch is a 2,300-acre planned community in San Ramon. In 1999, ABAG formed an assessment district to finance backbone infrastructure for Windemere Ranch. In 2004, ABAG FAN formed a community facilities district to fund additional infrastructure for Windemere Ranch. Since 1999, there have been several series of assessment bonds, special tax bonds and revenue bonds issued to finance and later refinance these projects. The debt service on these bonds is ultimately paid by property owners in Windemere Ranch.

There are currently surplus revenues available in the accounts related to the bonds, and a series of the outstanding bonds is currently callable. Redeeming a portion of the bonds from surplus revenues will reduce the special taxes and assessments paid by the property owners in Windemere Ranch. The current indenture allows surplus funds to be applied as credits against future special tax and assessment levies but does not provide for the application of surplus funds to bond redemptions. ACFA Resolution No. 2025-006 approves an amendment to the bond indenture that would allow a range of strategies to achieve favorable economic results for the properties in the Windemere Ranch, including redeeming bonds and providing credits against special taxes and assessments with surplus revenues.

Staff requests approval of Resolution No. 2025-006 directing:

- the use of existing surplus revenues to redeem a portion of the outstanding Refunding Revenue Bonds, Senior Series 2014-A (Windemere Ranch Infrastructure Financing Program) ("Series 2014 Bonds"),
- the establishment of a program for using future surplus revenues to redeem the outstanding Series 2014 Bonds and the outstanding Refunding Revenue Bonds, Subordinate Series 2017-A (Windemere Ranch Infrastructure Financing Program) and Taxable Refunding Revenue Bonds, Subordinate Series 2017-B (Windemere Ranch Infrastructure Financing Program) (collectively, "Series 2017 Bonds"), and
- the use of surplus revenues for other lawful purposes,

in each case for the purpose of reducing special taxes ("Special Taxes") payable by the property owners in ABAG Finance Authority for Nonprofit Corporations Community Facilities District No. 2004-2 (Windemere Ranch) ("CFD") and reducing reassessments ("Reassessments") payable by the property owners in the Association of Bay Area Governments Windemere Ranch Reassessment District ("Reassessment District").

Advancing California Finance Authority

Governing Board

July 17, 2025

Agenda Item 6.a.

Windemere Ranch Infrastructure Financing Program

Resolution No. 2025-006 also authorizes related actions and approves a Third Supplemental Indenture of Trust (Attachment B) and other related documents.

Authority of ACFA Related to ABAG FAN Bonds

The Association of Bay Area Governments (“ABAG”) and ABAG Finance Authority For Nonprofit Corporations (“ABAG FAN”) have entered into a Joint Exercise of Powers Agreement, which created the Advancing California Finance Authority (“Financing Authority”).

Pursuant to Article VI(L) of the joint exercise of powers agreement pursuant to which ABAG FAN was organized, ABAG FAN has the power to assign, delegate or contract with a third party to perform any of the duties of the ABAG FAN Board of Directors (the “ABAG FAN Board”), including but not limited to, acting as administrator for ABAG FAN.

On April 2, 2020, the executive committee of ABAG FAN approved the transfer of ABAG FAN Board duties and responsibilities as administrator to the Financing Authority pursuant to Resolution No. 20-002.

On May 21, 2020, the Governing Board approved, accepted and recognized the transfer of ABAG FAN Board duties to the Financing Authority pursuant to Resolution No. 2020-001, including but not limited to, acting as administrator of ABAG FAN.

History of the Windemere Ranch Infrastructure Financing Program.

The bonds described herein are part of a long-term infrastructure financing program for the 2,320-acre Windemere Ranch master development within the Dougherty Valley Specific Plan area. Windemere Ranch includes 5,170 residential units and 380,000 square feet of commercial space. The development is fully built out.

2007 Transaction. In 2007, ABAG FAN issued its Revenue Bonds, Series 2007-A (Windemere Ranch Infrastructure Financing Program) (“Series 2007-A Bonds”) and its Revenue Bonds, Subordinate Series 2007-B (Windemere Ranch Infrastructure Financing Program) (“Series 2007-B Bonds”) and, together with the Series 2007-A Bonds, “2007 Bonds”), in order to acquire three series of bonds:

- Limited Obligation Improvement Refunding Bonds, Series 2007-A, Association of Bay Area Governments, Windemere Ranch Reassessment District (“Reassessment Bonds”) and
- ABAG Finance Authority For Nonprofit Corporations Community Facilities District No. 2004-2 (Windemere Ranch) Special Tax Refunding Bonds, Series 2007A and Special Tax Bonds, Series 2007B (collectively, “Special Tax Bonds”).

Advancing California Finance Authority

Governing Board

July 17, 2025

Agenda Item 6.a.

Windemere Ranch Infrastructure Financing Program

The 2007 Bonds were issued pursuant to an Indenture of Trust, dated as of June 1, 2007 ("Original Indenture"), between ABAG FAN and U.S. Bank Trust Company, National Association, as successor trustee ("Trustee").

Series 2014 Bonds. ABAG FAN issued the Series 2014 Bonds to refinance the then-outstanding Series 2007-B Bonds.

ABAG FAN issued the Series 2014 Bonds pursuant to the Original Indenture, as amended and supplemented by a First Supplemental Indenture of Trust, dated as of August 1, 2014 ("First Supplement").

The Series 2014 Bonds are secured by and payable from debt service payments on the Reassessment Bonds and the Special Tax Bonds ("Revenues").

The Reassessment Bonds are payable from Reassessments levied in the Reassessment District, and the Special Tax Bonds are payable from Special Taxes levied in the CFD.

Series 2017 Bonds. In 2017, ABAG FAN issued the Series 2017 Bonds for the purpose of refinancing the outstanding Series 2007-A Bonds.

The Series 2017 Bonds are secured by and payable from Revenues on a subordinate basis to the Series 2014 Bonds.

ABAG FAN issued the Series 2017 Bonds pursuant to the Original Indenture, as amended and supplemented by the First Supplement and a Second Supplemental Indenture of Trust, dated as of June 1, 2017 ("Second Supplement").

Issues:

None identified.

Advancing California Finance Authority

Governing Board

July 17, 2025

Agenda Item 6.a.

Windemere Ranch Infrastructure Financing Program

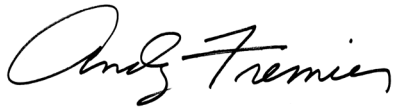
Recommended Action:

The Governing Board of the Advancing California Finance Authority is requested to adopt Resolution No. 2025-006 Directing the Use of Surplus Revenues Related to the Windemere Ranch Infrastructure Financing Program, and Approving Documents and Authorizing Actions in Connection Therewith.

Attachments:

- A. Resolution No. 2025-006
- B. Third Supplemental Indenture of Trust

Reviewed:

A handwritten signature in black ink, appearing to read "Andrew B. Fremier". The signature is fluid and cursive, with the first name "Andrew" and last name "Fremier" clearly distinguishable.

Andrew B. Fremier