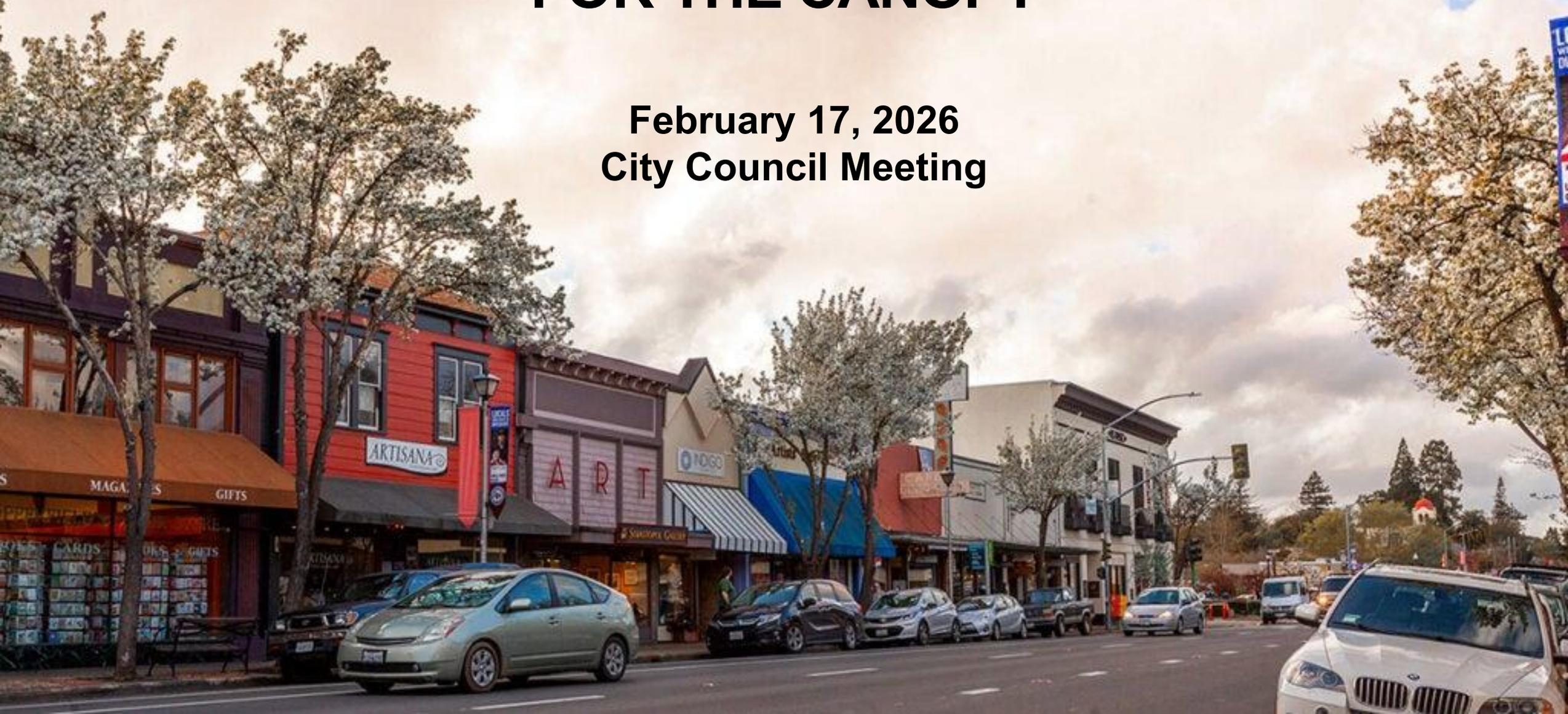




# “BOLD” FINANCING FOR THE CANOPY

February 17, 2026  
City Council Meeting





# AGENDA

- I. Objective
- II. Background
- III. Discussion
- IV. Recommendation
- V. Questions



# OBJECTIVE

1. Hold public hearing on BOLD Program
2. Adopt Resolution joining CMFA
3. Adopt Resolution authorizing BOLD solely for City Ventures' The Canopy development project

# BACKGROUND

- **April 2, 2024**
  - City Council approved a 80-unit townhouse project (“The Canopy”)
- **December 17, 2024**
  - City Council approved the Final Map for The Canopy





# DISCUSSION

- CMFA – California Municipal Finance Authority
- BOLD – Bond Opportunities for Land Development Program
  - Offered by CMFA for financing of housing development



# CMFA

- California Municipal Finance Authority (CMFA) is a State-wide joint powers authority (“JPA”) whose members are numerous public entities throughout California.
- CMFA has the authority to act on behalf of its members to provide a variety of services to its member public agencies, including formation of community facilities districts and issuance of bonds to meet its mission of supporting economic development, job creation and social programs throughout the State of California (the “State”), while giving back to California communities.
- Over 100 cities are members of CMFA, including Windsor, Santa Rosa, Napa, and Mill Valley.

# The BOLD Program

## What is the BOLD Program and why is it being offered?

- Bond Opportunities for Land Development (BOLD) is a financing program offered by the California Municipal Financing Authority (CMFA) that allows for the financing of public infrastructure and impact fees for development projects.
- Any public agency can participate in the BOLD program, which offers low-cost, tax-exempt financing for development projects.
- To facilitate the program, Community Facilities Districts (CFDs) will be formed, managed and administered by CMFA, and minimal public agency efforts will be required in the process. The formation of a CFD will not necessitate the issuance of bonds or payment of debt service until a project is ready to issue debt.
- A CFD may be formed for a project with bonds issued at a later time when it best meets the project's development timeline.
- Bonds will be issued at multiple times throughout the year and may include more than one CFD, offering the advantage and option of low-cost, pooled financing.



# The BOLD Program

## Community Facilities District Basics

Under the BOLD Program, CMFA will create Community Facility Districts to finance eligible improvements and local agency fees.

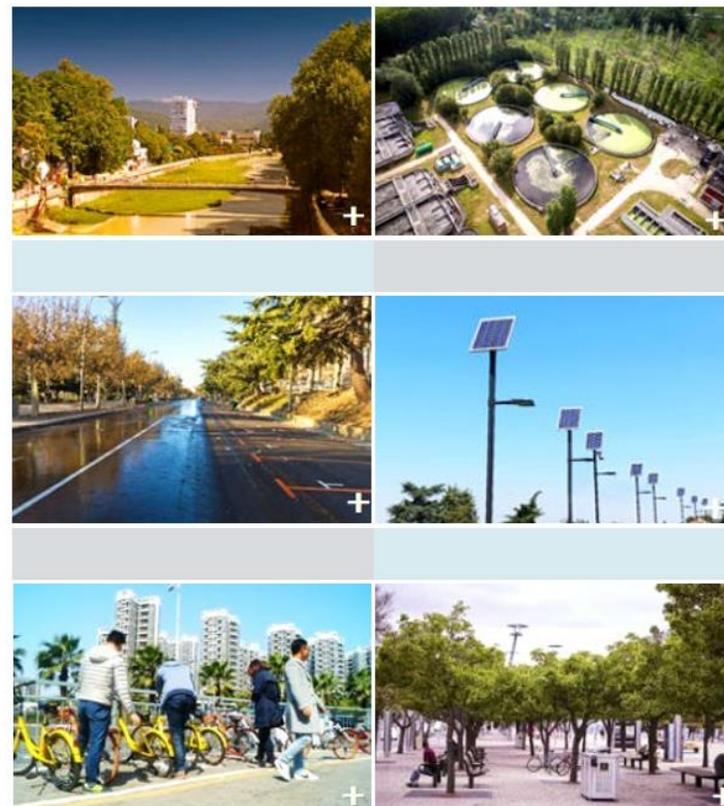
Eligible improvements are extremely flexible and include:

- Streets and Sidewalks
- Sewer and Water Treatment Capacity
- Water and Sewer Lines
- Flood Control
- Parks
- Open Space
- Street Lighting
- School Facilities

Additionally, the **BOLD Program** allows for the financing of fees, including:

- City and Fees or County Fees (may require agreement)
- School Fees (requires an agreement with the school district)
- Special District (requires agreement)

The **BOLD Program** also allows for the ongoing funding of services.



# The BOLD Program

## Local Agency Requirements

- A Local Agency is required to become a Member of CMFA (CMFA Membership is free)
- Local Agency may have a consultant review the financing plan to ensure that it meets with the Local Agency's Goals and Policies
- The Local Agency adopts a Resolution consenting to use BOLD (**Sample Resolutions are available from Jones Hall**)



- Jones Hall will approve the eligibility of improvements and fees based on consultation with Local Agency
- An acquisition agreement will be executed between the Local Agency and CMFA to reimburse the developer for public improvements and/or fees
- The Local Agency will accept completed improvements and/or fees, and requisition of funds



# The BOLD Program

## Local Agency Benefits

- 1 ■ Outsourcing of the CFD and formation and bond issuance process
  - Limited local agency participation
- 2 ■ No cost to join the program and any administrative costs that are borne by the local agency are reimbursed
- 3 ■ Tax bills reflect CMFA and not the local agency name
- 4 ■ No ongoing continuing disclosure requirement (unlike if local agency issued bonds)
- 5 ■ Local Agency Council actions limited to Joining CMFA, joining BOLD and approving acquisition agreement
- 6 ■ Bond documents and actions all undertaken by CMFA
- 7 ■ Provides funding source for new public improvements and impact fees
- 8 ■ BOLD team conducts detailed review of Developer payment requests and administers disbursement of CFD bond proceeds upon obtaining local agency approvals
- 9 ■ In the case of default no liability to the local agency





# The BOLD Program

## Minimum Requirements to Participate:

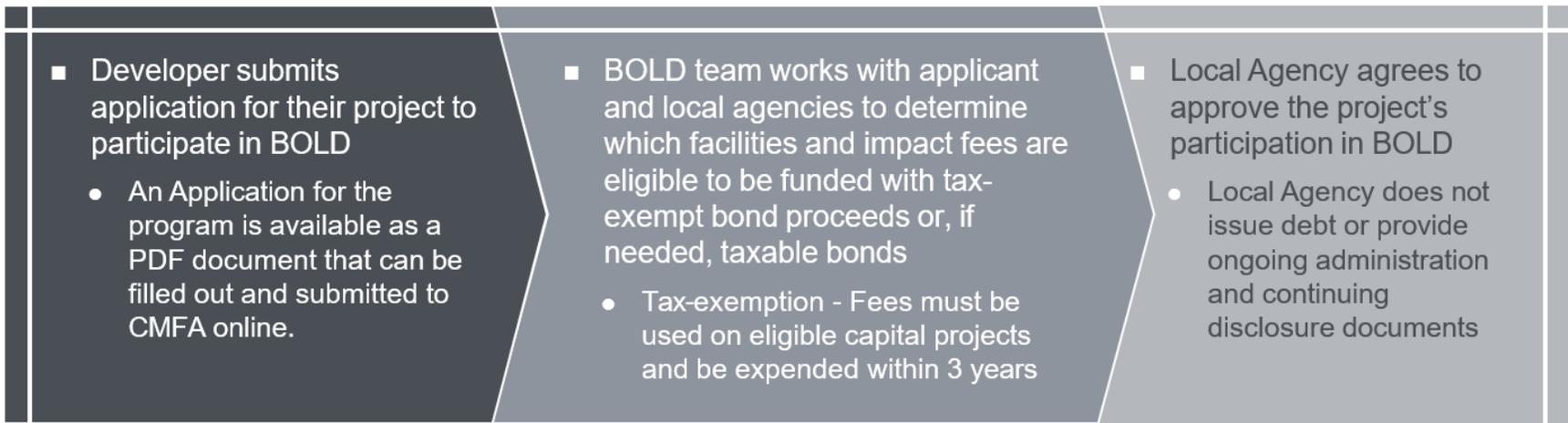


- **Minimum size of \$500,000**
- **Required deposit to pay for formation of the CFD**
- **While a CFD can be formed, bond issuance will typically need to meet the following conditions:**
  - Project must have all discretionary development entitlements
  - Tax burden (including all other taxes) cannot exceed 2% of the estimated value of the home
  - Value of the property must be at least 4 times the bond lien and other overlapping debt
  - Project must meet the goals and policies of the local jurisdiction



# The BOLD Program

## CFD Formation Steps



- Developer provides deposit to CMFA to pay for formation of the CFD**
- Special tax consultant drafts the Rate and Method of Apportionment and prepares CFD boundary map**
- CFDs are established by CMFA and special taxes are billed in CMFA's name**
- Formation proceedings are conducted by CMFA**
- Public hearing and landowner vote are conducted by CMFA**
- CFDs can be formed in as little as 3 months**





# The BOLD Program

## Bond Issuance Steps

<ul style="list-style-type: none"><li>Once the CFD is formed and special tax is authorized to be levied, Bonds can be issued</li></ul>	<ul style="list-style-type: none"><li>Bonds can be issued shortly after CFD formation or after an extended <u>period of time</u> depending on needs of project and status of development</li></ul>	<ul style="list-style-type: none"><li>Bonds for larger CFDs may be issued on a stand-alone basis</li></ul>	<ul style="list-style-type: none"><li><u>Most smaller</u> CFDs (in terms of units and amount borrowed) will be issued as part of a Pooled Bond Funding Program – bonds for multiple CFDs issued through a single bond issue</li></ul>
<ul style="list-style-type: none"><li>CMFA authorizes the sale of the bonds and issues bonds upon request</li></ul>	<ul style="list-style-type: none"><li>CMFA approves Bond and disclosure documents</li></ul>	<ul style="list-style-type: none"><li>Bonds are marketed and sold to investors by Piper Sandler</li></ul>	<ul style="list-style-type: none"><li>Financing is closed and funds are delivered to pay infrastructure costs and impact fees</li></ul>



# BOLD Program Formations and Bond Financings

## Since the inception of the BOLD Program:

- **70 local agencies** have approved the use of BOLD Program
- **110 Community Facilities Districts** throughout the State have been formed under the Program
- **\$675 million** in bonds have been issued for **70+ separate projects**, financing improvements for a total of 12,000+ housing units.
  - 21 Pooled Financings
  - 24 Standalone Financings

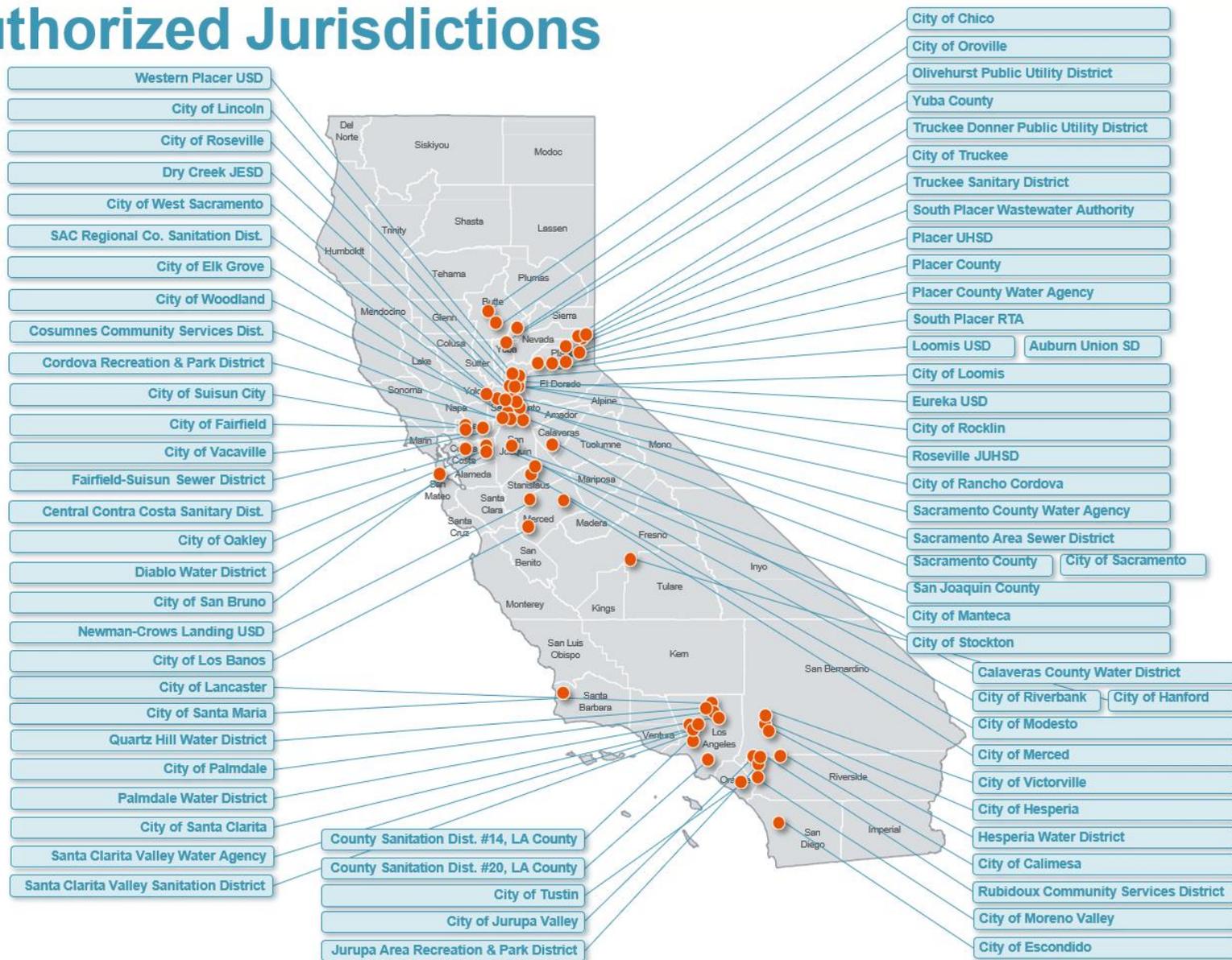
## Looking forward in 2026:

- **10 CFDs** under formation
- **6 Bond Financings** to be priced in the first half of 2026
  - 1 Spring Pool and 5 Standalone
  
- BOLD is flexible to issue bonds for multiple Improvement Areas/Tax Zones when the timing is right, to **maximize Value and Proceeds** while aiming for the **lowest cost of issuance** that market conditions will allow
- BOLD team is happy to talk through any Bond Financing





# Authorized Jurisdictions





# BOLD: THE CANOPY

Fee Type	Total Fees (80 Total Units)	Financed Fees/Unit (68 Units)
Development Impact Fee	\$ 441,360	\$ 6,491
General Government Fee	\$ 241,360	\$ 3,549
Stormwater Fee	\$ 200,000	\$ 2,941
Fire Protection Impact Fee	\$ 80,000	\$ 1,176
Park Impact Fee	\$ 719,520	\$ 10,581
Traffic Impact Fee	\$ 369,920	\$ 5,440
Sewer Capacity Fee	\$ 364,000	\$ 5,353
Water Meter Fee	\$ 275,893	\$ 4,057
<b>Total</b>	<b>\$ 2,692,053</b>	<b>\$ 39,589</b>

\* The 12 Below Market Units will be excluded from the CFD and proposed special tax.

**Maximum Annual Assessment/Unit: \$3,220**

# DISCUSSION

- City Ventures applying to CMFA to use the BOLD Program to fund development impact fees for “The Canopy” project
- Future homeowners would have an extra line on their property tax bill
- Income-restricted units will be *exempt* from the special assessment

