



Agenda Report

Fullerton City Council

MEETING DATE: JUNE 16, 2026

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: SUNAYANA THOMAS, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

PREPARED BY: DANIEL VALDEZ, HOUSING MANAGER

SUBJECT: TAX-EXEMPT BONDS ISSUANCE BY THE CALIFORNIA STATEWIDE COMMUNITIES' DEVELOPMENT AUTHORITY FOR UCA AND UCE APARTMENTS

SUMMARY

Staff requests City Council approve a Tax Equity and Fiscal Responsibility Act (TEFRA) Resolution authorizing the California Statewide Communities Development Authority to issue tax-exempt bonds not to exceed \$180,000,000 to finance or refinance UCE Apartment Homes and UCA Apartment Homes acquisition and rehabilitation.

PROPOSED MOTION

1. Adopt Resolution No. 2026-XXX.

RESOLUTION NO. 2026-XXX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, APPROVING THE ISSUANCE OF THE CALIFORNIA STATEWIDE COMMUNITIES' DEVELOPMENT AUTHORITY QUALIFIED 501(C)(3) BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$180,000,000 TO FINANCE OR REFINANCE UCE APARTMENT HOMES AND UCA APARTMENT HOMES ACQUISITION, REHABILITATION, IMPROVEMENT AND EQUIPPING AND CERTAIN OTHER MATTERS RELATING THERETO

2. Authorize City Manager, or designee, to execute and administer all documents and actions necessary to implement the Resolution.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Provide alternative direction to staff or continue the item to a future meeting
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

None.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement:

- Infrastructure and City Assets.

FISCAL IMPACT

This action generates no fiscal impact to the City. The Bonds would be issued as limited obligations of California Statewide Communities Development Authority (CSCDA), payable solely from revenues and receipts derived from a loan to be made by CSCDA to the Borrower with the Bond proceeds. The City bears no liability with respect to the issuance of the Bonds. Further, the City is not a party to any of the financing documents related to the Bond issuance and is not named in any of the disclosure documents describing the Bonds or the proposed financing.

DISCUSSION

UCE Apartment Homes is a 147-unit garden-style multifamily community located at 600 Langsdorf Drive adjacent to California State University, Fullerton built in 1974 on approximately 3.7 acres. The property consists of one- and two-bedroom units and includes a clubhouse, fitness center, pool area, business and media rooms, recreational amenities, laundry facilities and surface parking.

UCA Apartment Homes is a 248-unit garden-style multifamily community located at 2404 Nutwood Avenue adjacent to California State University, Fullerton built in 1975 on approximately 6.5 acres. The property consists of one- and two-bedroom units and includes a clubhouse, business center, fitness room, pool and spa area, dog run, landscaped grounds and surface parking.

Foothill Affordable Housing Foundation proposes to acquire and preserve UCE Apartment Homes and UCA Apartment Homes utilizing a combination of credit-enhanced and unrated tax-exempt 501(c)(3) bonds issued through CSCDA. Bond proceeds would finance or refinance property acquisition, rehabilitation, improvement and equipping.

The borrower would enter regulatory agreements restricting 40 percent of the units to households earning no more than 60 percent of Area Median Income (AMI) and 60 percent of the units to households earning no more than 80 percent of AMI in connection with the financing. These affordability restrictions would preserve and expand affordable housing opportunities within the City while maintaining the properties as long-term multifamily housing assets. The aggregate principal amount of the bonds

will not exceed \$180,000,000. The bonds will be limited obligations of CSCDA, payable solely from revenues derived from the financing. Neither the City nor any of its funds, assets, taxing authority, or credit will be pledged toward repayment of the bonds.

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) require the elected legislative body conduct a public hearing and approve issuance before issuing tax-exempt private activity bonds to finance a project. CSCDA received an application from Foothill Affordable Housing Foundation to issue tax-exempt qualified 501(c)(3) bonds to finance acquisition, rehabilitation, and preservation of two existing multifamily housing communities located in Fullerton.

CSCDA published notice of a public hearing in the Orange County Register on May 28, 2026 and conducted the public hearing on June 4, 2026 as required by TEFRA. CSCDA received no public comments during the hearing. City Council consideration of this item is separate from the TEFRA public hearing conducted by CSCDA. This item does not ask City Council to approve a development project, land use entitlement or discretionary planning action. Rather, this item requests City Council provide the elected-body approval required under federal law to allow CSCDA to issue tax-exempt bonds for the proposed financing.

Attachments:

- Attachment 1 – Draft City Council Resolution No. XXX
- Attachment 2 – Public Notice

cc: City Manager Eddie Manfro