



BEAR MOUNTAIN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Community Preservation Partners

Action: Initial Resolution

Amount: \$1,900,000 (Not to exceed)

Purpose: Finance the Acquisition and Rehabilitation of Affordable Housing Apartments in the City of Arvin, County of Kern, California

Activity: Affordable Housing

Meeting: July 1, 2011

Background:

To achieve its high quality standards, Community Preservation Partners draws on the collective experience of its 38-year-old parent company WNC, which employs 60 professionals with experience in every facet of affordable housing. Preservation of older affordable communities is a specialized and relatively new issue within the affordable housing industry, with each community having complex and unique needs. The Community Preservation Partners staff brings to the table the necessary experience, knowledge and resources which can benefit the revitalization of these older projects. Community Preservation Partners currently owns over 1,000 units with a total development cost of over \$90 million.

Community Preservation Partners is WNC & Associate's development arm. The Community Preservation Partners was formed primarily to create exit strategies for owners and investors of multifamily communities older than 10 years. Through the recapitalization of these older communities they are able to be kept as affordable housing. With both WNC as developer and property manager, the properties receive a high level of commitment to safe and clean communities.

This will be CMFA's third transaction with WNC.

The Project:

The Bear Mountain Apartments project is an acquisition and rehabilitation of an affordable multi-family housing development located in the City of Arvin, California. The project will contain a total of 35 units of affordable rental housing apartments. The project will include a mix of one, two, and three bedroom units for families earning between 50% and 60% of AMI. Site amenities will include recreational areas, barbecues, covered parking, refrigerator, disposal, blinds, laundry rooms, and Community Room with Kitchen.

The City of Arvin:

The City of Arvin will need to become a member of the CMFA and hold a TEFRA hearing. The City of Arvin is expected to receive approximately \$1,250 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>
Tax-Exempt Bond Proceeds:	\$ 1,660,000
Existing 515 Loan:	\$ 1,391,104
Income from Operations:	\$ 70,758
Deferred Developer Fee:	\$ 286,603
Equity:	<u>\$ 729,626</u>
Total Sources:	\$ 4,138,091

Uses of Funds:	
Land Acquisition:	\$ 230,000
Building Acquisition:	\$ 1,645,000
Rehabilitation:	\$ 707,098
Architectural & Engineering:	\$ 36,700
Legal and Professional:	\$ 86,428
Financing Costs:	\$ 88,100
Reserves:	\$ 188,070
Developer Fee:	\$ 369,516
Loan Take Out:	\$ 759,999
Cost of Issuance:	<u>\$ 27,180</u>
Total Sources:	\$ 4,138,091

Terms of Transaction:

Amount:	\$1,900,000 (not to exceed)
Maturity:	40 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	December 2011.

Public Benefit:

The Bear Mountain Apartments will provide 35 affordable apartments for low-income households with incomes at or below the area median income. Arvin's low-income community has a need for affordable housing. This project will help supply the area with affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%
31% (11 Units) restricted to 50% or less of area median income households; and
69% (24 Units) restricted to 60% or less of area median income households;
Unit Mix: 1, 2 and 3
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Cox, Castle & Nicholson LLP

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$1,900,000 of tax-exempt private activity bonds to finance the acquisition and rehabilitation of affordable housing in the City of Arvin, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



CALIFORNIA TERRACE APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Community Preservation Partners
Action:	Initial Resolution
Amount:	\$1,600,000 (Not to exceed)
Purpose:	Finance the Acquisition and Rehabilitation of Affordable Housing Apartments in the City of California City, County of Kern, California
Activity:	Affordable Housing
Meeting:	July 1, 2011

Background:

To achieve its high quality standards, Community Preservation Partners draws on the collective experience of its 38-year-old parent company WNC, which employs 60 professionals with experience in every facet of affordable housing. Preservation of older affordable communities is a specialized and relatively new issue within the affordable housing industry, with each community having complex and unique needs. The Community Preservation Partners staff brings to the table the necessary experience, knowledge and resources which can benefit the revitalization of these older projects. Community Preservation Partners currently owns over 1,000 units with a total development cost of over \$90 million.

Community Preservation Partners is WNC & Associate's development arm. The Community Preservation Partners was formed primarily to create exit strategies for owners and investors of multifamily communities older than 10 years. Through the recapitalization of these older communities they are able to be kept as affordable housing. With both WNC as developer and property manager, the properties receive a high level of commitment to safe and clean communities.

This will be CMFA's fourth transaction with WNC.

The Project:

The California Terrace Apartments project is an acquisition and rehabilitation of an affordable multi-family housing development located in the City of California City, California. The project will contain a total of 31 units of affordable rental housing apartments. The project will include a mix of two, and three bedroom units for families earning between 50% and 60% of AMI. Site amenities will include recreational areas, barbecues, covered parking, refrigerator, disposal, blinds, laundry rooms, and Community Room with Kitchen.

The City of California City:

The City of California City will need to become a member of the CMFA and hold a TEFRA hearing. The City of California City is expected to receive approximately \$1,250 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>
Tax-Exempt Bond Proceeds:	\$ 1,210,000
Existing 515 Loan:	\$ 1,218,966
Income from Operations:	\$ 175,018
Deferred Developer Fee:	\$ 35,022
Equity:	<u>\$ 458,201</u>
Total Sources:	\$ 3,097,207

Uses of Funds:	
Land Acquisition:	\$ 160,000
Building Acquisition:	\$ 1,190,000
Rehabilitation:	\$ 506,880
Architectural & Engineering:	\$ 36,700
Legal and Professional:	\$ 101,428
Financing Costs:	\$ 95,100
Reserves:	\$ 162,000
Developer Fee:	\$ 256,419
Loan Take Out:	\$ 560,000
Cost of Issuance:	<u>\$ 28,680</u>
Total Sources:	\$ 3,097,207

Terms of Transaction:

Amount:	\$1,600,000 (not to exceed)
Maturity:	40 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	December 2011.

Public Benefit:

The California Terrace Apartments will provide 31 affordable apartments for low-income households with incomes at or below the area median income. California City's low-income community has a need for affordable housing. This project will help supply the area with affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%
32% (10 Units) restricted to 50% or less of area median income households; and
68% (21 Units) restricted to 60% or less of area median income households;
Unit Mix: 2 and 3
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Cox, Castle & Nicholson LLP

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$1,600,000 of tax-exempt private activity bonds to finance the acquisition and rehabilitation of affordable housing in the City of California City, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



WEEDPATCH APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Community Preservation Partners

Action: Initial Resolution

Amount: \$1,900,000 (Not to exceed)

Purpose: Finance the Acquisition and Rehabilitation of Affordable Housing Apartments in the City of Lamont, County of Kern, California

Activity: Affordable Housing

Meeting: July 1, 2011

Background:

To achieve its high quality standards, Community Preservation Partners draws on the collective experience of its 38-year-old parent company WNC, which employs 60 professionals with experience in every facet of affordable housing. Preservation of older affordable communities is a specialized and relatively new issue within the affordable housing industry, with each community having complex and unique needs. The Community Preservation Partners staff brings to the table the necessary experience, knowledge and resources which can benefit the revitalization of these older projects. Community Preservation Partners currently owns over 1,000 units with a total development cost of over \$90 million.

Community Preservation Partners is WNC & Associate's development arm. The Community Preservation Partners was formed primarily to create exit strategies for owners and investors of multifamily communities older than 10 years. Through the recapitalization of these older communities they are able to be kept as affordable housing. With both WNC as developer and property manager, the properties receive a high level of commitment to safe and clean communities.

This will be CMFA's fifth transaction with WNC.

The Project:

The Weedpatch Apartments project is an acquisition and rehabilitation of an affordable multi-family housing development located in the City of Lamont, California. The project will contain a total of 35 units of affordable rental housing apartments. The project will include a mix of one, two, and three bedroom units for families earning between 50% and 60% of AMI. Site amenities will include recreational areas, barbecues, covered parking, refrigerator, disposal, blinds, laundry rooms, and Community Room with Kitchen.

The City of Lamont:

The City of Lamont will need to become a member of the CMFA and hold a TEFRA hearing. The City of Lamont is expected to receive approximately \$1,250 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>
Tax-Exempt Bond Proceeds:	\$ 1,510,000
Existing 515 Loan:	\$ 1,868,017
Income from Operations:	\$ 131,005
Deferred Developer Fee:	\$ 6,149
Equity:	<u>\$ 639,908</u>
Total Sources:	\$ 4,155,079

Uses of Funds:	
Land Acquisition:	\$ 230,000
Building Acquisition:	\$ 1,670,000
Rehabilitation:	\$ 479,002
Architectural & Engineering:	\$ 36,700
Legal and Professional:	\$ 116,428
Financing Costs:	\$ 109,600
Reserves:	\$ 192,930
Developer Fee:	\$ 328,739
Loan Take Out:	\$ 960,000
Cost of Issuance:	<u>\$ 31,680</u>
Total Sources:	\$ 4,155,079

Terms of Transaction:

Amount:	\$1,900,000 (not to exceed)
Maturity:	40 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	December 2011.

Public Benefit:

The Weedpatch Apartments will provide 35 affordable apartments for low-income households with incomes at or below the area median income. Lamont's low-income community has need for affordable housing. This project will help supply the area with affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%
31% (11 Units) restricted to 50% or less of area median income households; and
69% (24 Units) restricted to 60% or less of area median income households;
Unit Mix: 1, 2 and 3
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Cox, Castle & Nicholson LLP

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$1,900,000 of tax-exempt private activity bonds to finance the acquisition and rehabilitation of affordable housing in the City of California Lamont, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



POSO MANOR APARTMENTS / ROSE VALLEY APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Community Preservation Partners

Action: Initial Resolution

Amount: \$6,000,000 (Not to exceed)

Purpose: Finance the Acquisition and Rehabilitation of Affordable Housing Apartments in the City of Wasco, County of Kern, California

Activity: Affordable Housing

Meeting: July 1, 2011

Background:

To achieve its high quality standards, Community Preservation Partners draws on the collective experience of its 38-year-old parent company WNC, which employs 60 professionals with experience in every facet of affordable housing. Preservation of older affordable communities is a specialized and relatively new issue within the affordable housing industry, with each community having complex and unique needs. The Community Preservation Partners staff brings to the table the necessary experience, knowledge and resources which can benefit the revitalization of these older projects. Community Preservation Partners currently owns over 1,000 units with a total development cost of over \$90 million.

Community Preservation Partners is WNC & Associate's development arm. The Community Preservation Partners was formed primarily to create exit strategies for owners and investors of multifamily communities older than 10 years. Through the recapitalization of these older communities they are able to be kept as affordable housing. With both WNC as developer and property manager, the properties receive a high level of commitment to safe and clean communities.

This will be CMFA's sixth transaction with WNC.

The Project:

The Poso Manor Apartments and Rose Valley Apartments project is an acquisition and rehabilitation of affordable multi-family housing developments located in the City of Wasco, California. The project will contain a total of 98 units of affordable rental housing apartments. The project will include a mix of one, two, and three bedroom units for families earning between 50% and 60% of AMI. Site amenities will include recreational areas, barbecues, covered parking, refrigerator, disposal, blinds, laundry rooms, and Community Room with Kitchen.

The City of Wasco:

The City of Wasco is a member of the CMFA and will need to hold a TEFRA hearing. The City of Wasco is expected to receive approximately \$3,125 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>
Tax-Exempt Bond Proceeds:	\$ 4,220,000
Existing 515 Loan:	\$ 3,134,818
Income from Operations:	\$ 306,881
Deferred Developer Fee:	\$ 157,742
Equity:	<u>\$ 1,749,326</u>
Total Sources:	\$ 9,568,767

Uses of Funds:	
Land Acquisition:	\$ 700,000
Building Acquisition:	\$ 3,400,000
Rehabilitation:	\$ 2,402,611
Architectural & Engineering:	\$ 73,400
Legal and Professional:	\$ 202,856
Financing Costs:	\$ 208,200
Reserves:	\$ 503,000
Developer Fee:	\$ 883,340
Loan Take Out:	\$ 1,120,000
Cost of Issuance:	<u>\$ 75,360</u>
Total Sources:	\$ 9,568,767

Terms of Transaction:

Amount:	\$6,000,000 (not to exceed)
Maturity:	40 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	December 2011.

Public Benefit:

The Poso Manor Apartments and Rose Valley Apartments will provide 98 affordable apartments for low-income households with incomes at or below the area median income. Wasco's low-income community has a need for affordable housing. This project will help supply the area with affordable housing for 55 years.

Percent of Restricted Rental Units in the Project: 100%
31% (30 Units) restricted to 50% or less of area median income households; and
69% (68 Units) restricted to 60% or less of area median income households;
Unit Mix: 1, 2 and 3
Term of Restriction: 55 years

Finance Team:

Lender:	TBD
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Cox, Castle & Nicholson LLP

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$6,000,000 of tax-exempt private activity bonds to finance the acquisition and rehabilitation of affordable housing in the City of Wasco, Kern County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.



ORANGE GARDENS APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Affirmed Housing Group

Action: Final Resolution

Amount: \$7,600,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
 Located in the City of Poway, San Diego County, California

Activity: Affordable Housing

Meeting: July 1, 2011

Background:

The Affirmed Housing Group is a Southern-California based Affordable Housing Developer specializing in tax-credit and tax-exempt bond financed multi-family and single family developments. Areas of expertise include site selection, engineering, architecture, construction, relocation, and marketing. They also have extensive knowledge in public finance, low-income housing tax credit acquisition and tax- exempt bond financing. Through collaboration with civic leaders and private-sector financial partners, Affirmed Housing Group is dedicated to improving and sustaining the viability of California communities through the development of well designed and professionally managed affordable housing

James Silverwood, President and CEO of Affirmed Housing Group has over 24 years of experience in the development and construction industry, and has extensive experience as general partner in partnerships with over \$500 Million of real estate development activity in the past 13 years.

Current development activities include new construction, as well as acquisition and substantial rehabilitation of family and senior apartment complexes throughout California and the mid-Atlantic U.S.

The Project:

The Orange Garden Apartments is an Acquisition/Rehabilitation multi-family housing development located in the City of Poway, California. The project will convert an existing 52 unit market rate apartment complex into an affordable apartment complex. The project consists of six two-story, walk up buildings with eighty (80) surface parking spaces. The project will involve the construction of a 1,500 square foot community building for the residents

The City of Poway:

The City of Poway is a member of the CMFA and held a TEFRA hearing on January 18, 2011. Upon closing the City of Poway is expected to receive approximately \$4,750 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 7,600,000	\$ 1,523,000
Direct & Indirect Public Funds:	\$ 5,635,000	\$ 8,846,000
Low Income Housing Tax Credit Equity:	\$ 985,953	\$ 3,790,720
Other:	\$ 0	\$ 60,873
Developer Equity:	\$ 200,000	\$ 200,000
Total Sources:	\$ 14,420,593	\$14,420,593

Uses of Funds:

Land Purchase:	\$ 6,250,000
On-Site & Off-Site Costs:	\$ 814,382
Hard Construction Costs:	\$ 3,060,188
Architect & Engineering Fees:	\$ 315,500
Contractor Overhead & Profit:	\$ 200,000
Developer Fee:	\$ 1,400,000
Relocation:	\$ 400,000
Cost of Issuance:	\$ 225,000
Capitalized Interest:	\$ 240,000
Other Soft Costs:	<u>\$ 1,515,523</u>
Total Sources:	\$14,420,593

Terms of Transaction:

Amount:	\$7,600,000
Rate:	Fixed
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	July 2011

Public Benefit:

Fifty-two families will now be able to enjoy high quality affordable housing in the City of Poway. Services at the complex will include on-site parking, laundry facilities, air conditioning, picnic areas and children's play areas and after school programs.

Percent of Restricted Rental Units in the Project: 100%
50% (26 Units) restricted to 50% or less of area median income households; and
50% (26 Units) restricted to 60% or less of area median income households;
Unit Mix: 1, 2 and 3 bedrooms
Term of Restriction: 55 years

Finance Team:

Lender:	Wells Fargo Bank, N.A.
Lender Counsel:	SNR Denton
Bond Counsel:	Quint & Thimmig
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Incorvaia & Associates
Borrower Consultant:	Otero-Milich & Associates, Inc.

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution of \$7,600,000 for the Orange Garden Apartments affordable housing project located in the City of Poway, San Diego County, California.



CAMROSA WATER DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Camrosa Water District Financing Authority
Action:	Approve JPA Creation & Membership
Amount:	\$12,000,000
Purpose:	To Create a New JPA for the Camrosa Water District Financing Authority
Activity:	Creating JPA
Meeting:	July 1, 2011

Background:

Camrosa Water District encompasses an area of about 31 square miles in the southern portion of Ventura County, California. The District is surrounded by the Cities of Camarillo, Simi Valley, Moorpark and Thousand Oaks. The District is governed by a 5 member Board of Directors. The District serves more than 31,000 people and delivers more than 14,400 acre-feet of water each year. Camrosa delivers potable water, non-potable surface water and water reclaimed at its Water Reclamation Facility.

The District Facilities are all monitored and operated with a state-of-the-art radio telemetry system. Both the Water Production and Distribution systems as well as the Water Reclamation Facility can be operated remotely from anywhere in the World. The use of technology is an important part of the Board's strategy to keep consumer costs low.

Daily operation of the District falls under the responsibility of the General Manager. The 20 member staff maintains over 10,000 water and 7,500 sanitary service connections in a service area spread over 31 square miles. District Offices are located at 7385 Santa Rosa Road. Camrosa Water District employs a full-time staff of 20 led by a General Manager Frank E. Royer who also serves as Secretary to the Board of Directors.

According to certain investment bankers and financial advisors, changes in the municipal markets have significantly widened the cost of borrowing through issuance of certificates of participation versus revenue bonds. Substantively there is no difference between a revenue-secured COP and a

revenue bond; the security for both forms of debt is identical. But because COPs are also used for lease-backed debt of cities, counties and school districts, and these are subject to annual appropriation or other similar risks, there is some widespread market confusion. This confusion has been exacerbated by the demise of the bond insurance companies, which previously shielded investors from such complexity, and by the growing use of taxable BABs, which accesses a broader market of investors not familiar with municipal obligations. Despite the fact that “revenue bonds” and “revenue COPs” are substantially the same, primary and secondary markets have widened the pricing between the two instruments to anywhere from 5 to 50 basis points.

The Project/Issuance Structure:

The proceeds of the District’s financing are expected to be used to to (i) to finance a portion of the cost of certain capital improvements to the water system (the “Water System”) of the District, (ii) to finance a portion of the cost of certain capital improvements to the wastewater system (the “Wastewater System”) of the District, (iii) to fund the reserve account (the “Reserve Account”) established for the Bonds under the Trust Agreement, and (iv) to pay costs incurred in connection with the issuance, sale, and delivery of the Bonds

Liability Issues for CMFA:

By approving this transaction, CMFA will become a member of the new JPA, but will have no role in the proposed financing transaction. CMFA has no liability of any kind for the obligations of the new JPA. CMFA will have no ongoing responsibilities for the administration or operation of the new JPA or maintenance of the bonds. CMFA counsel fees, as well as a transaction fee, will be paid from proceeds of the bond financing.

The firm of Orrick, Herrington & Sutcliffe LLP will serve as bond counsel for the transaction and is representing the District in the formation of the new JPA.

Time Line to Closing:

August 2011

Public Benefit:

The District is currently providing water and wastewater to more than 31,000 people in the southern portion of Ventura County, California. The improvements to be financed with the revenue bonds will assist the District meet the needs of its service area.

Finance Team:

District:	Camrosa Water District
District Counsel:	Hathaway, Perrett, Webster, Powers, Chrisman & Gutierrez
Underwriter:	De La Rosa & Company
Financial Advisor:	Urban Futures, Inc.
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Disclosure Counsel:	Goodwin Procter LLP
Trustee:	Wells Fargo Corporate Trust

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Resolution authorizing the execution of a Joint Exercise of Powers Agreement by and between the California Municipal Finance Authority and the Camrosa Water District for the purpose of forming the new joint powers authority to be known as the Camrosa Water District Financing Authority.

**California Municipal Finance Authority
Post-Issuance Tax Compliance Procedures
For Tax-Exempt Bonds**

July 1, 2011

The purpose of these Post-Issuance Tax Compliance Procedures is to establish policies and procedures in connection with tax-exempt bonds (the “Bonds”) issued by the California Municipal Finance Authority (the “Authority”) so as to ensure that all applicable post-issuance requirements of federal income tax law needed to preserve the tax-exempt status of the Bonds are met. The Authority reserves the right to use its discretion as necessary and appropriate to make exceptions or request additional provisions as circumstances warrant. The Authority also reserves the right to change these policies and procedures from time to time.

General

The Authority expects to only act as a conduit issuer. Therefore, pursuant to the tax certificate and agreement relating to an issue of Bonds (each, a “Tax Certificate”), the conduit borrower (the “Borrower”) will bear primary responsibility for all ongoing tax compliance matters relating to Bonds.

Post-Issuance Compliance Requirements

External Advisors / Documentation

The Authority and the Borrower shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. Those requirements and procedures shall be documented in the Tax Certificate and/or other documents finalized at or before issuance of the Bonds. Those requirements and procedures shall include future compliance with applicable arbitrage rebate requirements and all other applicable post-issuance requirements of federal tax law throughout (and in some cases beyond) the term of the Bonds.

The Borrower also shall consult with bond counsel and other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with future contracts with respect to the use of Bond-financed or refinanced assets.

The Authority shall require the Borrower to engage expert advisors (each a “Rebate Service Provider”) to assist in the calculation of arbitrage rebate payable in respect of the

investment of Bond proceeds, unless the Tax Certificate documents that arbitrage rebate will not be applicable to an issue of Bonds.

Unless otherwise provided by the indenture or other authorizing documents relating to the Bonds, unexpended Bond proceeds shall be held by a trustee, and the investment of Bond proceeds shall be managed by the Borrower. The Borrower shall prepare (or cause the trustee to prepare) regular, periodic statements regarding the investments and transactions involving Bond proceeds and such statements shall be delivered to the Authority if it so requests.

Arbitrage Rebate and Yield

Unless the Tax Certificate documents that arbitrage rebate will not be applicable to an issue of Bonds, it is the Authority's policy that the Borrower shall be responsible for:

- engaging the services of a Rebate Service Provider and, prior to each rebate calculation date, causing the trustee or other account holder to deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider;
- providing to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;
- monitoring efforts of the Rebate Service Provider;
- assuring payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed;
- during the construction period of each capital project financed in whole or in part by Bonds, monitoring the investment and expenditure of Bond proceeds and consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements during each 6-month spending period up to 6 months, 18 months or 24 months, as applicable, following the issue date of the Bonds; and
- retaining copies of all arbitrage reports and account statements as described below under "Record Keeping Requirements" and, upon request, providing such copies to the Authority.

The Borrower, in the Tax Certificate relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to undertake the tasks listed above (unless the Tax Certificate documents that arbitrage rebate will not be applicable to an issue of Bonds).

Use of Bond Proceeds and Bond-Financed or Refinanced Assets:

It is the Authority's policy that the Borrower shall be responsible for:

- monitoring the use of Bond proceeds and the use of Bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Tax Certificate relating to the Bonds;
- maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds, including a final allocation of Bond proceeds as described below under "Record Keeping Requirements";
- consulting with bond counsel and other legal counsel and advisers in the review of any contracts or arrangements involving use of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Tax Certificate relating to the Bonds;
- maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under "Record Keeping Requirements";
- conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discussing any existing or planned use of Bond-financed or refinanced assets, to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Certificate relating to the Bonds; and
- to the extent that the Borrower discovers that any applicable tax restrictions regarding use of Bond proceeds and Bond-financed or refinanced assets will or may be violated, consulting promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified bonds, if such counsel advises that a remedial action is necessary.

The Borrower, in the Tax Certificate relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to undertake the tasks listed above.

All relevant records and contracts shall be maintained as described below.

Record Keeping Requirement

It is the Authority's policy that the Borrower shall be responsible for maintaining the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

- a copy of the Bond closing transcript(s) and other relevant documentation delivered to the Borrower at or in connection with closing of the issue of Bonds, including any elections made by the Issuer or Borrower in connection therewith;
- a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;
- a copy of all contracts and arrangements involving the use of Bond-financed or refinanced assets; and
- a copy of all records of investments, investment agreements, arbitrage reports and underlying documents, including trustee statements, in connection with any investment agreements, and copies of all bidding documents, if any.

The Borrower, in the Tax Certificate relating to the Bonds and/or other documents finalized at or before the issuance of the Bonds, shall agree to the foregoing records retention requirements and procedures.

Member of
American Institute of
Certified Public Accountants

PARTNERS

Donald T. Wiseman, CPA
Richard A. Goldberg, CPA
Arthur Birnbaum, CPA
Wes L. Salem, CPA
Ma. Lolita Cremat, CPA



CASHUK, WISEMAN, GOLDBERG,
BIRNBAUM, & SALEM, LLP

Certified Public Accountants

Member of
California Society of
Certified Public Accountants

PROFESSIONAL STAFF

Michael Selamet Kwee, CPA
Stephen D. Kassak, CPA
Murako Johnson, CPA
Nicholas J. Jameson, CPA

Office Manager

Heather L. Blake

July 11, 2011

John P. Stoecker, Financial Advisor
California Municipal Finance Authority
2111 Palomar Airport Road, Suite 320
Carlsbad, CA 92011

Dear John:

We are pleased to confirm our understanding of the services we are to provide for California Municipal Finance Authority for the year ended June 30, 2011. We will audit the statement of financial position of California Municipal Finance Authority as of June 30, 2011, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with generally accepted auditing standards and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with selected owners, creditors, legal counsel and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.



Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets or violation of laws or governmental regulations that are attributable to the association or to acts by management or employees acting on behalf of the association. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform, a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violation of laws or governmental regulation that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors that come to our attention and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any other violation of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the organization and its environment, including internal control, sufficient to access the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We understand that you are responsible for making all financial records and related information available to us and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. You are also responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services. As part of our engagement we may propose standard, adjusting or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

As part of the audit, we will prepare a draft to your financial statements, supplementary financial information and related notes. You are responsible for making any decisions that involve management functions relating to the financial statements, supplementary financial information, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements, supplementary financial information, and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any non-audit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Your responsibility includes the establishment and maintenance of adequate records and effective internal controls over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. You are also responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization, involving management, employees who have significant roles in internal control and others, where the fraud could have a material effect on the financial statements. Management is responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the organization, received in communication from employees, former employees, grantors, regulators or others. In addition, management is also responsible for identifying and ensuring that the organization complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any frauds, illegal acts, or violations of contracts or grants agreement that we may report.

We understand that your employees will prepare all confirmations that we request and will locate any documents or invoices selected by us for testing.

We expect to begin our audit on approximately July 11, 2011, or at your earliest convenience, and to complete the audit and issue our report no later than 45 days thereafter.

Our fees for these services will be \$4,000 for the audit, plus expenses. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Terms will be \$3,000 due at the end of fieldwork and the balance due upon completion of the audit.

Government Auditing Standards require that we provide you with a copy of our most recent quality control report. Our 2007 peer review report accompanies this letter.

We appreciate the opportunity to be of service to California Municipal Finance Authority and believe this letter accurately summarizes the significant terms of our proposal for the audit engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

CASHUK, WISEMAN, GOLDBERG, BIRNBAUM AND SALEM, LLP

Donald T. Wiseman
Partner

RESPONSE:

This letter correctly sets forth the understanding of California Municipal Finance Authority

Officer Signature: _____

Title: _____ Date: _____

EDWARD A. ROSE, JR.

CERTIFIED PUBLIC ACCOUNTANT

A PROFESSIONAL CORPORATION

Licensed in California, Nevada, & New York

1550 Sixth Avenue
San Diego, California 92101

(619) 232-7979

(760) 432-6102

(760) 432-6133 Facsimile

May 15, 2008

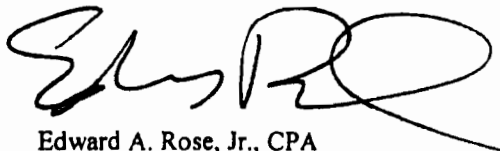
Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP

I have reviewed the system of quality control for the accounting and auditing practice of Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP (the firm) in effect for the year ended December 31, 2007. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on my review.

My review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During my review, I read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on my assessment, I selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements which also included engagements performed under *Government Auditing Standards*. Prior to concluding the review, I reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of my review. I believe that the procedures I performed provided a reasonable basis for my opinion.

In performing my review, I obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, I tested compliance with the firm's quality control policies and procedures to the extent I considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. My review was based on selected tests therefore it would not necessarily disclose all weaknesses in the system of quality control or all instances noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In my opinion, the system of quality control for the accounting and auditing practice of Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP in effect for the year ended December 31, 2007 has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



Edward A. Rose, Jr., CPA
Team Captain



KEY LARGO APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Highland Property Development LLC

Action: Initial Resolution

Amount: \$17,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of El Cajon, San Diego County,
California

Activity: Affordable Housing

Meeting: July 1, 2011

Background:

With a vision to transform affordable rental units into homes, founding principles Bill Rice and Kristoffer Kaufmann established Highland Property Development in 2003. The firm's inauguration converged with the acquisition and redevelopment of its first two communities: Willow Oaks and Oroville Apartments. Since this initial transaction, Highland Property Development has continued to grow and strengthen its staffing in the areas of due diligence and asset management.

Highland Property Development LLC, with structuring assistance from Highland Property Advisors, has completed the acquisition and rehabilitation of 20 "at-risk" USDA Section 515 properties comprising 1,045 housing units for families and seniors. The properties will continue their affordability for at least another 55 years. This is our second transaction with Highland Properties. This is our third transaction with Highland Properties.

The Project:

The Key Largo Apartments will be an acquisition and rehabilitation project. This project is located in the City of El Cajon in an area that desperately needs affordable housing. The project contains a total of 132 units of affordable rental housing. The project includes a mix of one, two

and three bedroom units for families earning below 50-60% of AMI. Site amenities will include gated access, recreational areas, community room, barbecues, tot-lot, and covered parking.

The County of San Diego:

The County of San Diego is a member of the CMFA and will need to hold a TEFRA hearing. Upon closing is expected to receive approximately \$10,625 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds	<u>Construction</u>
Tax-Exempt Bond Proceeds:	\$15,750,000
Deferred Developer Fee:	\$ 1,464,558
Equity:	<u>\$ 7,149,674</u>
Total Sources:	\$ 24,364,232

Uses of Funds:

Land Acquisition:	\$ 3,100,000
Building Acquisition:	\$12,100,000
Rehabilitation:	\$ 4,559,280
Architectural & Engineering:	\$ 40,000
Legal & Professional:	\$ 390,000
Reserves:	\$ 489,000
Financing Fees and Interest:	\$ 701,625
Miscellaneous:	\$ 527,347
Developer Fee:	\$ 2,401,449
COI:	<u>\$ 55,531</u>
Total Uses:	\$24,364,232

Terms of Transaction:

Amount:	\$17,000,000 (Not to Exceed)
Rate:	TBD
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	December 2011

Public Benefit:

132 families will be able to enjoy high quality affordable housing in the City of El Cajon. Services at the complex will include on-site parking, laundry facilities, air conditioning, picnic areas and children's play areas and after school programs.

Percent of Restricted Rental Units in the Project: 100%

10% (14 Units) restricted to 50% or less of area median income households, and
90% (118 Units) restricted to 60% or less of area median income households,

Unit Mix: 1, 2 and 3 bedrooms
Term of Restriction: 55 years

Finance Team:

Underwriter:	Merchant Capital
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	Eichner & Morris, PLLC
Borrower Counsel:	Nixon Peabody LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve an Initial Resolution of \$17,000,000 for the Key Largo affordable housing project located in the City of Cajon, San Diego County, California.

Note: This transaction is subject to review and final approval at the Final Resolution.

Member of
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PARTNERS

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Wes L. Salem, CPA
Ma. Lolita Cremat, CPA



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PROFESSIONAL STAFF

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Nicholas J. Jameson, CPA

Office Manager

Heather L. Blake

July 11, 2011

John P. Stoecker, Financial Advisor
California Foundation for Stronger Communities
2111 Palomar Airport Road, Suite 320
Carlsbad, CA 92011

Dear John:

We are pleased to confirm our understanding of the services we are to provide for California Foundation for Stronger Communities for the year ended June 30, 2011. We will audit the statement of financial position of California Foundation for Stronger Communities as of June 30, 2011, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles. Our audit will be conducted in accordance with generally accepted auditing standards and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of cash, investments, and certain other assets and liabilities by correspondence with selected owners, creditors, legal counsel and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate to meet such future costs because such a determination is outside the scope of the engagement. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also request certain written representations from you about the financial statements and related matters. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.



Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets or violation of laws or governmental regulations that are attributable to the association or to acts by management or employees acting on behalf of the association. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform, a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violation of laws or governmental regulation that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors that come to our attention and any fraudulent financial reporting or misappropriation of assets that comes to our attention. We will also inform you of any other violation of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of the organization and its environment, including internal control, sufficient to access the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We understand that you are responsible for making all financial records and related information available to us and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. You are also responsible for designating a qualified management-level individual to be responsible and accountable for overseeing these services. As part of our engagement we may propose standard, adjusting or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements.

As part of the audit, we will prepare a draft to your financial statements, supplementary financial information and related notes. You are responsible for making any decisions that involve management functions relating to the financial statements, supplementary financial information, and related notes and for accepting full responsibility for such decisions. You will be required to acknowledge in the management representation letter that you have reviewed and approved the financial statements, supplementary financial information, and related notes prior to their issuance and have accepted responsibility for them. Further, you are required to designate an individual with suitable skill, knowledge, or experience to oversee any non-audit services we provide and for evaluating the adequacy and results of those services and accepting responsibility for them.

Your responsibility includes the establishment and maintenance of adequate records and effective internal controls over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. You are also responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.



Management is also responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the organization, involving management, employees who have significant roles in internal control and others, where the fraud could have a material effect on the financial statements. Management is responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the organization, received in communication from employees, former employees, grantors, regulators or others. In addition, management is also responsible for identifying and ensuring that the organization complies with applicable laws and regulations and for taking timely and appropriate steps to remedy any frauds, illegal acts, or violations of contracts or grants agreement that we may report.

We understand that your employees will prepare all confirmations that we request and will locate any documents or invoices selected by us for testing.

We expect to begin our audit on approximately July 11, 2011, or at your earliest convenience, and to complete the audit and issue our report no later than 45 days thereafter.

Our fees for these services will be \$2,500 for the audit and tax return(s), plus expenses. This estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Terms will be \$1,750 due at the end of fieldwork and the balance due upon completion of the audit.

As part of our engagement, we will also prepare the federal and state income tax returns for the year ended June 30, 2011. You are responsible for management decisions and functions, and for designating a competent employee to oversee these services. You are responsible for evaluating the adequacy and results of these services performed and accepting responsibilities for the results. You are also responsible for establishing and maintaining internal controls, including monitoring ongoing activities.

Government Auditing Standards require that we provide you with a copy of our most recent quality control report. Our 2007 peer review report accompanies this letter.



We appreciate the opportunity to be of service to California Foundation for Stronger Communities and believe this letter accurately summarizes the significant terms of our proposal for the audit engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

CASHUK, WISEMAN, GOLDBERG, BIRNBAUM AND SALEM, LLP

A handwritten signature in black ink, appearing to read "Donald T. Wiseman".

Donald T. Wiseman
Partner

RESPONSE:

This letter correctly sets forth the understanding of California Foundation for Stronger Communities

Officer Signature: _____

Title: _____ Date: _____

EDWARD A. ROSE, JR.

CERTIFIED PUBLIC ACCOUNTANT

A PROFESSIONAL CORPORATION

Licensed in California, Nevada, & New York

1550 Sixth Avenue
San Diego, California 92101

(619) 232-7979

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May 15, 2008

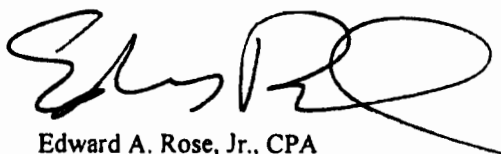
Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP

I have reviewed the system of quality control for the accounting and auditing practice of Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP (the firm) in effect for the year ended December 31, 2007. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. My responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on my review.

My review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During my review, I read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on my assessment, I selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements which also included engagements performed under *Government Auditing Standards*. Prior to concluding the review, I reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of my review. I believe that the procedures I performed provided a reasonable basis for my opinion.

In performing my review, I obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, I tested compliance with the firm's quality control policies and procedures to the extent I considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. My review was based on selected tests therefore it would not necessarily disclose all weaknesses in the system of quality control or all instances noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In my opinion, the system of quality control for the accounting and auditing practice of Cashuk, Wiseman, Goldberg, Birnbaum & Salem LLP in effect for the year ended December 31, 2007 has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



Edward A. Rose, Jr., CPA
Team Captain

CHARITABLE GRANT RECOMMENDATION

Asian Rehabilitation Services
Borrego Community Health Foundation
Boys & Girls Clubs of Redlands
Chinatown Service Center
Downtown Women's Center*
Furnishing Hope of Orange County
Goodwill Industries of San Joaquin Valley, Inc
Homeless Health Care Los Angeles
Jewish Family & Children's Services
Little Tokyo Service Center
Leukemia & Lymphoma Society
Mar Vista Family Center
Ocean Park Community Center
Oscar De La Hoya Foundation
Rural Community Assistance Corporation
Search to Involve Pilipino Americans
SPARK
St. John's Health Center*
Thai Community Development Center
Venice Housing Corp.
Volunteers of America
Women Escaping a Violent Environment (WEAVE)

Listed for Over One Year

Alum Rock Counseling Center
Downtown Women's Center*
Mar Vista Family Center
Ocean Park Community Center

CHARITABLE GRANT GUIDELINES

Recipient: Board Members of the California Foundation for Stronger Communities

Purpose: To Provide an Outline of Charitable Grant Guidelines

CHARITABLE GUIDELINES:

1. Ensure charitable donations are directed towards organizations that:
 - a. Are in California communities.
 - b. Find it difficult to receive funding through other sources.
 - c. Have not received a charitable donation in the last three years. This is not meant to include those organizations that have enjoyed a fee reduction through a CMFA financing.
 - d. Do not require compliance monitoring by the CMFA or CFSC.
 - e. Are not in a category listed below:
 - i. individuals, including scholarship or fellowship assistance
 - ii. For-profit entities, including start-up businesses
 - iii. Political, labor, religious, or fraternal activities
 - iv. Endowments
 - v. Film or video projects, including documentaries
 - vi. Travel, including student trips or tours
 - vii. Promotional merchandise
 - viii. Organizations other than IRS 501(c)(3), 501(c)(6), governmental, or tribal entities
2. A staff report must be provided to the Board at least 24 hours before donations are recommended or approved. Funds will not be dispersed on a cash advance basis.
3. Coordinate donation with municipal staff, elected officials, recipient and press to ensure everyone on the team benefits from our partnership and unique give back. Furthermore, the widest dissemination of the donation will further the goals of the CMFA, and provide the greatest chance for leveraging these funds by inducing other donations.
4. Suggested categories the CMFA through the CFSC could direct funds are:
 - a. Health Care
 - b. Education
 - c. Human Services
 - d. Affordable Housing
 - e. Cultural
 - f. Subcategories:
 - i. Youth
 - ii. Seniors
 - iii. Low/Moderate Income Individuals
5. Staff will distribute and process all charitable grants.

CHARITABLE GRANT RECOMMENDATION

Recipient: **ASIAN REHABILITATION SERVICE** (1/14/2011)

Location: 1701 E. Washington Blvd. Los Angeles, CA 90021

Purpose: Provides vocational rehabilitation services and employment training services

Website: www.asianrehab.org

Revenue: \$3,013,541

MISSION/VISION:

Asian Rehabilitation Service, Inc. (ARS) believes in the uniqueness, worth, cultural integrity and right to human dignity for every person. It is our mission to provide vocational rehabilitation and other employment services by which individuals with disabilities can achieve their highest potential.

BACKGROUND:

Founded in 1972, ARS has a long history of providing quality commercial manufacturing assembly services and professional custodial services to our business and government customers.

Developing mutually beneficial partnerships with our customers has been crucial to our ongoing success. Customers receive quality business solutions to increase their bottom line, while simultaneously creating employment opportunities, building futures and promoting independence for individuals with disabilities.

ARS is CARF accredited for the following Community Employment Services programs:

- Job Development
- Job-Site Training
- Job Supports
- Organizational Employment Services

FISCAL IMPACT:

Donations will help fund the services provided and increases opportunities, build futures, and creates independence

BOARD OF DIRECTORS:

CHARITABLE GRANT RECOMMENDATION

Recipient: **BORREGO COMMUNITY HEALTH FOUNDATION** (12/10/2010)

Location: 1166 K Street, Brawley, CA 92227

Purpose: Provides primary and preventive health programs to low income families.

Website: www.borregomedical.org

Revenue: \$13,733,160

MISSION/VISION:

The Mission of Borrego Community Health Foundation is to "become the hub of medical and social services for the communities we serve and their adjoining geographic areas. The centers shall provide comprehensive, affordable care and daily primary and preventive care to all the residents, regardless of the ability to pay. The centers shall strive to maintain current services and to develop additional services to meet the medical and social needs of all these communities."

BACKGROUND:

Only in recent years have the clinics of the Borrego Community Health Foundation emerged as a regional medical network in the inland region of San Diego and Riverside counties. Originally, a group of Borrego Springs citizens organized the foundation as a nonprofit benefit corporation when Scripps Clinic and Research Foundation bowed out of its nine-year ownership of Scripps Clinic-Borrego Springs in 1990. The 8,600-square-foot Scripps facility, built and equipped in 1982 with private donations, became known as the Borrego Medical Center.

In 2003, the medical center reached a major milestone when it became a Federally Qualified Health Center. Along with the renewable federal support came a new calling to extend comprehensive social and medical services to the surrounding desert region.

FISCAL IMPACT:

Donations will help provide assistance to low-income families.

BOARD OF DIRECTORS:

F. Seth Brown
Tom Middleton
Nancy Hall
Marcia Anderson
John Barrett
Raymond Balanos
Joe Ceja
Mary Creske
Leslie Greathouse
Harry Isley
Dora M. Murillo
Carol Will

CHARITABLE GRANT RECOMMENDATION

Recipient: **BOYS & GIRLS CLUBS OF REDLANDS** (6/29/11)
Location: 1251 Clay Street, Redlands, CA 92374
Purpose: Providing Literacy Programs to the Under Served Youth
Website: www.bgcr.org
Revenue: \$230,000

MISSION/VISION:

The Positive Place for Kids.

BACKGROUND:

Boys & Girls Clubs of Redlands is a safe place to learn and grow -- all while having fun. It is truly *The Positive Place For Kids*.

In every community, boys and girls are left to find their own recreation and companionship in the streets. An increasing number of children are at home with no adult care or supervision. Young people need to know that someone cares about them. Boys & Girls Clubs offer that and more.

Club programs and services promote and enhance the development of boys and girls by instilling a sense of competence, usefulness, belonging, and influence.

The Boys & Girls Clubs of Redlands was re-established on August 30, 1967. The use "re-established" because they really are not sure how old the Redlands Club actually is - they know there are some national awards that were received in the late 1940's and early 1950's.

The goal of the "Bright Spot Literacy Program" is to promote, cultivate and nurture a love of reading among at-risk and public housing youth.

FISCAL IMPACT:

Donations will go towards the Bright Spot Literacy Program

BOARD OF DIRECTORS:

David McLaughlin

Pat Caudle

Steven Dunkerken

Mark Gorden

P.T. McEwen

CHARITABLE GRANT RECOMMENDATION

Recipient: **CHINATOWN SERVICE CENTER** (7/1/2011)
Location: 767 N. Hill Street, Suite 400, Los Angeles, CA, 90012
Purpose: Chinese based Health and Human Services Organization
Website: www.cscla.org
Revenue: \$6,000,000

MISSION/VISION:

Is to provide outstanding services and advocacy that promote better quality of life and equal opportunity for immigrants and other communities. .

BACKGROUND:

The Chinatown Service Center is a private, non-profit organization, for the purpose of serving immigrants, refugees, and others in need of assistance in their adjustment to American life. The growth of staff and services at CSC since its modest beginnings in 1971 reflects an expansion of the Center's goals and the needs of the community. Furthermore, CSC promotes greater community collaboration and partnerships to assist underserved populations in achieving their American dream.

Every year, about 10,000 unduplicated individuals, over 80% in the low-to-moderate income range, were assisted through the Chinatown Service Center's three major program areas:

- 1) Community Economic Development Department, including a Full Service WorkSource Center providing job readiness, on-the-job training and job referral and placement for a multilingual and multicultural clientele of adults; and a Small Business Program offering in-language technical assistance, counseling and training to small businesses;
- 2) Federally Qualified Community Health Center, with primary medical, dental, and behavioral health services;
- 3) Family and Community Department, providing Social Services, a Child Development Center, a Youth Center, Senior Services and Affordable Housing Services.

FISCAL IMPACT:

Donations continue to funding the outreach programs of the organization.

BOARD MEMBERS:

Roy Jasso, President
Peter Ng, Vice President
Michelle Chen, Treasurer
Henry Kwong, Secretary
Teodoro (Ted) Ramirez, Immediate Past President
Gloria Tang, Member
Patrick Lee, Member
K.T. Leung, Member
Phillip Ow, Member
Marissa Castro-Salvati, Member
Sanjeev Nandakumaran, Member

CHARITABLE GRANT RECOMMENDATION

Recipient: **DOWNTOWN WOMEN'S CENTER (UCLA COMMUNITY PARTNERSHIP) (7/16/2010)**

Location: 325 S. Los Angeles St., Los Angeles, CA, 90013

Purpose: Provide for Battered Women at a Shelter

Website: www.dwcweb.org

Revenue: \$8,138,075

MISSION/VISION:

The mission of the Downtown Women's Center is to provide permanent supportive housing and a safe and healthy community fostering dignity, respect, and personal stability, and to advocate ending homelessness for women.

BACKGROUND:

Founded in 1978, the Downtown Women's Center (DWC) is a nationally recognized nonprofit organization that provides over 50,000 meals, 47 permanent supportive housing apartments, and a wide array of health, education, and other supportive services to more than 2500 homeless and very low-income women each year. The Center meets our mission by offering a warm, friendly atmosphere that encourages homeless women to commit to their own betterment and healing process. Our supportive community and much-needed resources allow homeless women to reconnect with their sense of self, reclaim goals lost in the day-to-day struggle for survival on the streets, and move toward self-sufficiency. In the local Skid Row community, the Downtown Women's Center is the only resource that is exclusively for and singularly dedicated to serving the unique needs of this population.

Most participants of our Day Center endure the extreme stress and difficulty of life on the streets. Mental illness, substance abuse, physical disability, and victimization are their most prevalent and persistent issues.

FISCAL IMPACT:

Donations continue to fund the outreach programs of the organization. The organization receives no government funding.

BOARD MEMBERS:

Bonnie Sun, President - *Attorney at Law*

Gail Lannoy, Vice President - *Bank of America*

Gloria Teschner, Vice President - *Community Volunteer*

Donella Wilson, Treasurer - *Green Hasson & Janks LLP*

Patti Fischer, Assistant Treasurer - *City National Bank*

Kimberly H. Clancy, Secretary - *Amgen, Inc.*

Lauren Frankel, Immediate Past President - *Frankel Consulting*

CHARITABLE GRANT RECOMMENDATION

Recipient: **FURNISHING HOPE OF ORANGE COUNTY** (12/10/2010)
Location: 3857 Birch Street, Ste 503, Newport Beach, CA 92660
Purpose: Provides programs for at-risk youth safe and drug and violence-free
Website: www.furnishinghope.org
Revenue: \$185,000

MISSION/VISION:

Furnishing homes for people in need.

BACKGROUND:

Furnishing Hope was founded to provide a home like environment for kids and families in stressful situations. Furnishing Hope was founded in 2003 and remains the only non-profit in Orange County providing this type of service. Accomplishments include furnishing 26 homes built by Habitat for Humanity (every home built in Orange County since 2004), furnishing 8 apartments for Orangewood Foundation's Rising Tide Communities, Providing complete home furnishings for an Orange Coast Interfaith Shelter family, and supplying Regional Center of Orange County's developmentally disabled patrons with items for their apartments.

FISCAL IMPACT:

Donations create nurturing rooms for families in need

BOARD OF DIRECTORS:

Beth Phillips, Founder and Executive Director

Joellyn Finn, Administrative Director

Robyn Phillips, Administrative Assistant

Sandy Anchondo, Rising Tide Communities Coordinator

Marta Gallahair, Fundraising

Pat Carpenter, Aquisitions Coordinator

Carol Gergen, Special Events Director

Debbie Pfeiffer, Fundraising

Ann Gildersleeve, Fundraising

CHARITABLE GRANT RECOMMENDATION

Recipient: **GOODWILL INDUSTRIES OF SAN JOAQUIN VALLEY, INC**
(8/20/2010)

Location: 3900 Sisk Road, Modesto, CA

Purpose: Provides job training and placement services.

Website: <http://www.goodwill-sjv.org/>

Revenue: \$15,856,695

MISSION/VISION:

Goodwill Industries of San Joaquin Valley, Inc. (Goodwill Industries or Borrower) is a nonprofit agency that provides job training and placement services to assist people with employment barriers to become self-sufficient. Goodwill Industries implements its mission by operating retail stores and contract businesses that provide on-the-job training and by operating other job training and placement programs. Goodwill Industries is especially committed to serving people with disabilities.

BACKGROUND:

Goodwill Industries was established in 1937 with its first retail store in Stockton. There are currently 15 retail and/or donation centers in the San Joaquin Valley and three training centers, located in Fresno, Modesto and Stockton, providing on-the-job training and placement services to assist people with employment barriers to self-sufficiency.

The concept for Goodwill Industries International (Goodwill Industries' parent organization) began over 100 years ago when Edgar J. Helms, a Methodist minister in Boston, MA, was asked for food and clothing by a group in need. Instead of asking donors for money, he requested donations of clothing and other items. He then hired those in need – many considered unemployable - to repair any damaged items, and then sell the donated goods. From that first effort to provide people with the means to earn a paycheck, Goodwill Industries International has evolved into the world's largest nonprofit provider of employment, training and career services for people with disabilities and vocational barriers.

FISCAL IMPACT:

Donations will help fund job services at Goodwill store locations and activities at the job training centers.

BOARD OF DIRECTORS

Jim Anthony, Chair

Kristen Birtwhistle, Vice Chair

Mark Goldberg, Treasurer

Hedy Holmes, Secretary

Karen Andersen

Jane Butterfield

Joe Dittmann

Donald Geiger

Bob Harmon

Hal Monroe

Mark Plovnick

Raul Rodriguez

Joseph Serra

Dave Vaccarezza

CHARITABLE GRANT RECOMMENDATION

Recipient: **HOMELESS HEALTH CARE LOS ANGELES (2/4/2011)**

Location: 2330 Beverly Blvd., Los Angeles, CA 90057

Purpose: To Improve the Lives of the Homelessness

Website: www.housingca.org

Revenue: \$4,016,789

MISSION/VISION:

The mission of Homeless Health Care Los Angeles (HHCLA) is to improve the health of homeless people through direct services, education and advocacy.

BACKGROUND:

Since 1985, board members, the executive director, staff and volunteers of HHCLA have dedicated themselves to improving the health of Los Angeles' homeless. When they see expressions of hope and relief on the faces of those whom they serve, they know that they, as professional social workers, health care advocates, trainers, sponsors, and donors, are truly making an impact on this enormous social problem. For example:

- Their multicultural, multidisciplinary staff uses a comprehensive case management model to provide a unique and highly successful drug treatment and health services program.
- Their training and education department provides skill-building training for homeless service providers to increase their abilities to effectively assist homeless people and gain a basic understanding of and develop skills in health and safety, mental health substance abuse, case management, counseling and tuberculosis.
- Their advocacy work is focused on affecting policy that increases access to health care services, which goes hand in hand with our mission of improving the health of our community.

FISCAL IMPACT:

This charitable donation would increase the odds of helping the homeless regain control of their lives and transform themselves into productive citizens.

BOARD OF DIRECTORS:

Carol Prescott
Matt Humphreys
Brenda Goldstein
Gail Kennard
Samantha Martinez
Richard Browne
Brad Gwinn
John W. Tsuang
Michael Lehrer
Scott Fears
Mark Edwards
Jacqui Biery
Carl King
Lisa Kring
CJ Martinez
Marsha Temple
Lisa Kaminir
David Langness

CHARITABLE GRANT RECOMMENDATION

Recipient: **LEUKEMIA & LYMPHOMA SOCIETY (7/01/2011)**

Location: P.O. Box 22616, Santa Barbara, CA 93121

Purpose: To Strengthen Individuals, Families and Community

Website: www.jfcs.org

Revenue: \$7,514,280

MISSION/VISION:

The mission of The Leukemia & Lymphoma Society (LLS) is: Cure leukemia, lymphoma, Hodgkin's disease and myeloma, and improve the quality of life of patients and their families.

LLS is the world's largest voluntary health agency dedicated to blood cancer. LLS funds lifesaving blood cancer research around the world and provides free information and support services.

BACKGROUND:

The Leukemia & Lymphoma Society (LLS) was founded in 1949 by the de Villiers family in New York, who lost their son Robert to leukemia at the age of 16. Today, LLS comprises 59 chapters nationwide, dedicated to curing blood cancers, including leukemia, lymphoma, Hodgkin's disease and myeloma and improving the quality of life of patients and their caregivers

Their motto says it all: *No one should have to face cancer alone.* As part of this mission, they reach over 3,000 blood cancer patients, survivors, caregivers and healthcare professionals in Los Angeles, Ventura, Santa Barbara, and San Luis Obispo counties through support groups, education seminars, direct financial assistance and the First Connections volunteer mentorship program for newly diagnosed blood cancer patients.

The Leukemia & Lymphoma Society respectfully requests the support of the Joint Powers Authority to help LLS provide Patient Services programs for children in Ventura and Santa Barbara counties.

FISCAL IMPACT:

The support of the Joint Powers Authority enables LLS to conduct Back to School and other education and support programs throughout Ventura and Santa Barbara counties reaching children, healthcare professionals, school personnel and parents to improve the quality of life of pediatric cancer patients, survivors and their caregivers.

BOARD OF DIRECTORS:

John Walter

Louis J. DeGennaro, Ph.D.

Nancy Klein

Jimmy Nangle

Jeff Como

George Dahlman

George Dahlman

Philip Kozlowski

George Omiros, CFRE, CAE

Michael Osso

David Timko

Richard Winneker, Ph.D.

BOARD OF DIRECTORS:

CHARITABLE GRANT RECOMMENDATION

Recipient: **LITTLE TOKYO SERVICE CENTER** (1/14/2011)
Location: 231 E. Third St., Suite G-106, Los Angeles, CA 90013
Purpose: Helps improve the lives of families through cultural social services
Website: www.ltsc.org
Revenue: \$379,248

MISSION/VISION:

The mission of the Little Tokyo Service Center, a Community Development Corporation, is to meet the critical needs of people and build community.

- *We improve the lives of Individuals and families through culturally sensitive social services.*
- *We strengthen neighborhoods through housing and community development.*
- *We promote the rich heritage of the ethnic community.*

BACKGROUND:

For over 29 years, the Little Tokyo Service Center, a Community Development Corporation (LTSC CDC), has been an important resource for the residents of a diverse community. Founded in 1979, LTSC CDC is a nonprofit charitable organization serving Asian and Pacific Islanders throughout Los Angeles County who are in need, especially those facing language or cultural gaps, financial need, or physical disabilities.

FISCAL IMPACT:

Donations continue to fund the outreach programs of the organization.

BOARD OF DIRECTORS:

Bill Watanabe – Executive Director

Erich Nakano – Deputy Director

Dean Matsubayashi – Director of Community Economic Development

Gayle Yamada – Director of Development

Scarlet Sy – Director of Finance

Mike Murase – Director of Service Programs

Yasuko Sakamoto – Director of Social Services

CHARITABLE GRANT RECOMMENDATION

Recipient: **MAR VISTA FAMILY CENTER** (7/16/2010)
Location: 5075 S. Slauson Avenue, Culver City, CA 90230
Purpose: To help families make positive changes in their lives
Website: www.marvistafc.org
Revenue: \$2,203,089

MISSION/VISION:

The mission of Mar Vista Family Center (MVFC) is to provide low-income families with quality early childhood education, youth enrichment, and educational tools to create positive change in their lives and their communities.

BACKGROUND:

Mar Vista Family Center was founded in 1977 as a preschool for low-income families that aimed to engage parents as partners in the education of their children. In 1980, after functioning in a public school bungalow for three years, a preschool facility was built at the end of a cul-de-sac in the same crime-ridden area that a local gang called home. Three weeks after the preschool opened, the building was burned down. Realizing that the success of a rebuilt preschool would depend on the empowerment of community leaders and parents to play a larger role in the life of the preschool, the MVFC founders developed a model of increased community involvement and personal responsibility. Parents, teens and other members of the community became classroom volunteers, preschool teachers, mentors, fundraisers and community advocates. As additional services have been added over the years - to serve elementary and high school students, as well as adults - MVFC continues to involve the community in the decision-making and running of its programs. MVFC's long-term involvement with entire families has improved family functioning, decreased domestic violence and improved youths' academic successes and rates of attendance at institutes of higher education.

FISCAL IMPACT:

Donations continue to fund the outreach programs of the organization.

BOARD OF DIRECTORS

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Nancy Gilson – Board Trustee
Dr. Sandra Sparling – Board Secretary
Halleh Yafeh, Esq – Board Counsel
Ronnie Avedon
Kristina Deutsch
John Dupuy
Claudia Estevez
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Terri Lyman
Edward Melendez
Judson Mock
Loren Montgomery, Esq.
Sandy Sirirat
Raymond Reisler

CHARITABLE GRANT RECOMMENDATION

Recipient: OSCAR DE LA HOYA FOUNDATION (7/01/2011)
Location: 626 Wilshire Blvd, Suite 350, Los Angeles, CA 90017
Purpose: Promotes Education, Health and Opportunity
Website: www.goldenboyllc.com
Revenue: \$296,503

MISSION/VISION:

Every child and adult can make a difference in the community. This is what we believe, and it is the basis of our Foundation.

BACKGROUND:

The Oscar de la Hoya Foundation was created in 1995. The Foundation is dedicated to bringing a better quality of life to their community. By creating and maintaining a state-of-the-art cancer center, a charter high school, a labor and delivery center and a neonatal intensive care unit, the Foundation is achieving our goal of providing needed services and opportunities to underprivileged families living in East Los Angeles. Determination, hard work and faith make dreams come true.

The Oscar de la Hoya *Ánimo* Charter High School was founded in 2003 with a seven-figure commitment from the Oscar de la Hoya Foundation to Green Dot Public Schools, a non-profit charter school developer dedicated to strengthening public schools throughout Los Angeles. The school's new permanent facility—built on the former site of the Oscar de la Hoya Youth Center and Boxing Gym—was opened in September of 2009, and is currently home to 550 students in grades 9 through 12. The Boxing Program at the Oscar de la Hoya *Ánimo* High School gets a great deal of attention. Designed for boys and girls, ages 8 through 18, the program teaches the fundamentals and discipline of boxing, emphasizing self-esteem and respect. While learning the sport, students also learn that in order to be successful in life they must be dedicated, hardworking, good citizens and remain free from drugs and alcohol. Participants who have mastered the basic techniques of boxing move on to sparring and advanced forms of weight training and conditioning. In order to remain eligible for the program, boxers must maintain a minimum C average in their studies. Once a junior boxer has achieved the standards required to compete, he or she becomes a member of "Team de la Hoya". Team members travel nationally and participate in competitions, exhibitions and tournaments such as the nationally recognized Golden Gloves Tournament.

FISCAL IMPACT:

Donations continue to fund the outreach programs of the organization.

BOARD OF DIRECTORS

CHARITABLE GRANT RECOMMENDATION

Recipient: **OCEAN PARK COMMUNITY CENTER (7/16/2010)**

Location: 1453 16th Street, Santa Monica, CA 90404

Purpose: Supportive Services for all People

Website: www.opcc.net

Revenue: \$7,329,995

MISSION/VISION:

OPCC empowers people to rebuild their lives by providing a continuum of care for men, women and children who need assistance in returning to lives of self-sufficiency. In addition to basic emergency services such as food, clothing, showers, bus tokens, etc., the agency's programs are designed to help individuals access the resources they need to ensure survival, end victimization and improve the quality of their lives. These resources include case management, mental health counseling, transitional housing and permanent housing with supportive services.

BACKGROUND:

OPCC, (formerly the Ocean Park Community Center), is a network of shelters and services for low-income and homeless youth, adults and families, battered women and their children and people living with mental illness. Founded in 1963, it is a community-supported organization in which staff, volunteers and clients work together with mutual respect to address the effects of poverty, abuse, neglect and discrimination. OPCC's success with our clients stems from the full range of services provided by our ten main programs the Access Center, Campion Mental Health, Daybreak Day Center and Shelter, k9 connection, Night Light, Safe Haven, Samoshel, Shwashlock, Sojourn Services for Battered Women and Their Children and Turning Point. OPCC's uses UCLA's MCP services every 1st and 3rd Saturday of the month.

FISCAL IMPACT:

Donations continue to funding the outreach programs of the organization.

BOARD OF DIRECTORS:

Rae W. Archibald

Colette Brooks

Francesca D'Alessandro

Greg Germann

Leslye S. Goldberg

Stephen Gunther

Richard Hirsch, Esq.

Lindsey Hirsch

Sarah Jessup, CPA (Chair

Steaven K. Jones

Sheila James Kuehl, Esq.

Darlene Lasher

Richard T. Peters, Esq

Gary A. Richwald

Stephen E. Scherer, Esq.

Charles F. Smith

LaTisha D. Starbuck, RN,

Diane Wilson

Bart Zitnitsky (Secretary)

CHARITABLE GRANT RECOMMENDATION

Recipient: **RURAL COMMUNITY ASSISTANCE CORPORATION**
(4/29/2011) (Previously donated to on 3/09/07)

Location: 3120 Freeboard Drive, Suite 201, West Sacramento, CA 95691

Purpose: Assists Rural Communities Achieve Their Goals

Website: www.rcac.org

Revenue: \$15,639,715

MISSION/VISION:

Provides technical assistance, training and financing so rural communities achieve their goals and visions.

BACKGROUND:

Rural Community Assistance Corporation was founded in Sacramento, California on Oct. 1, 1978. Funding from The Rosenberg Foundation allowed RCAC to establish itself as a multi-state agency helping to build the capacity of other nonprofit agencies and create new agencies to serve low-income people living in rural communities in the western United States.

RCAC is committed to green initiatives in affordable housing development, environmental programs and lending, and in its organizational operations. They seek new partnerships and opportunities to advance comprehensive community development as they strive to become the provider of choice. As this year unfolds, RCAC will rise to a new level of accountability to their clients and funders to create opportunities in rural America.

FISCAL IMPACT:

The donation will provide support to the specific programs that are offered.

BOARD OF DIRECTORS:

Dr. Florine Raitano

Elizabeth Moore

Robert Rendon

Anita Gahimer Crow

Sandra Borbridge

Ann Harrington

Joe Herring

Nalani Fujimori Kaina

Vickie Kitseallyboy Oldman-John

David E. Provost

Jon Townsend

William H. Wiese, MD

Kirke Wilson

CHARITABLE GRANT RECOMMENDATION

Recipient: **SEARCH TO INVOLVE PILIPINO AMERICANS (7/1/2011)**

Location: 3200 West Temple Street, Los Angeles, CA 90026

Purpose: To Provide Health and Human Services

Website: www.esipa.org

Revenue: \$1,125,470

MISSION:

SIPA's mission is to enhance the quality of life of Filipino Americans and other communities through youth development, health, economic, and social services. SIPA also develops affordable housing and other projects that promote cultural identity, economic stability, self-sufficiency, and civic participation. SIPA's innovative programs and services are facilitated through community-based, collaborative relationships

BACKGROUND:

Historic Filipinotown in Los Angeles has been a landing point for generations of Pilipinos; a place where immigrants come to build new lives for themselves and their children while at the same time they struggle with poverty, inadequate housing, insufficient childcare and substandard schools. For an immigrant community to overcome such hardships, it needs a deep-rooted foundation that connects and supports families. For the Pilipino-American community in Los Angeles, SIPA is that vital center.

Since SIPA was established in 1972, the organization has played an indispensable role in the community, providing a refuge that keeps children safe from the streets and steers them toward positive alternatives; a nurturing environment offering social services to families; a critical resource advancing economic development; and a vibrant cultural, and political forum fostering self-empowerment.

FISCAL IMPACT:

The donation will provide support to the specific programs that are offered.

BOARD OF DIRECTORS:

Greg Santiago, Esq.

Leo Pandac, Ph.D., Vice President

C. Joe Sayas, Esq.

Valentino M. Creus

Nonoy Alsaybar

Jordana Calit

Mary A. dela Cruz

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Benito M. Miranda

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Ruben Nepales

Cora Oriel

Cirilo Pinlac

Jorge L. Prado

Eleanor Ramirez

Malou Sangalang

Nunilo B. Soler

Denise M. Wolfe, Ph.D.

CHARITABLE GRANT RECOMMENDATION

Recipient: **SPARK** (7/1/2011)

Location: 10900 Wilshire Blvd., 5th Floor, Los Angeles, CA 90024

Purpose: To Provide Mentoring and Scholarship Programs to the Less Fortunate

Website: www.sparkprogram.org

Revenue: \$267,966

MISSION:

Spark's mission is to provide life-changing apprenticeships to youth in underserved communities across the United States.

BACKGROUND:

Founded in 2004 by teachers Chris Balme and Melia Dicker, Spark has always aspired to strengthen the community in two ways: by helping youth become motivated learners and connected community members, and by encouraging adults to nurture the next generation through mentoring and volunteerism.

Spark has grown rapidly since its inception. Enrollment grew by more than 50% year over year, and after five years, Spark expanded from the San Francisco Bay Area to Los Angeles in 2010 and Chicago in 2011, with plans to expand to the east coast by 2013.

In 2011, Spark will create its 1,000th apprenticeship. Studies of Spark's initial cohort of students reveal that over 98% are on track to graduate from high school on time. This is true for only 50-60% of their non-Spark peers in a similar demographic. 95% of Spark students report improvements in areas such as self confidence, motivation, goal-setting, and team work, and in skills such as financial literacy, public speaking, and networking/resourcefulness. In a focused survey from 2009, 97% of students responded that participating in Spark made them more interested in learning, and 77% reported being more interested in school.

FISCAL IMPACT:

The donations can sponsor specific students or the program as a whole. .

BOARD OF DIRECTORS:

Charlie Cohen: COO, MGM

Joan I. Chu: Senior Partner, Monitor Group

Sarah & Alex Graves

Aaron Meyerson: President of Programming and Development, CBS Television Distribution

Robert Perrin: Partner, Latham & Watkins LLP

CHARITABLE GRANT RECOMMENDATION

Recipient: **ST. JOHN'S HEALTH CENTER (UCLA COMMUNITY PARTNERSHIP)** (11/12/2010)

Location: 2121 Santa Monica Blvd., Santa Monica, CA 90404

Purpose: To Provide Low Cost Health-Care to the Less Fortunate

Website: www.stjohns.org

Revenue: \$16,837,394

MISSION:

We will in the spirit of the Sisters of Charity, reveal God's healing love by improving the health of the individuals and communities we serve, especially those who are poor and vulnerable.

BACKGROUND:

Embedded in the mission of Saint John's Health Center is their commitment to providing leading-edge medicine with unwavering compassion and personalized care. For more than 65 years, the physicians and employees of Saint John's Health Center have focused on their healing ministry.

Saint John's is a 233 bed Primary Care hospital that serves the Santa Monica. Saint John's provides a full spectrum of treatment and diagnostic services. In particular, they are committed to Saint John's four areas of excellence: Cancer Care, Cardiac Care, Orthopedics, Women's Health, and a wide array of Other Health Services. The dedication of their nurses and physicians in these and all areas of health care, and their attention to patient needs, along with the overall excellence of the Health Center's staff, have helped Saint John's set the standard for health care now and for years to come. They are in the process of constructing the Howard Keck Diagnostic and Treatment Center, a 275,000-square-foot, four-story treatment facility that will house a state-of-the-art Emergency Department, surgery rooms with the latest technologies, and imaging centers to meet both in and out-patient needs.

FISCAL IMPACT:

The donation will provide support to the specific programs that are offered.

BOARD OF DIRECTORS:

Rae W. Archibald, Ph.D

Sr. Marianna Bauder

Jim Birdwell

Waldo Burnside

Sr. Lynn Casey

Mary Flaherty

William Frumovitz, M.D.

Allan Goldman

Iao Katagiri

Joel Kessler, M.D.

Dale Laurance, Ph.D.

Lou Lazatin

William Murray

Sr. Marie Madeleine Shonka

Paul Torrens, M.D.

CHARITABLE GRANT RECOMMENDATION

Recipient: **THAI COMMUNITY DEVELOPMENT CENTER** (1/14/2011)

Location: 6376 Yucca Street, Suite #B, Los Angeles, CA 90028

Purpose: To act as an advocate to low & moderate income Thais

Website: www.thaicdhome.org

Revenue: \$364,488

MISSION/VISION:

To advance the social and economic well-being of low and moderate income Thais and other ethnic communities in the greater Los Angeles area through a comprehensive community development strategy including human rights advocacy, affordable housing, access to healthcare, promotion of small businesses, neighborhood empowerment, and social enterprises

BACKGROUND:

Thai Community Development Center (Thai CDC), a community development non-profit organization since 1994, facilitated the designation of the one and only Thai Town in the world located in Hollywood, Los Angeles, and founded the Thai New Year's Day Songkran Festival. Thai CDC aims to create a thriving community by creating businesses and jobs, developing decent and affordable housing, and revitalizing public space. Thai CDC serves economically disadvantaged populations including immigrants, low-wage workers, and victims of human trafficking. In fact, the famed El Monte Slavery Case, the first case of modern day slavery in the United States, was vigorously fought by Thai CDC and our human rights allies until justice was achieved for the victims.

FISCAL IMPACT:

All donations go towards the services that are provided to the low and moderate income Thai community.

BOARD OF DIRECTORS:

Wora Booncherd

Mann Bynyanunda

Scott D. Nelson

Patrick C. Tnatraphol

Elson R. Trinidad

Tina Vacharkulksensuk

Bonnie Wongtrakool

CHARITABLE GRANT RECOMMENDATION

Recipient: **VENICE COMMUNITY HOUSING CORPORATION**
(7/01/2011)

Location: 720 Rose Ave, Venice, CA 90291

Purpose: Provides Non-profit Affordable Housing Programs

Website: www.vchcorp.org

Revenue: \$3,239,188

MISSION/VISION:

VCHC's mission is to preserve the economic, racial and social diversity of Venice and the surrounding area by maximizing affordable housing and economic development opportunities and providing needed social services to the area's low-income population.

BACKGROUND:

For more than 22 years, Venice Community Housing Corporation (VCHC) has been developing lasting, neighborhood-based solutions for low-income families and individuals. Their non-profit affordable housing programs are supported by a comprehensive range of life skills coaching, job training, youth development and employment, and family services. Formerly homeless and low-income participants are able to stabilize their lives and achieve economic self-reliance, making our communities stronger, safer and more inclusive for everyone.

Their Programs include:

Affordable Housing and Supportive Services for nearly 500 tenants, including a transitional housing facility for homeless women and their children and housing plus services to help formerly homeless, disabled tenants stay housed and reach their full potential in life;

Infant Toddler Development Center provides free day care for young children from low-income families;

VCHC Study Lounge, an academic focused after school program that focuses on providing academic assistance to students from ages 6 -17 who reside in VCHC buildings and in the surrounding community;

YouthBuild helps at-risk youth earn a high school degree and connect to gainful employment, particularly in the construction and burgeoning "green" industries;

Venice High Teen Court provides an alternative to the juvenile justice system for young people;

HandyWorker provides free minor home repairs for low-income elderly and disabled homeowners; and

Westside Repair and Painting Services (WRAPS) provides quality, timely and affordable home repair services to Los Angeles residents and property managers.

FISCAL IMPACT:

All donations go towards the services that are provided to the low and moderate income community.

BOARD OF DIRECTORS:

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Maury Ruano — *Senior Project Manager, East LA Community Corporation*

Anne Zimmerman — *Architect, AZ Architecture Studio*

CHARITABLE GRANT RECOMMENDATION

Recipient: **VOLUNTEERS OF AMERICA** (10/26/2010)
Location: 3530 Camino Del Rio North, Suite 300, San Diego, CA 92108
Purpose: Provides Services to those in need to rebuild their lives.
Website: www.voa.org
Revenue: \$11,094,999

MISSION/VISION:

At Volunteers of America, we are more than a nonprofit organization. We are a ministry of service that includes nearly 16,000 paid, professional employees dedicated to helping those in need rebuild their lives and reach their full potential.

Through our thousands of human service programs, including housing and healthcare, Volunteers of America helps more than 2 million people in over 400 communities in 44 states. Since 1896, we have supported and empowered America's most vulnerable groups, including at-risk youth, the frail elderly, men and women returning from prison, homeless individuals and families, people with disabilities, and those recovering from addictions. Our work touches the mind, body, heart — and ultimately the spirit — of those we serve, integrating our deep compassion with highly effective programs and services.

BACKGROUND:

The name Volunteers of America was selected when the organization was founded 114 years ago. It signified that the organization was comprised of people voluntarily choosing to help others. Our services are delivered through a partnership of professional staff, volunteers and other community supporters.

When Maud and Ballington Booth thought of names for their new organization 113 years ago, one word remained prominent: "volunteer." In those days, a volunteer was anyone who was committed to a mission or cause. Since its earliest days, when Volunteers of America brought food, medicine and comfort to people not served by other charities, volunteering has been instrumental in every aspect of the organization's ministry of service.

FISCAL IMPACT:

Your gift may provide such basic human necessities as shelter and food and such life-renewing assistance as rehabilitation and counseling.

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CHARITABLE GRANT RECOMMENDATION

Recipient: **WOMEN ESCAPING A VIOLENT ENVIRONMENT (WEAVE)**
(8/20/10)

Location: 1900 K Street, Sacramento, CA 95811

Purpose: Provides crisis intervention services for survivors of domestic violence and sexual assault in Sacramento County

Website: www.weaveinc.org

Revenue: \$3,330,435

MISSION/VISION:

It is WEAVE's mission to bring an end to domestic violence and sexual assault in partnership with our community. WEAVE's vision is a community free of violence and abuse. At WEAVE we believe that crisis intervention services are only part of the solution.

BACKGROUND:

WEAVE was established in 1978 as a private 501(c) 3 nonprofit organization to serve domestic violence survivors and their families in Sacramento County. In 1988, WEAVE added services to help survivors of sexual assault.

The organization has grown from a small, grassroots organization to a large, nationally recognized agency with 80 paid staff members and many active volunteers. WEAVE has been honored for its efforts by many organizations, including the Nonprofit Resource Center, the U.S. Department of Justice, the Governor, the Human Rights Fair Housing Commission, the Attorney General and the President of the United States.

FISCAL IMPACT:

Donations will help services provided by WEAVE to survivors.

BOARD OF DIRECTORS:

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