



REPUBLIC SERVICES, INC. PROJECT SUMMARY AND RECOMMENDATIONS

Applicant: Republic Services, Inc.

Action: Resolution Authorizing the Issuance of Solid Waste Refunding Revenue Bonds in a Principal Amount not to Exceed \$137,650,000 to Refinance the Acquisition, Construction, Improvement, Rehabilitation and Equipping of Certain Solid Waste Disposal Facilities For Republic Services, Inc.

Amount: \$137,650,000

Purpose: Refund Republic Services, Inc. Project, Series 2008A; Allied Waste North America, Inc. Project, Series 2008A and Series 2008B

Activity: Solid Waste Collection and Disposal

Meeting: May 21, 2010

Background:

Republic Services, Inc. and Allied Waste Industries, Inc. announced on December 5, 2008, that they have completed their historic merger to create one of the nation's leading waste and environmental services providers. The combined company has 35,000 employees serving more than 13 million customers in 40 states and Puerto Rico. The combined company, which is based in Phoenix, is named Republic Services, Inc.

Republic Services, Inc. (*the Company*) is a Delaware corporation. The Company is the second largest provider of services in the domestic, non-hazardous solid waste industry. The Company provides non-hazardous solid waste collection services for commercial, industrial, municipal, and residential customers through 367 collection companies in 40 states and Puerto Rico. The Company also owns or operates 217 transfer stations, 190 active solid waste landfills and 77 recycling facilities. The Company's executive offices are located at 18500 North Allied Way, Phoenix, Arizona 85054.

The Project:

The proceeds of the Bonds will be loaned by the Authority to the Company pursuant to the terms of the Agreement. Such proceeds will be used for the purpose of refunding (i) \$32,000,000 aggregate principal amount of Variable Rate Demand Revenue Bonds (Republic Services, Inc. Project) Series 2008A; (ii) \$33,900,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds (Allied Waste North America, Inc. Project) Series 2008A; and (iii) \$71,750,000 aggregate principal amount of Solid Waste Disposal Revenue Bonds (Allied Waste North America, Inc. Project) Series 2008B (collectively, the “*Prior Bonds*”) issued by the Authority to finance all or any part of the cost of (a) the acquisition, construction, improvements and equipping of certain solid waste disposal and related facilities, including, (i) the acquisition of solid waste disposal trucks, (ii) the acquisition of solid waste disposal containers and related equipment, (iii) site improvements, and (iv) the acquisition of other equipment and assets necessary to support the foregoing improvements and place them into service; (b) the acquisition, construction, improvements and equipping of certain landfill facilities including (i) construction and closures of solid waste cells, (ii) site improvements, (iii) ongoing installation of methane gas, leachate and water monitoring systems, and (iv) the acquisition of other equipment and assets necessary to support the foregoing improvements and place them into service; and (c) improvements to existing collection, transfer and recycling facilities, including (i) acquisition of solid waste collection and disposal vehicles and containers, (ii) acquisition of solid waste disposal containers and related equipment and (iii) acquisition of other equipment and assets necessary to support the foregoing improvements and place them into service. The structures, fixtures and improvements financed in whole or in part from the proceeds of the sale of the Prior Bonds shall individually hereinafter be referred to as a “Project” and, collectively, as the “Projects.”

The project locations are at existing facilities outlined below:

Dated Date	Par Thousands	Obligor	Location of Project(s)	Maturity
1/24/2008	\$33.900	Allied Waste	Counties of Fresno, Imperial, San Diego, San Mateo and City of Rancho Cordova	7/1/2024
3/11/2008	\$32.000	Republic Services	Counties of Alameda, Contra Costa, Orange and Solano	3/1/2027
11/13/2008	\$71.750	Allied Waste	Counties of Fresno, Imperial, San Diego and San Mateo	12/1/2017

Cities and Counties:

Numerous cities and counties became members of the CMFA.

Proposed Financing:

Sources:	Proceeds from Bond Issuance:	\$	<u>137,650,000</u>
	Total Sources:	\$	137,650,000
Uses of Funds:			
	Refunding (Allied Waste 2008A)	\$	33,900,000
	Refunding (Allied Waste 2008A)		32,000,000
	Refunding (Allied Waste 2008A)		<u>71,750,000</u>
	Total Uses	\$	137,650,000

Terms of Transaction:

Amount:	\$137,650,000.
Rate:	3 month Variable.
Maturity:	Up to 2027.
Collateral:	Unsecured.
Estimated Closing:	June, 2010.

Public Benefit:

This transaction will maintain numerous high quality full-time jobs. In addition, the cities and counties will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes and other local revenues generated through various vendors and businesses supporting the Borrower. The environment will benefit from lower emissions due to cleaner trucks. Improving capacity and efficiency in many locations will reduce air pollution by reducing the length of truck routes and the number of trucks on the road due to the centralization of transfer stations within the service areas. Also, improvements to the leachate collection and treatment systems, and additions and improvements to the methane gas systems at landfills will better protect the citizens within the State of California.

Finance Team:

Underwriter/Remarketing Agent:	Bank of America Merrill Lynch
UW/Remarketing Agent Counsel:	Chapman and Cutler, LLP
Bond Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Squire, Sanders & Dempsey LLP
Issuer Counsel:	Stradling Yocca Carlson & Rauth
Trustee:	TBD
Trustee Counsel:	TBD
Rating Agency:	Standard & Poor's Rating Group

Recommendation:

It is recommended that the CMFA Board of Directors adopt a resolution authorizing the issuance of solid waste refunding revenue bonds in a principal amount not to exceed \$137,650,000 to refinance the acquisition, construction, improvement, rehabilitation and equipping of certain solid waste disposal facilities for Republic Services, Inc.



SILSBY GARDEN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Highland Property Development LLC

Action: Initial Resolution

Amount: \$4,300,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of Blythe, Riverside County, California

Activity: Affordable Housing

Meeting: May 21, 2010

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.

The Project:

Silsby Garden Apartments is an acquisition rehabilitation project. The apartments are an existing 51 unit, HUD-subsidized affordable housing development for families originally constructed in 1983. This project is located in the City of Blythe in an area that desperately needs affordable housing. The project contains a total of 51 units of affordable rental housing on an approximately 4-acre site. The project includes a mix of two- and three-bedroom units for families earning

below 60% of AMI. Site amenities will include gated access, recreational areas, community room, barbecues, tot-lot, and covered parking.

The City of Blythe:

The City of Blythe will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing is expected to receive approximately \$2,687 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 4,300,000
USDA-538 Loan:	\$ 4,100,000
Deferred Dev. Fee:	\$ 19,161
Equity:	<u>\$ 1,281,312</u>
Total Sources:	\$ 9,700,473

Uses of Funds:

Land Acquisition:	\$ 229,500
Building Acquisition:	\$ 2,065,500
Rehabilitation:	\$ 1,771,050
Architectural & Engineering:	\$ 50,000
Legal & Professional:	\$ 262,500
Reserves:	\$ 124,600
Const. Loan Buy down:	\$ 4,300,000
Misc.:	\$ 254,796
Developer Fee:	\$ 611,722
COI:	<u>\$ 30,805</u>
Total Uses:	\$ 9,700,473

Terms of Transaction:

Amount:	\$4,300,000
Rate:	TBD
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	November 2010

Public Benefit:

Fifty-one families will be able to enjoy high quality affordable housing in the City of Blythe for another 55 years. 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%
100% (51 Units) restricted to 60% or less of area median income households
Unit Mix: 2 and 3 bedrooms
Term of Restriction: 55 years

Finance Team:

Underwriter:	JP Morgan Chase Bank
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Lender Counsel:	Frankel & Tennant
Borrower Counsel:	Pillsbury Winthrop
Issuer Counsel:	Squire, Sanders & Dempsey LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve an Initial Resolution of \$4,300,000 for the Silsby Garden Apartments affordable housing project located in the City of Blythe, Riverside County, California.

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



MOVIETOWN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Casden Movietown LLC

Action: Initial Resolution

Amount: \$60,000,000

Purpose: Finance Senior Affordable Multi-Family Rental Housing Facility Located in the City of West Hollywood, Los Angeles County, California

Activity: Senior Affordable Housing

Meeting: May 21, 2010

Background:

Casden Properties is a privately held company that is widely regarded as one of the premier developers of multifamily residential properties in the United States. Spearheaded by its visionary Chief Executive Officer and Chairman Alan I. Casden, the company is a leader in the planning, design, development and management of urban housing. During 45 years of business, Casden Properties has developed over \$10 billion of residential real estate development, including more than 90,000 residential units (70,000 apartments and 20,000 single family homes and condominiums). In 2002, the company's portfolio was merged into AIMCO, a major real estate investment trust. Currently, Casden Properties has a number of properties under construction and in the development pipeline. The company has a consistent record of maximizing values and outperforming industry averages by applying its deep reservoir of judgment, talent and capital.

The Project:

The project is a mixed-use commercial and residential development consisting of 32,300 square feet of street-level retail uses, 56 market-rate apartments and 77 affordable senior rental units including one manager's unit. Parking for retail users, residents, and guests of the project is accommodated within a subterranean parking structure which consists of 380 spaces. Separate parking fields and differentiated auto and pedestrian entrances are provided for the different uses.

To ensure the most efficient allocation of non-assigned parking, all commercial and residential guest spaces will be shared and located in the same parking field.

The project includes substantial common open space, recreation facilities, and thoughtfully landscaped private, common, and public open space. A public plaza, attractive building façade articulation, and streetscape improvements are planned to create a dynamic street-level environment for pedestrians. In addition, a landscaped mews will traverse the project area, creating a break in the massing of the development site. The mews will allow the public to stroll in an east-west direction through the project and connect to the plaza and paseo. The mews will also meet some of the project’s practical needs, such as loading for the commercial space.

Construction of the project near the City of West Hollywood’s eastern gateway will provide visitors and residents of the City with a carefully considered, well-designed eastside of West Hollywood. Future residents of the project will benefit from commanding views of the Los Angeles Basin and Hollywood Hills, with limited shade/shadow impacts on surrounding sites.

The City of West Hollywood:

The City of West Hollywood will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing is expected to receive approximately \$25,000 as part of CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds

Tax-Exempt Bond Proceeds:	\$60,000,000
Equity:	<u>\$15,000,000</u>
Total Sources:	\$75,000,000

Uses of Funds:

Land Acquisition:	\$25,000,000
New Construction:	\$33,000,000
Architectural & Engineering:	\$ 1,500,000
Legal & Professional:	\$ 500,000
Other: Interest and Finance Costs	\$ 6,500,000
Other: Bond Reserve Fund	\$ 6,000,000
Cost of Issuance:	<u>\$ 2,500,000</u>
Total Uses:	\$75,000,000

Terms of Transaction:

Amount:	\$60,000,000
Maturity:	30 years
Collateral:	LOC. Deed of Trust on property.
Bond Purchasers:	Public Offering.
Estimated Closing:	October 2010

Expected Rating: S&P AA-, Moody's Aa1

Public Benefit:

The services and programs will provide support specific to the needs for the senior community, by partnering with the gerontology specialist at the local medical centers for the provision of education programs, casework and health care-related issues. Programs will include case management, recreation and social programs, social work program and meeting areas, need-specific presentations and programs, and educational programs. Onsite resident program coordinators will promote and facilitate resident and community activities base upon specific needs of residents. A resident manager specifically dedicated to the affordable housing component will be a resident on the property. The specifics of these programs will be approved by the Housing Department through an affordable housing agreement with the Owner. All affordable will be dedicated to the project for the term of the affordable housing agreement. Services for the market-rate units will include 24-hour security as well as a full service concierge.

Percent of Restricted Rental Units in the Project: 58%
49% (38 Units) restricted to 50% or less of area median income households; and
51% (39 Units) restricted to 80% or less of area median income households
Unit Mix: 1 & 2 bedroom
Term of Restriction: 55 years

Finance Team:

Underwriter:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Jones Hall
Lender Counsel:	TBD
Financial Advisor:	TBD
Borrower Counsel:	Goodwin Procter LLP
Credit Provider:	HSBC

Recommendation:

It is recommended that the CMFA Board of Directors approve an Initial Resolution of \$60,000,000 for the Movietown Apartments Senior affordable housing project located in the City of West Hollywood, Los Angeles County, California.

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



EL CAMINO APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Mid-Peninsula Housing Coalition

Action: Initial Resolution

Amount: \$17,000,000

Purpose: Finance Affordable Multi-Family Rental Housing Facility
Located in the City of South San Francisco, San Mateo
County, California

Activity: Affordable Housing

Meeting: May 21, 2010

Background:

This is our sixth transaction with Mid-Peninsula Housing Coalition. Station District, DeVries Place, Parkhurst Terrace, Marymead Park and Cynara were the first five projects. [Mid-Peninsula Housing Coalition](#) (“MPHC”) is one of the largest and most successful non-profit developers of affordable housing in the San Francisco and Monterey Bay regions. Between 1970 and the end of 2010, MPHC has designed & built or acquired & rehabilitated almost 6,400 units of affordable housing. This equals 82 properties in 29 cities and towns in the San Francisco and Monterey Bay region. Their properties are constantly recognized for excellence for their quality of housing.

The Project:

The El Camino Family Housing Phase II is a new construction affordable housing project with 47-units, located at the corner of Orange Ave and El Camino Real in South San Francisco, CA. the project is located directly adjacent to South San Francisco High School and will be a mixed use transit-oriented development comprised of one 4-story building and 6 attached townhomes above a subterranean parking structure. Project amenities include ample community space with a computer lab, management offices, services offices, tot lot and fitness center. 100% of the housing units, with the exception of one manager’s unit, will be affordable to households with

incomes at or below 50% of the area median income. 10 of the projects units will be reserved as supportive housing units.

The City of South San Francisco:

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

Proposed Financing:

Sources of Funds	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$17,000,000
City RDA:	\$ 7,307,883
MHSA:	\$ 1,098,930
County of San Mateo/ AHP/ HEART:	\$ 1,631,767
Deferred Developer Fee:	\$ 548,500
Equity:	<u>\$ 6,253,331</u>
Total Sources:	\$21,234,169

Uses of Funds:

Land Acquisition:	\$ 1,932,729
New Construction Costs:	\$13,606,221
Architectural & Engineering:	\$ 796,999
Legal & Professional:	\$ 70,500
Construction Loan Interest:	\$ 759,067
Local Permits and Fees:	\$ 903,613
Developer Fee:	\$ 1,400,000
Assorted Soft Costs:	\$ 1,765,040
COI:	<u>\$ 284,709</u>
Total Uses:	\$21,234,169

Terms of Transaction:

Amount:	\$17,000,000
Rate:	TBD
Maturity:	30 years
Collateral:	Deed of Trust on property
Bond Purchasers:	Private Placement
Estimated Closing:	October 2010

Public Benefit:

Forty-seven families will now be able to enjoy high quality affordable housing in the City of South San Francisco. Services at the complex will include on-site parking, laundry facilities, air conditioning, picnic areas and children's play areas, fitness centers, computer labs and after school programs.

Percent of Restricted Rental Units in the Project: 100%
28% (13 Units) restricted to 30% or less of area median income households; and
28% (13 Units) restricted to 40% or less of area median income households; and
44% (21 Units) restricted to 50% or less of area median income households;
Unit Mix: 1, 2 and 3 bedrooms
Term of Restriction: 55 years

Finance Team:

Underwriter:	TBD
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Jones Hall LLP
Lender Counsel:	TBD
Financial Advisor:	CHPC
Borrower Counsel:	Gubb & Barshay LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve an Initial Resolution of \$17,000,000 for the El Camino Family Apartments affordable housing project located in the City of South San Francisco, San Mateo County, California.

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



CHEVRON U.S.A. INC. SUMMARY AND RECOMMENDATIONS

Applicant: Chevron U.S.A. Inc.

Action: Initial Resolution

Amount: \$250,000,000 (Not to Exceed)

Purpose: Finance various qualifying expenditures relating to a refinery facility located in the City of El Segundo, County of Los Angeles, CA.

Activity: Refinery / Production of Petroleum Products

Meeting: May 21, 2010

Background:

Chevron U.S.A. Inc. (the “Company”) operates as an integrated energy company worldwide. The Company’s petroleum operations include the exploration, development, production, and marketing of crude oil and natural gas. The Company’s refining, marketing, and transportation operations comprise of refining crude oil and converting natural gas into finished petroleum products; marketing crude oil and products derived from petroleum; and transporting crude oil, natural gas, and petroleum products by pipeline, marine vessel, motor equipment, and rail car. The Company was formerly known as ChevronTexaco Corporation and was founded in 1879. The Company’s headquarters is in San Ramon, California.

The Project:

The proposed transaction will be to finance various capital expenditures relating to the production of usable fuels through the process of thermal cracking, fluidized catalytic cracking and hydro cracking of heavy crude oil. The project will comprise of various improvements, all of which constitute fixed improvement to the refinery and will qualify as eligible costs for tax-exempt financing under the private activity bond rules for recovery zone facility bonds.

City of El Segundo:

The City of El Segundo is currently a member of the CMFA. The City will be required to hold a TEFRA Hearing, adopt a resolution approving of the financing and (within such resolution) make certain findings as required under both State and Federal laws for the issuance of recovery zone facility bonds. If the Company receives an allocation of Recovery Zone Facility Bonds from the California Debt Limit Allocation Committee (“CDLAC”) in an amount equal to \$100,000,000, the City of El Segundo would be expected to receive approximately \$32,500 as part of CMFA’s sharing of Issuance Fees.

Please be advised that the Company is seeking an inducement in the amount of \$250,000,000 in the event that it receives from CDLAC an allocation in excess of \$100,000,000.

Proposed Financing:

Sources of Funds:

Recovery-Zone Facility Bond Proceeds:	<u>\$100,000,000</u>
Total Sources:	\$100,000,000

Uses of Funds:

Project Costs:	<u>\$100,000,000</u>
Total Uses:	\$100,000,000

Terms of Transaction:

Amount:	\$250,000,000 (Not to Exceed)
Collateral:	None
Security:	Corporate guaranty of Chevron Corporation
Maturity:	2030
Offering Type:	Public Offering
Bond Purchasers:	Institutional & Retail Investors
Estimated Closing:	4 th Quarter 2010
Ratings:	S&P: “AA / P-1+” Moody’s: “Aa2 / VMIG -1”

Public Benefit:

With this financing, the State of California and the City of El Segundo will receive an increase in the revenue tax base, ensure the retention of number of positions for highly trained employees, and increase the production of high quality fuels from previously poor performing fuels or unusable heavy crude oil.

Finance Team:

Underwriter(s): Bank of America Merrill Lynch, as representative of the
Syndicate

Underwriter Counsel: Clearly Gottlieb Steen & Hamilton LLP (New York)

Bond Counsel: Fulbright & Jaworski LLP

Borrower Counsel: Pillsbury Winthrop Shaw Pitman LLP

Issuer Counsel: Squire, Sanders & Dempsey LLP

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$250,000,000 for the issuance of Recovery Zone Facility Bonds for the Company to finance the acquisition, construction, improvement and development of certain improvements to a refinery facility located in the City of El Segundo, County of Los Angeles, California.

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



CENTINELA FEED, INC. SUMMARY AND RECOMMENDATIONS

Applicant: Centinela Feed, Inc

Action: Initial Resolution

Amount: \$4,000,000

Purpose: Finance an Industrial Project for Centinela Feed Located In the City of Torrance, County of Los Angeles, CA.

Activity: Manufacturing

Meeting: May 21, 2010

Background:

Centinela Feed began as a small store at 4307 Centinela Avenue in West Los Angeles. In 1926, Al Barnes the co-owner of the Carson and Barnes circus decided that he wanted his own city. The building that became the future home of Centinela Feed was the city hall for Barnes City. Barnes City only lasted less than a year before it became a part of Los Angeles. However that was long enough for the building to be later declared an historical landmark.

In the 1930s the building became a feed and paint store. Over the next forty years the business had four different owners. In 1974 Tom and Mieko Nakagawa purchased Centinela Feed. Tom and Mieko are the parents of the current owners Chris and Dwight Nakagawa.

Chris Nakagawa started working at the store when he was 11 years old. In 1987, Tom Nakagawa turned over the store to Chris, and then in 1995 Dwight joined the company. In 1989, the brothers built the next store on 12553 Venice Boulevard, when the building at 4307 Centinela Avenue began to deteriorate due to age. The small building no longer stands today; it was torn down due to the condition of the building and safety issues in the summer of 1999.

In 1992 they opened another store in Santa Monica on 1448 Lincoln Boulevard. In 1994, their largest retail store (located at 3860 Centinela Avenue) opened with a grooming facility and warehouse, along with the corporate office above the store. This store opening brought the Company back to the original street where it had all begun.

The Project:

The proposed bond financing will be used to finance the acquisition of new pet food equipment at Centinela's plant in Torrance, CA.

City of Torrance:

The City of Torrance is a member of the CMFA and will need to hold a TEFRA hearing. The City of Torrance is expected to receive approximately \$2,666 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$4,000,000</u>
Total Sources:	\$4,000,000

Uses of Funds:

New Machinery & Equipment:	\$3,920,000
Costs of Issuance:	<u>\$ 80,000</u>
Total Uses:	\$4,000,000

Terms of Transaction:

Amount:	\$4,000,000
Rate:	Fixed Rate
Collateral:	Equipment.
Maturity:	2017
Bond Purchasers:	Private Placement
Estimated Closing:	July 2010

Public Benefit:

This transaction will create approximately 21 new full-time jobs in addition to retaining their current full-time employee. Furthermore, the City of Torrance will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes, and other local revenues generated through various vendors and businesses supporting the Borrower.

Finance Team:

Underwriter:	GE Government Finance Inc.
Underwriter Counsel:	Kutak Rock LLP
Bond Counsel:	The Law Offices of Ron Lee/ Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Michael Bales

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$4,000,000 to finance a project for Centinela Feed located in the City of Torrance, County of Los Angeles, California.

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



CARDENAS THREE, LLC SUMMARY AND RECOMMENDATIONS

Applicant: Del Real, LLC and Cardenas, LLC

Action: Initial Resolution

Amount: \$6,000,000

Purpose: Finance an Industrial Project for Cardenas Three, LLC Located In the City of Mira Loma, County of Riverside, CA.

Activity: Manufacturing

Meeting: May 21, 2010

Background:

The foundation for Del Real Foods is rooted in a small town in the central part of Mexico. This town was home to the Cardenas family for many generations thrived in the rich culture and traditions of central Mexico. In 1970, the Cardenas family came to the US in search of a better future. Along with their memories and rich culture, the family brought with them their love for traditional Mexican food. Many sacrifices were made when they first arrived in this country but one thing they were not willing to sacrifice was their cravings for traditional high quality Mexican food. The Cardenas family cooked authentic Mexican dishes from scratch by using the recipes and cooking methods which were passed down for generations. Their homemade dishes soon became popular with friends and neighbors who raved about the authenticity of their food. The popularity and high demand for their cuisine led the Cardenas family to start Del Real Foods. The Cardenas family continues to play an integral role in the development of every Del Real product assuring that all of our flavors and textures are authentic and stay true to our roots. Del Real Foods recently moved to a new state-of-the-art plant located in Mira Loma, California. This USDA-approved plant is very efficient, competitive and maintains extremely high quality standards.

It all started with a pregnant pig in Corona. When Luz and Jesus Cardenas traded some tools for a sow 25 years ago, they had no idea the pig was expecting. But that gave the couple a head start on a thriving hog farm and that; in turn lead to a thriving supermarket chain with over 1,100 employees based in Ontario, California. Cardenas Markets now has twelve locations in Ontario, Montclair, Moreno Valley, Pomona, Fontana, Rialto, Colton, San Jacinto, Riverside and

Rubidoux. Cardenas Markets has a strong reputation for quality meat and knows that its extensive meat department and wide array of Latino foods will allow us to expand market share and customer count.

The Project:

Del Real's meat processing operation is currently handled out of a building in Mira Loma, CA and is running at near capacity. The proposed bond financing will help to purchase a warehouse facility next door to their existing meat processing operations for \$4.0MM (expected to close escrow in May 2010). The new warehouse facility will provide addition processing capacity and space for refrigeration equipment to be utilized by CMI for its grocery stores. Thus, Cardenas 3 will lease the facility 50% to Del Real for meat processing operations and lease 50% to CMI for refrigeration of grocery store items.

City of Mira Loma:

The City of Mira Loma will need to become a member of the CMFA and hold a TEFRA hearing. The City of Mira Loma is expected to receive approximately \$3,750 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$6,000,000
Equity:	<u>\$2,120,000</u>
Total Sources:	\$8,120,000

Uses of Funds:

Building Acquisition:	\$4,000,000
Rehabilitation:	\$4,000,000
Costs of Issuance:	<u>\$ 120,000</u>
Total Uses:	\$8,120,000

Terms of Transaction:

Amount:	\$6,000,000
Rate:	Fixed Rate
Collateral:	Equipment.
Maturity:	2025
Bond Purchasers:	Private Placement
Estimated Closing:	July 2010

Public Benefit:

This transaction will create approximately 150 new full-time. Furthermore, the City of Mira Loma will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes, and other local revenues generated through various vendors and businesses supporting the Borrower.

Finance Team:

Underwriter:	GE Government Finance Inc.
Underwriter Counsel:	Ron Kutak LLP
Bond Counsel:	The Law Offices of Ron Lee/ Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	TBD

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$6,000,000 to finance a project for Cardenas Three, LLC located in the City of Mira Loma, County of Riverside, California.

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



BTL MACHINE SUMMARY AND RECOMMENDATIONS

Applicant: BTL Machine

Action: Initial Resolution

Amount: \$4,000,000

Purpose: Finance an Industrial Project for BTL Machine Located In the City of Corona, County of Riverside, CA.

Activity: Manufacturing

Meeting: May 21, 2010

Background:

BTL Machine was established by the Vo family in 1991. Initially BTL served the international bicycle industry. Through hard work and teamwork, BTL's reputation for excellence in quality, delivery, and service spread throughout the machining industry. Today, BTL has grown to be a fully equipped, technologically advanced manufacturing corporation serving the highly demanding aerospace industry.

BTL Machine is a structural aerospace supplier, with a 79,500 sq foot facility and 90 employees running two shifts. Our core competencies include 3, 4, and 5 Axis high speed milling and CNC turning, Hinge Specialty, 5 Axis Gantry, 3D programming, Complex Structural Assemblies and Project Management. We are located in the heart of the Southern California manufacturing district. Our core products are complex airframe structures, landing gear components, wing skins and spar caps, cargo handling systems and specialty hinge manufacturing. BTL manufactures products from forgings, castings, and plate stock consisting of aluminum, stainless steel, and titanium.

BTL Machine continues to invest in the latest technology and highly qualified personnel while maintaining a strong focus on innovation and cost effective manufacturing solutions. We are committed to quality, delivery, and complete customer satisfaction with every shipment.

The Project:

The proposed bond financing will help BTL Machine finance the new gantry and overhead crane for their facility in Corona, CA. With this bond financing the BTL Machine will be able to continue to manufacture in complex CNC machining of Airframe Structural Components for commercial and military applications.

City of Corona:

The City of Corona is a member of the CMFA and will need to hold a TEFRA hearing. The City of Corona is expected to receive approximately \$2,666.67 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$4,000,000</u>
Total Sources:	\$4,000,000

Uses of Funds:

New Machinery & Equipment:	\$3,800,000
Costs of Issuance:	<u>\$ 200,000</u>
Total Uses:	\$4,000,000

Terms of Transaction:

Amount:	\$4,000,000
Rate:	Fixed Rate
Collateral:	Equipment
Maturity:	2017
Bond Purchasers:	Private Placement
Estimated Closing:	July 2010

Public Benefit:

This transaction will create approximately 10 new full-time jobs in addition to retaining their current 100 full-time employees. Furthermore, the City of Corona will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes, and other local revenues generated through various vendors and businesses supporting the Borrower.

Finance Team:

Underwriter:	GE Government Finance Inc.
Underwriter Counsel:	Kutak Rock LLP
Bond Counsel:	The Law Offices of Ron Lee/ Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	TBD

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$4,000,000 to finance a project for BTL Machine located in the City of Corona, County of Riverside, California.

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



VENTURA COASTAL LLC SUMMARY AND RECOMMENDATIONS

Applicant:	Ventura Coastal LLC
Action:	Final Resolution
Amount:	\$4,000,000
Purpose:	Finance the Acquisition and Installation of Industrial Facilities for a Plant Located in the City of Visalia, Tulare County, California
Activity:	Manufacturing
Meeting:	May 21, 2010

Background:

Ventura Coastal Corporation, located in Ventura, California, processes grapefruit, oranges, lemons, and exotic tangerine peel oil and juice for concentrate. Extracting peel oil and juice from a variety of fruits for major food and drink manufacturers requires strict quality and safety procedures for Ventura Coastal. Most consumers outside of California believe fruit is a seasonal commodity but the growing and processing cycles for different fruits happen year round. Ventura Coastal processes Valencia oranges from late spring through fall; navel oranges from winter through spring; desert lemons in the fall; coastal lemons late winter through spring; and grapefruit from spring to fall. Ventura Coastal Corporation is not just another bulk juicer located in Southern California. With two plants, one in Ventura, California and the second in Visalia, California, the company process's 200,000 tons of raw product for worldwide distribution, including countries as far away as Japan, Australia, and New Zealand.¹

The Project:

This is the second transaction that the CMFA has done for Ventura Coastal. The project consists of new machinery and equipment as well as additional plant upgrades to be used in the production of citrus juices and citrus oils at the facility located at 12310 Avenue 368, Visalia, California. With these upgrades the plant will be able to continue with its current employment numbers and be able to add new employees.

¹ Source: www.tydenbrammall.com/cargoguy/pressreleases/VenturaJS.pdf

City of Visalia:

Visalia is a member of the CMFA and held a TEFRA hearing on October 27, 2009. They are expected to receive approximately \$2,500 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources:	Proceeds from Bond Issuance:	<u>\$ 4,000,000</u>
	Total Sources:	\$ 4,000,000
Uses:	Acquisition & Installation of Equipment:	\$ 3,920,000
	Bond Issuance Expenses	<u>\$ 80,000</u>
	Total Uses:	\$ 4,000,000

Terms of Transaction:

Amount:	\$4,000,000
Rate:	Bonds to be issued fixed rate.
Maturity:	January 2017
Collateral:	Secured by equipment and machinery.
Bond Purchasers:	Held by GE Pubic Finance or its assignees.
Estimated Closing:	July 2010

Public Benefit:

This transaction will continue to help retain 72 full-time employees. Furthermore, Visalia will enjoy an increase and diversification of the local tax base through salaries, wages, sales taxes, property taxes, and other local revenues generated through various vendors and businesses supporting the Borrower.

Finance Team:

Underwriter:	GE Government Finance
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Law Offices of Ron Lee
Underwriter Counsel:	Kutak Rock
Borrower Counsel:	Seed Mackall LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution in the amount of \$4,000,000 of tax-exempt private activity bonds to finance the acquisition and installation of industrial facilities to a production plant located in City of Visalia, Tulare County, California.



PASEO SANTA BARBARA PHASE I SUMMARY AND RECOMMENDATIONS

Applicant:	Cabrillo Economic Development Corporation
Action:	Final Resolution
Amount:	\$15,058,000
Purpose:	Finance Affordable Rental Housing Facility Located in the City of Santa Paula, Ventura County, California
Activity:	Affordable Housing
Meeting:	May 21, 2010

Background¹:

This is our Fourth transaction with Cabrillo Economic Development Corporation (“CEDC”). CEDC has progressed from a grower-owned labor camp to a countywide housing and economic development corporation serving diverse socio-economic populations.

In 1975, farm worker families living in substandard housing conditions in Cabrillo Village (Saticoy, CA) received eviction notices from the labor camp’s grower-owners. Resisting the razing of their homes, 80 farm worker families raised money to purchase the land, started the Cabrillo Improvement Association (CIA), and became the land’s legal owners on Cinco de Mayo 1976.

Over the next five years, the CIA rehabbed 80 homes, developed two new housing complexes totaling 79 units, started three new business ventures to expand the neighborhood’s economic base, and provided social services to farm worker families. In 1981, in a decision to expand past its original borders, a countywide community development corporation was formed that became CEDC.

Since these humble beginnings, CEDC has built more than 1,000 units of affordable for-sale and multi-family rental housing, manages 440 affordable rental units, and has counseled more than 1,800 households preparing to purchase a home. In addition, CEDC has helped 275 families into homeownership through education, counseling, and lending services.

CEDC is now the leading non-profit affordable housing producer in Ventura County.

¹ Source: <http://www.cabrilloedc.org/about.html>

The Project:

Paseo Santa Barbara will be the first project of two phases in a new construction development in the city of Santa Paula. This project will house 74 low-income families that desperately need a place to live that is close to their work. The development will be spaced out over 6.8 acres. This space will leave plenty of open areas for children and picnic spots. There will be 12 buildings on this property. There will be a community center, property management offices and park that are centrally located on the premises. The apartment buildings will then surround these buildings.

The project will include the following amenities; A community center, which will house a large meeting room, a computer room, lunch room and offices. There will be after school youth programs, tutoring, junior achievement, leadership training and, a neighborhood watch programs. CEDC is also partnering up with the Boys and Girls Club, Santa Paula Family Resources Center, and Santa Paula Community Service Academy.

City of Santa Paula:

The City of Santa Paula is a member of the CMFA and held a TEFRA hearing on June 29, 2009. Upon closing the city is expected to receive approximately \$9,411 as part of CMFA's sharing of Issuance Fees.

Project Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$15,058,000	\$ 3,648,000
Developer Equity:	\$ 100	\$ 100
Deferred Developer Fee:	\$ 1,863,760	\$ 1,863,760
LIH Tax Credit Equity:	\$ 2,223,000	\$ 6,352,000
Direct & Indirect Public Funds:	\$ 8,187,870	\$16,159,266
GP Loan (NWA Funds):	\$ 540,000	\$ 540,000
Deferred Costs:	<u>\$ 690,396</u>	<u>\$ 0</u>
Total Sources:	\$28,563,126	\$28,563,126

Uses of Funds:	
Land Purchase:	\$ 4,276,000
On & Off Site Costs:	\$ 200,000
Hard Construction Costs:	\$10,655,479
Architect & Engineering Fees:	\$ 1,312,733
Contractor Overhead & Profit:	\$ 1,504,521
Developer Fee:	\$ 2,500,000
Cost of Issuance:	\$ 270,370
Other Soft Costs:	<u>\$ 7,844,023</u>
Total Uses:	\$28,563,126

Terms of Transaction:

Amount:	\$15,058,000
Maturity:	30 years.
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	June 2010

Public Benefit:

The project will make it possible for 74 families whose incomes are very low to live in adequately sized, decent, safe, sanitary, and affordable housing. CEDC plans to provide a variety of social services, including after school youth programs, tutoring, junior achievement, leadership training and, a neighborhood watch programs. CEDC is also partnering up with the Boys and Girls Club, Santa Paula Family Resources Center, and Santa Paula Community Service Academy.

Site amenities will include a community room with a learning center, play areas for tots and small children, and sport outlets for older children. Unit amenities include washer/dryer, refrigerator, range, garbage disposal, central heating/air conditioning.

Percent of Restricted Rental Units in the Project: 100%
62% (45 Units) restricted to 50% or less of area median income households; and
38% (28 Units) restricted to 60% or less of area median income households
Unit Mix: 1, 2 & 3 bedrooms
Term of Restriction: 55 years

Finance Team:

Lender:	Citibank
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Quint & Thimmig LLP
Borrower Counsel:	Goldfarb & Lipman LLP
Borrower Consultant:	California Housing Partnership Corporation

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution of \$15,058,000 for the affordable multi-family rental housing facility located in the City of Santa Paula, Ventura County, California.



GARVEY SENIOR APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant:	Domus Development, LLC and Newport Partners
Action:	Final Resolution
Amount:	\$11,000,000
Purpose:	Finance Multi-Family Rental Housing Development Located in the City of El Monte, Los Angeles County, California
Activity:	Senior Affordable Housing
Meeting:	May 21, 2010

Background:

Domus Development, LLC “Domus” formed in 2003, is currently in partnership with MNJ Development, LLC whose members are also the sole members of Newport Partners, LLC, a large national tax credit equity provider and investor asset management company.

Newport provides oversight and capital to Domus as well as provides all necessary guarantees as Newport Partners, LLC and Holds the majority of the asset base.

Newport Partners, LLC (“Newport”), formed in 1998, is a full service tax credit syndication conduit for institutional investor clients. They provide a variety of services in including the acquisition, underwriting, closing and asset management of both low-income housing and historic tax credit transactions.

The principals of the Newport Partners have over 40 years of experience in structured finance and have participated in over \$1.2 billion of equity investment in real estate tax credit transactions.

The Project:

Garvey Senior Apartments is a new construction on an urban infill site that will provide affordable senior multi-family housing development located in the city of El Monte, California. The project will contain a total of 68 units of affordable rental housing to senior citizens. The current buildings are 4-story mixed use development. This project will help remove urban blight and provide needed affordable senior housing that the city desperately needs.

The City of El Monte:

The City of El Monte is a member of the CMFA and held a TEFRA hearing on December 1, 2009. Upon closing is expected to receive approximately \$6,875 as part of CMFA's sharing of Issuance Fees.

Project Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$11,000,000	\$ 2,600,000
Deferred Costs:	\$ 1,403,511	\$ 0
Deferred Developer Fee:	\$ 0	\$ 1,036,645
LIH Tax Credit Equity:	\$ 50,000	\$ 5,816,866
Direct & Indirect Public Funds:	\$ 7,000,000	\$10,000,000
East West Bank Land Gift & Deferred Payment:	<u>\$ 1,960,000</u>	<u>\$ 1,960,000</u>
Total Sources:	\$21,413,511	\$21,413,511

Uses of Funds:

Acquisition Costs:	\$ 3,400,001
New Construction Costs:	\$11,203,220
Architectural:	\$ 376,000
Survey & Engineering:	\$ 84,000
Contingency Costs:	\$ 1,220,322
Construction Period Expenses:	\$ 884,150
Permanent Financing Expenses:	\$ 125,160
Legal Fees:	\$ 82,447
Capitalized Reserves:	\$ 235,442
Reports & Studies:	\$ 61,000
Other (Marketing, etc):	\$ 1,432,397
Developer Costs:	<u>\$ 2,309,372</u>
Total Uses:	\$21,413,511

Terms of Transaction:

Amount:	\$11,000,000
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	June 2010

Public Benefit:

67 senior citizens will now be able to enjoy high quality affordable housing in the City of El Monte. Services at the complex will include on-site parking, laundry facilities, air conditioning, community space, resident activities as well as 3,800 sq feet of commercial space.

Percent of Restricted Rental Units in the Project: 100%
100% (67 Units) restricted to 50% or less of area median income households
Unit Mix: 1 bedroom
Term of Restriction: 55 years

Finance Team:

Underwriter:	US Bank
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Jones Hall
Lender Counsel:	DLA Piper LLP
Borrower Counsel:	Bocarsly Emden Cowan Esmail & Arndt LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution of \$11,000,000 for the Garvey Senior Apartments affordable housing project located in the City of El Monte, Los Angeles County, California.



CHILDREN'S DAY SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant: Children's Day School

Action: Final Resolution

Amount: \$10,000,000

Purpose: Finance and Refinance the Acquisition, Construction, Improvement, Renovation and Equipping of Facilities, Located in the City and County of San Francisco, California.

Activity: Private School

Meeting: May 21, 2010

Background:

Children's Day School ("CDS") occupies what may be the oldest continuously operating school site west of the Mississippi River. Prior to the construction of Mission Dolores in 1775, the land was an Ohlone village called Chutchui. During the early Mission period before an orchard was planted, the Ohlone and the clergy of the Mission kept a flock of sheep on the site, a tradition carried on by CDS today.

At Children's Day School, they believe they are all interdependent and that the success and health of their school is directly tied to the success and health of the larger community. For this reason, the CDS community is an active and involved member of the Mission neighborhood and of the larger San Francisco community. They currently partner with a variety of community institutions, from local nonprofits to neighborhood public schools. Many of these connections also provide opportunities for community based learning (service learning) for their students. Over the past two years, CDS has collaborated with over 40 community organizations on both ongoing and one-time projects

The Project:

Children’s Day School plans to use the Bond proceeds over the next three years to finance the following: Financing or refinancing (1) construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Corporation's facilities located at 333 Dolores Street, San Francisco, California 94110 and 3275-3279 16th Street, San Francisco, California 94103; (2) acquisition and/or improvement of one or more properties located immediately adjacent to the Corporation’s current facilities in the area bounded by Dolores Street, 16th Street, Guerrero Street and 17th Street in San Francisco, California; (3) refinance approximately \$7.2 million of loans with banks and certain individuals that financed construction, acquisition, improvement, capital maintenance, equipment acquisition and other related capital expenditures at the Corporation’s current facilities; and (4) costs of issuance.

The City & County of San Francisco:

The City & County of San Francisco is a member of the CMFA and will need to hold a TEFRA hearing. The City and or County will receive approximately \$6,333 as part of CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Bond Proceeds:	\$	9,500,000
Total Sources:	\$	9,500,000

Uses of Funds:

New Money:	\$	1,309,166
City National Loan 333 Dolores:	\$	2,727,789
City National Loan – Prepayment Penalty:	\$	484,903
Bank of Marin – 16 th Street:	\$	1,837,500
Parent Loan:	\$	475,000
City National Loan – Phase 1 Mini-Perm:	\$	788,020
City National Loan – Phase 2 Mini-Perm:	\$	883,622
Reimbursement for Renovation Expenses:	\$	806,048
Cost of Issuance:	\$	74,450
Underwriters Discount:	\$	50,000
U.S. Bank Upfront Fee (0.30%):	\$	28,500
Letter of Credit Counsel Fee:	\$	35,000
Total Uses:	\$	9,500,000

Terms of Transaction:

Amount:	\$10,000,000
Rate:	Multi-Modal
Maturity:	Maturing 2040
Collateral:	Deed of Trust
Bond Purchasers:	Bank Qualified Investor
Estimated Closing:	July 2010
Expected Rating:	Unrated

Public Benefit:

The Children's Day School is an independent, coeducational school for students in preschool through eighth grade. The total enrollment is 315 students. The teacher to student ration is 1:8. The school employs 18 administrators and support staff as well as 46 faculty members. There are numerous before and after school programs as well as summer camps and vacation camps.

Finance Team:

Placement Agent:	Stone & Youngberg LLC
Bank Purchaser:	U.S. Bank National Association
Bank Purchaser Counsel:	Bryan Cave LLP
Bank Advisor:	The Whitman Group
Bond Counsel:	Hawkins Delafield & Wood
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Coblentz, Patch, Duffy & Bass LLP
Trustee:	Wells Fargo Corporate Trust Services

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution authorizing the issuance, sale and delivery of up to \$10,000,000 of tax-exempt bonds to finance or refinance the cost of the acquisition, construction, rehabilitation, installation and equipping of educational facilities, located in the City and County of San Francisco, California.



AMISTAD HOUSE LP SUMMARY AND RECOMMENDATIONS

Applicant: Satellite Housing, Inc.

Action: Final Resolution

Amount: \$5,250,000

Purpose: Finance Senior Affordable Rental Housing Facility Located
in the City Of Berkeley, County of Alameda, Ca.

Activity: Senior Affordable Housing

Meeting: May 21, 2010

Background:

Satellite Housing, Inc. ("Satellite") is a community based non-profit organization established by the Oakland Council of Churches in 1966 with the goal of addressing the unmet housing and service needs of the city's low-income residents. Satellite Housing, Inc. has developed, owns and manages 18 affordable housing developments in the East Bay, serving over 1,300 residents.

Satellite's commitment to quality, enduring and attractive housing ensures the establishment of strong development teams that produce quality work that is prized by local communities. Satellite's recent projects completed this year include Helios Corner, an affordable housing development for low-income seniors and low-income seniors with special needs in the City of Berkeley. Currently in development is Casa Montego II, affordable housing for seniors adjacent to Satellite's existing Casa Montego facility in Walnut Creek. The CMFA is currently working with Satellite on the St. Andrew's projects and closed the St. Patrick's project.

The Project:

This is an acquisition rehabilitation project. Satellite and the Berkeley Pilgrimage Foundation (BPF) are working together in the purchase and sale of Amistad House, a 60-unit HUD 202 community for seniors and disabled adults in the City of Berkeley. Providing a permanent affordable home to over seventy residents, Amistad House consists of 59 one-bedroom apartments and 1 two-bedroom manager's unit. With a HUD rental subsidy attached to all of the

units, Amistad provides great affordability with tenants required to pay only thirty percent of their adjusted monthly income. Opened in 1980, Amistad House is located on an active area of Shattuck Avenue, within walking distance to grocery, pharmacy, and a wide variety of shopping, restaurants, and public transit.

The Berkeley Pilgrimage Foundation developed and currently own Amistad House. In the fall of 2007, the BPF issued an RFQ for a nonprofit housing provider interested in assuming the third party management and ownership of Amistad House. Satellite was one of six nonprofit housing providers to submit qualifications and after an interview and review process, was selected as the qualified owner and operator.

Following selection and the completion of a memorandum of understanding between Satellite and BPF, both parties met with the US Department of Housing and Urban Development's (HUD's) Asset Management department in San Francisco to discuss the transaction. At the meeting, BPF received confirmation from HUD that BPF would be allowed to sell the property to Satellite and that Satellite could purchase the property with Low-Income Housing Tax Credits, prepay the HUD 202 mortgage, assign the section 8 contract to the new owner entity, and use additional proceed to rehab the property.

Since meeting with HUD, Satellite and BPF have worked together with the goal of prepaying the HUD mortgage and completing the transaction. Satellite is currently assuming property management responsibilities and clarifying the scope of work for the rehab of Amistad House. Rehabilitation plans for Amistad include updating common areas, landscaping, energy efficiency measures, and the addition of a photovoltaic system.

Satellite and BPF are excited to work together in meeting the long-term needs of Amistad House and ensuring it continues to provide quality permanent housing for low-income seniors and disabled adults.

County of Alameda:

The County of Alameda is a member of the CMFA and held a TEFRA hearing on May 4, 2010. The County of Alameda is expected to receive approximately \$3,687 as part of CMFA's sharing of Issuance Fees.

Project Financing:

Sources of Funds:

First Mortgage Tranche A:	\$ 1,975,000
First Mortgage Tranche B:	\$ 2,200,000
First Mortgage Tranche C:	\$ 253,529
Second Mortgage:	\$ 300,000
Third Mortgage A:	\$ 350,000
Third Mortgage B:	\$ 750,000
Third Mortgage C:	\$ 2,422,771
Deferred Developer Fee :	<u>\$ 538,574</u>
Total Sources:	\$ 8,789,874

Uses of Funds:

Acquisition Costs:	\$ 4,546,000
Hard Construction Costs:	\$ 1,075,000
On Site & Off Site Costs:	\$ 75,000
Architectural & Engineering:	\$ 180,000
Contractor Overhead & Profit:	\$ 120,120
Developer Fees:	\$ 1,099,130
Cost of Issuance:	\$ 245,474
Other (Marketing, etc):	<u>\$ 1,449,150</u>
Total Uses:	\$ 8,789,874

Terms of Transaction:

Amount:	\$5,250,000
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	June 2010

Public Benefit:

The public benefits include providing 59 units of affordable housing to low-income senior and disabled citizens. Project amenities will include on-site parking, community room, laundry facility, recreation room and close proximity to major public transit lines with connections to San Francisco.

The City of Berkeley suffers from 1) market rents and home-sale prices substantially in excess of what median households can afford to pay, 2) significant waiting lists for existing affordable housing communities, and 3) a limited supply of new housing production to meet a growing demand.

Percent of Restricted Rental Units in the Project: 100%
61% (36 Units) restricted to 50% or less of area median income households; and
39% (23 Units) restricted to 60% or less of area median income households;
Unit Mix: Studio & 1 bedroom
Term of Restriction: 30 years

Finance Team:

Underwriter:	US Bank, N.A.
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Bond Counsel:	Jones Hall
Borrower Counsel:	Goldfarb & Lipman
Consultant:	Community Economics

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution in the amount of \$5,250,000 of tax-exempt private activity bonds to finance the Senior Affordable Rental Housing Facility located in the City of Berkeley, County of Alameda, California.



AMERICAN FILM INSTITUTE SUMMARY AND RECOMMENDATIONS

Applicant: American Film Institute, Inc.

Action: Final Resolution

Amount: \$5,000,000

Purpose: Finance Various Capital Improvements to the Campus of the American Film Institute Located in the City of Los Angeles, County of Los Angeles, California

Activity: Educational

Meeting: May 21, 2010

Background:

The American Film Institute was founded in 1967 as a national arts organization to train filmmakers and preserve America's vanishing film heritage. The National Endowment for the Arts and Humanities recommended creating AFI as a nonprofit "to enrich and nurture the art of film in America" with initial funding from the NEA, the Motion Picture Association of America and the Ford Foundation.

Under the leadership of AFI's founding director George Stevens, Jr., the institute established a training program for filmmakers known as the Center for Advanced Film Studies, where the first class included Terrence Malick, David Lynch and Paul Schrader. A repertory film exhibition program at the Kennedy Center for the Performing Arts and the AFI Catalog of Feature Films—the definitive source for American film history—were also created in the first five years.

Jean Picker Firstenberg became AFI's second director in 1980 and led the organization for 27 years. Under her leadership, the institute's eight-acre Hollywood campus was purchased; the film training program grew into the AFI Conservatory, an accredited graduate school; the institute fostered and continues to inspire the exchange of ideas between the entertainment and technology communities, adding "digital media" to its mandate; film festivals flourished around the nation and the television series AFI's 100 YEARS...100 MOVIES brought renewed attention to America's classic movies. AFI also opened the AFI Silver Theatre and Cultural Center in Silver Spring, MD, serving the Washington community with in-depth film programming and educational outreach.

The Project:

The proceeds of this financing will be used for capital improvements to campus buildings and grounds. The facilities are used for educational purposes, cultural experiences and the headquarters facility. The improvements to the campus will further the students and staff experience with the film industry.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and held a TEFRA hearing on May 14, 2010. The City of Los Angeles will receive approximately \$3,333.33 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$	5,000,000
Total Sources:	\$	5,000,000

Uses of Funds:

Rehabilitation:	\$	2,452,000
New Machinery & Equipment:	\$	1,940,000
Architectural & Engineering:	\$	508,000
Cost of Issuance:	\$	100,000
Total Uses:	\$	5,000,000

Terms of Transaction:

Amount:	\$5,000,000
Rate:	Fixed
Maturity:	2025
Collateral:	Deed of Trust
Bond Purchasers:	Institutional Investors
Estimated Closing:	June 2010

Public Benefit:

With this financing, AFI will be able to enhance the learning experience for filmmaking students and improve workings for the staff. The improvements will also provide for countless job opportunities. These job opportunities will also help the surrounding areas of the American Film Institute

Finance Team:

Underwriter:	City National Bank
Lender Counsel:	City National Bank – Legal Service Division
Bond Counsel:	Law offices of Ron Lee
Borrower Counsel:	Aiken, Gump, Strauss Hauer & Feld, LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Financial Advisor:	Pop-Lazic & Co.

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution authorizing the issuance, sale and delivery of up to \$5,000,000 of tax-exempt revenue bonds finance various capital improvements to the campus of the American Film Institute located in the City of Los Angeles, County of Los Angeles, California.