



TRINITY PUBLIC UTILITIES DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	Trinity Public Utilities District
Action:	Approve JPA Membership
Amount:	\$20,000,000
Purpose:	To Create a New JPA for the Trinity Public Utilities District Financing Authority
Activity:	Creating JPA
Meeting:	August 20, 2010

Background:

The CMFA has been requested by the Trinity Public Utilities District (the “District”) to join it in creating a new Joint Powers Authority to be called the Trinity Public Utilities District Financing Authority (“new JPA”). The new JPA would be a single purpose entity controlled by the District with the sole purpose of issuing bonds for the benefit of the District. The initial and immediate purpose of the JPA is to facilitate the issuance by the new JPA of the District’s upcoming utilities revenue bond issue. Recent changes in the municipal market have resulted in an interest rate premium being charged to certificates of participation. Accordingly, with CMFA’s assistance the District desires to form the new JPA in order to issue revenue bonds.

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 10 to 50 basis points.

The new JPA will be governed by a member Board which will consist of all members of the District’s Board of Directors. The officers of the new JPA will be staff members of the District.

The CMFA and the District will be the only members and the new JPA will be limited to issuing bonds only for the District.

The Project:

The financing will have the following purposes: (1) finance the costs of acquiring transmissions lines from PG&E; (2) finance general systems improvements and (3) refund COP's issued through the Financing Authority for Resource Efficiency of California (FARECal) in 1997

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 bond 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 Jones Hall will serve as bond counsel for the transaction and is representing the District in the formation of the new JPA.

Time Line to Closing:

September 2010

Public Benefit:

Improvements are designed to ensure continued system reliability and low costs. Acquisition of the PG&E transmissions lines will obviate the need for TPUD to be part of the California ISO – thereby saving annual costs well in excess of the allocable debt service requirements.

Finance Team:

District:	Trinity Public Utilities District
Borrower Counsel:	Liz Johnson Esq.
Financial Advisor:	Ross Financial.
Underwriter:	Stone & Youngberg
Underwriter Counsel:	Hawkins, Delafield & Wood
Bond Counsel:	Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey

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 Trinity Public Utilities District for the purpose of forming the new joint powers authority to be known as the Trinity Public Utilities District Financing Authority.



EAST VALLEY WATER DISTRICT SUMMARY AND RECOMMENDATIONS

Applicant:	East Valley Water District
Action:	Approve JPA Membership
Amount:	\$22,000,000
Purpose:	To Create a New JPA for the East Valley Water District Financing Authority
Activity:	Creating JPA
Meeting:	August 20, 2010

Background:

The CMFA has been requested by the East Valley Water District (the "District") to join it in creating a new Joint Powers Authority to be called the East Valley Water District Financing Authority ("new JPA"). The new JPA would be a single purpose entity controlled by the District with the sole purpose of issuing bonds for the benefit of the District. The initial and immediate purpose of the JPA is to facilitate the issuance by the new JPA of the District's upcoming water revenue bond issue. Recent changes in the municipal market have resulted in an interest rate premium being charged to certificates of participation. Accordingly, with CMFA's assistance the District desires to form the new JPA in order to issue revenue bonds pursuant to the Marks Roos Local Bond Pooling Act and take advantage of favorable market conditions.

The District is a water district organized in 1954 under the provisions of Division 12 of the Water Code of the State of California ("Authorizing Law"). The District has the powers under the Authorizing Law to, among other things, provide water and wastewater services within its service area. The District is located in San Bernardino County. The District's boundaries encompass portions of the cities of San Bernardino and Highland and unincorporated areas of San Bernardino County.

The District provides water service to approximately 20,000 domestic, commercial, and industrial accounts within the District's boundaries. The District's potable water supply is purchased from the San Bernardino Valley Municipal Water District, a member agency of the Metropolitan Water

District of Southern California. The District operates multiple wells and a treatment facility also, which pump groundwater for District use.

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 10 to 50 basis points.

The new JPA will be governed by a five member Board which will consist of all members of the District’s Board of Directors. The officers of the new JPA will be staff members of the District. CMFA and the District will be the only members and the new JPA will be limited to issuing bonds only for the District.

The Project:

The District is preparing to issue the debt to finance a portion of its capital improvement program and to refund certain outstanding debt for debt service savings.

The underlying security structure of the JPA revenue bonds is the same as it would be for certificates of participation. The obligations will be secured by “installment purchase agreements” common to both certificates of participation and JPA revenue bonds, which contain the same financial covenants common to both certificates of participation and revenue 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 bond 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 Stradling Yocca Carlson & Rauth, A Professional Corporation will serve as bond counsel and disclosure counsel for the transaction and is representing the District in the formation of the new JPA.

Time Line to Closing:

September/October 2010

Public Benefit:

The District is currently providing water and wastewater to significant portions of the cities of Highland and San Bernardino and a portion of unincorporated San Bernardino County. The improvements to be financed with the revenue bonds will assist the District meet the needs of its service area. The refunding component of the project will generate cash flow savings for the District

Finance Team:

District:	East Valley Water District
Financial Advisor:	Fieldman Rolapp & Associates
Bond Counsel:	Stradling Yocca Carlson & Rauth
Disclosure Counsel:	Stradling Yocca Carlson & Rauth
Trustee:	BNY Mellon.

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 East Valley Water District for the purpose of forming the new joint powers authority to be known as the East Valley Water District Financing Authority.



ROYAL PRESIDIO SAN FRANCISCO PARTNERS SUMMARY AND RECOMMENDATIONS

Applicant:	Royal Presidio San Francisco Partners
Action:	Initial Resolution
Amount:	\$592,000,000
Purpose:	Finance the Acquisition, Construction, Rehabilitation, Improvement and Equipping of Designing, Constructing, Financing, Operation, and Maintenance of the Presidio Parkway to be located within the City and County of San Francisco.
Activity:	Infrastructure
Meeting:	August 20, 2010

Background:

The San Francisco County Transportation Authority (SFTA) is submitting to the US Department of Transportation (USDOT) a request for an allocation of \$592,000,000 of private activity bonds (PABs) available for qualified transportation facilities under Internal Revenue Code Section 142(m) for Phase II of the Presidio Parkway Project (Project). The SFTA is a co-sponsor of the Project along with the California Department of Transportation (Department). The Project co-sponsors are acting as the initial applicant for the allocation, with the selected bidder (Developer) becoming the eventual borrower of the bond proceeds. An inducement resolution from a bond issuer is needed for the USDOT PAB allocation application.

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, despite its designation as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety standards by late October 2011, is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the major construction activities and make

the permanent facility available by spring 2014. The Request for Proposals for Phase II was issued on July 9, 2010. The estimated date of the bond issue is April 2011.

The Project co-sponsors are procuring Phase II under a competitive design-build-finance-operate-maintain approach. Per the Public-Private Partnership agreement (P3 agreement), the Developer will operate and maintain the entire new facility while also designing, constructing, and financing all Phase II works. The Developer will be paid a milestone payment of approximately \$174 million at substantial completion and quarterly availability payments from public funds in return for achieving the performance specifications of the P3 agreement. State highway account funds will be the primary source for payment.

As the borrower has not been determined yet, the credit profile and the capital structure of the Project have not been finalized. Thus, the SFTA is requesting 100% of the estimated Phase II costs less equity in order to maximize flexibility for the Developer to use PABs for financing. The project costs used for this application are based on the approved estimates from the Federal Highways Administration (FHWA) Initial Plan of Finance dated May 2009.

Borrower Information:

The Borrower is being selected through a competitive bidding process. All short listed bidders are single-purpose entities for the sole purpose of entering into the Public Private Partnership Agreement (P3 Agreement). In the request for proposals, proposers are required to describe, among other matters, the legal and financial structure of the borrowing entity. In the selection of the short-listed bidders, the Department has assessed and confirmed the adequacy of the experience of the short-listed consortia members in developing projects similar to the Project.

The Project:

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, and is designated as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety as quickly as possible (anticipated for late October 2011), is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the majority of the construction and have traffic circulating on the permanent facility by spring 2014. Phase I works are under construction and the Request for Proposals for Phase II was issued on July 9, 2010.

The San Francisco County Transportation Authority or the City and County of San Francisco:

The SFTA or the City and County of San Francisco will need to hold a TEFRA hearing. The SFTA may need to join the CMFA.

Proposed Financing:

Sources of Funds:

Bond Proceeds:	\$ 592,000,000
Equity:	\$ 81,000,000
Total Sources:	\$ 673,000,000

Uses of Funds:

New Construction:	\$ 501,000,000
Debt Interest During Construction:	\$ 120,000,000
Reserve Accounts:	\$ 44,000,000
Cost of Issuance:	\$ 8,000,000
Total Uses:	\$ 673,000,000

Expected Terms of Transaction:

Amount:	\$592,000,000
Rate:	TBD
Maturity:	TBD
Collateral:	TBD
Bond Purchasers:	Institutional & Retail Investor
Estimated Closing:	April 2011
Expected Rating:	Investment Grade

Public Benefit:

The purpose of the Project is to improve the structural safety and traffic safety of Doyle Drive while being sensitive to the Presidio and its status as a National Park. In addition, over 200 public meetings have provided significant community input into the project design.

The following is a summary of the public benefits of the project:

- 6,258 person years of full-time work created by the project

Safety

- Structures that can withstand the maximum credible earthquake for the region
- Improved stopping sight distances, deceleration lengths, and ramp geometry
- Enhanced pedestrian and bicyclist safety by providing well-defined pedestrian routes, incorporating pedestrian safety zones, and including well-delineated bicycle lanes

Economic Competitiveness:

- Provide a reliable, post-disaster recovery route in the case of a maximum credible earthquake
- Ensure the long term efficiency and reliability in the movement of both people and goods across the wider Bay Area

Livability:

- Improved natural, cultural, scenic, and recreational values of the Presidio
- Reduced traffic impacts of the Presidio Parkway on the Presidio and on local roadways
- Improved intermodal and vehicular access to the Presidio
- Enhanced views from the Presidio

- Enhanced pedestrian connections around the Presidio and adjacent neighborhoods
- Roadway enhancements such as bike lanes and paths

Environment and Sustainability:

- Reduced noise and other pollution on natural and recreational areas adjacent to the Project
- Improved run-off water quality
- Restored and expanded Crissy Marsh habitat in Tennessee Hollow
- Rich, native landscaping will be restored within the construction area
- Use of recycled, sustainable materials that have low-embodied energy
- Recycling and reuse of construction waste

Finance Team:

To be determined.

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution of \$592,000,000 for the Presidio Parkway project to be located within the City and County of San Francisco.

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



GOLDEN LINK PARTNERS SUMMARY AND RECOMMENDATIONS

Applicant:	Golden Link Partners
Action:	Initial Resolution
Amount:	\$592,000,000
Purpose:	Finance the Acquisition, Construction, Rehabilitation, Improvement and Equipping of Designing, Constructing, Financing, Operation, and Maintenance of the Presidio Parkway to be located within the City and County of San Francisco.
Activity:	Infrastructure
Meeting:	August 20, 2010

Background:

The San Francisco County Transportation Authority (SFTA) is submitting to the US Department of Transportation (USDOT) a request for an allocation of \$592,000,000 of private activity bonds (PABs) available for qualified transportation facilities under Internal Revenue Code Section 142(m) for Phase II of the Presidio Parkway Project (Project). The SFTA is a co-sponsor of the Project along with the California Department of Transportation (Department). The Project co-sponsors are acting as the initial applicant for the allocation, with the selected bidder (Developer) becoming the eventual borrower of the bond proceeds. An inducement resolution from a bond issuer is needed for the USDOT PAB allocation application.

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, despite its designation as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety standards by late October 2011, is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the major construction activities and make

the permanent facility available by spring 2014. The Request for Proposals for Phase II was issued on July 9, 2010. The estimated date of the bond issue is April 2011.

The Project co-sponsors are procuring Phase II under a competitive design-build-finance-operate-maintain approach. Per the Public-Private Partnership agreement (P3 agreement), the Developer will operate and maintain the entire new facility while also designing, constructing, and financing all Phase II works. The Developer will be paid a milestone payment of approximately \$174 million at substantial completion and quarterly availability payments from public funds in return for achieving the performance specifications of the P3 agreement. State highway account funds will be the primary source for payment.

As the borrower has not been determined yet, the credit profile and the capital structure of the Project have not been finalized. Thus, the SFTA is requesting 100% of the estimated Phase II costs less equity in order to maximize flexibility for the Developer to use PABs for financing. The project costs used for this application are based on the approved estimates from the Federal Highways Administration (FHWA) Initial Plan of Finance dated May 2009.

Borrower Information:

The Borrower is being selected through a competitive bidding process. All short listed bidders are single-purpose entities for the sole purpose of entering into the Public Private Partnership Agreement (P3 Agreement). In the request for proposals, proposers are required to describe, among other matters, the legal and financial structure of the borrowing entity. In the selection of the short-listed bidders, the Department has assessed and confirmed the adequacy of the experience of the short-listed consortia members in developing projects similar to the Project.

The Project:

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, and is designated as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety as quickly as possible (anticipated for late October 2011), is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the majority of the construction and have traffic circulating on the permanent facility by spring 2014. Phase I works are under construction and the Request for Proposals for Phase II was issued on July 9, 2010.

The San Francisco County Transportation Authority or the City and County of San Francisco:

The SFTA or the City and County of San Francisco will need to hold a TEFRA hearing. The SFTA may need to join the CMFA.

Proposed Financing:

Sources of Funds:

Bond Proceeds:	\$ 592,000,000
Equity:	\$ 81,000,000
Total Sources:	\$ 673,000,000

Uses of Funds:

New Construction:	\$ 501,000,000
Debt Interest During Construction:	\$ 120,000,000
Reserve Accounts:	\$ 44,000,000
Cost of Issuance:	\$ 8,000,000
Total Uses:	\$ 673,000,000

Expected Terms of Transaction:

Amount:	\$592,000,000
Rate:	TBD
Maturity:	TBD
Collateral:	TBD
Bond Purchasers:	Institutional & Retail Investor
Estimated Closing:	April 2011
Expected Rating:	Investment Grade

Public Benefit:

The purpose of the Project is to improve the structural safety and traffic safety of Doyle Drive while being sensitive to the Presidio and its status as a National Park. In addition, over 200 public meetings have provided significant community input into the project design.

The following is a summary of the public benefits of the project:

- 6,258 person years of full-time work created by the project

Safety

- Structures that can withstand the maximum credible earthquake for the region
- Improved stopping sight distances, deceleration lengths, and ramp geometry
- Enhanced pedestrian and bicyclist safety by providing well-defined pedestrian routes, incorporating pedestrian safety zones, and including well-delineated bicycle lanes

Economic Competitiveness:

- Provide a reliable, post-disaster recovery route in the case of a maximum credible earthquake
- Ensure the long term efficiency and reliability in the movement of both people and goods across the wider Bay Area

Livability:

- Improved natural, cultural, scenic, and recreational values of the Presidio
- Reduced traffic impacts of the Presidio Parkway on the Presidio and on local roadways
- Improved intermodal and vehicular access to the Presidio
- Enhanced views from the Presidio

- Enhanced pedestrian connections around the Presidio and adjacent neighborhoods
- Roadway enhancements such as bike lanes and paths

Environment and Sustainability:

- Reduced noise and other pollution on natural and recreational areas adjacent to the Project
- Improved run-off water quality
- Restored and expanded Crissy Marsh habitat in Tennessee Hollow
- Rich, native landscaping will be restored within the construction area
- Use of recycled, sustainable materials that have low-embodied energy
- Recycling and reuse of construction waste

Finance Team:

To be determined.

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution of \$592,000,000 for the Presidio Parkway project to be located within the City and County of San Francisco.

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



GOLDEN GATE ACCESS GROUP SUMMARY AND RECOMMENDATIONS

Applicant:	Golden Gate Access Group
Action:	Initial Resolution
Amount:	\$592,000,000
Purpose:	Finance the Acquisition, Construction, Rehabilitation, Improvement and Equipping of Designing, Constructing, Financing, Operation, and Maintenance of the Presidio Parkway to be located within the City and County of San Francisco.
Activity:	Infrastructure
Meeting:	August 20, 2010

Background:

The San Francisco County Transportation Authority (SFTA) is submitting to the US Department of Transportation (USDOT) a request for an allocation of \$592,000,000 of private activity bonds (PABs) available for qualified transportation facilities under Internal Revenue Code Section 142(m) for Phase II of the Presidio Parkway Project (Project). The SFTA is a co-sponsor of the Project along with the California Department of Transportation (Department). The Project co-sponsors are acting as the initial applicant for the allocation, with the selected bidder (Developer) becoming the eventual borrower of the bond proceeds. An inducement resolution from a bond issuer is needed for the USDOT PAB allocation application.

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, despite its designation as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety standards by late October 2011, is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the major construction activities and make

the permanent facility available by spring 2014. The Request for Proposals for Phase II was issued on July 9, 2010. The estimated date of the bond issue is April 2011.

The Project co-sponsors are procuring Phase II under a competitive design-build-finance-operate-maintain approach. Per the Public-Private Partnership agreement (P3 agreement), the Developer will operate and maintain the entire new facility while also designing, constructing, and financing all Phase II works. The Developer will be paid a milestone payment of approximately \$174 million at substantial completion and quarterly availability payments from public funds in return for achieving the performance specifications of the P3 agreement. State highway account funds will be the primary source for payment.

As the borrower has not been determined yet, the credit profile and the capital structure of the Project have not been finalized. Thus, the SFTA is requesting 100% of the estimated Phase II costs less equity in order to maximize flexibility for the Developer to use PABs for financing. The project costs used for this application are based on the approved estimates from the Federal Highways Administration (FHWA) Initial Plan of Finance dated May 2009.

Borrower Information:

The Borrower is being selected through a competitive bidding process. All short listed bidders are single-purpose entities for the sole purpose of entering into the Public Private Partnership Agreement (P3 Agreement). In the request for proposals, proposers are required to describe, among other matters, the legal and financial structure of the borrowing entity. In the selection of the short-listed bidders, the Department has assessed and confirmed the adequacy of the experience of the short-listed consortia members in developing projects similar to the Project.

The Project:

The Project will replace a critical 1.5-mile portion of U.S. Highway 101 known as Doyle Drive, which provides the only regional roadway link between North Bay Area counties and the San Francisco Peninsula via the Golden Gate Bridge. Completion of the Project is of vital importance for the San Francisco metropolitan region because Doyle Drive currently does not meet structural integrity standards, lacks capacity to safely handle the current 120,000 trips per day, and is designated as a regional, post-disaster recovery route.

The Project is comprised of two major phases. Phase I, which is intended to achieve seismic safety as quickly as possible (anticipated for late October 2011), is fully funded and currently under construction. Phase II, which is the focus of this application, will complete the majority of the construction and have traffic circulating on the permanent facility by spring 2014. Phase I works are under construction and the Request for Proposals for Phase II was issued on July 9, 2010.

The San Francisco County Transportation Authority or the City and County of San Francisco:

The SFTA or the City and County of San Francisco will need to hold a TEFRA hearing. The SFTA may need to join the CMFA.

Proposed Financing:

Sources of Funds:

Bond Proceeds:	\$ 592,000,000
Equity:	\$ 81,000,000
Total Sources:	\$ 673,000,000

Uses of Funds:

New Construction:	\$ 501,000,000
Debt Interest During Construction:	\$ 120,000,000
Reserve Accounts:	\$ 44,000,000
Cost of Issuance:	\$ 8,000,000
Total Uses:	\$ 673,000,000

Expected Terms of Transaction:

Amount:	\$592,000,000
Rate:	TBD
Maturity:	TBD
Collateral:	TBD
Bond Purchasers:	Institutional & Retail Investor
Estimated Closing:	April 2011
Expected Rating:	Investment Grade

Public Benefit:

The purpose of the Project is to improve the structural safety and traffic safety of Doyle Drive while being sensitive to the Presidio and its status as a National Park. In addition, over 200 public meetings have provided significant community input into the project design.

The following is a summary of the public benefits of the project:

- 6,258 person years of full-time work created by the project

Safety

- Structures that can withstand the maximum credible earthquake for the region
- Improved stopping sight distances, deceleration lengths, and ramp geometry
- Enhanced pedestrian and bicyclist safety by providing well-defined pedestrian routes, incorporating pedestrian safety zones, and including well-delineated bicycle lanes

Economic Competitiveness:

- Provide a reliable, post-disaster recovery route in the case of a maximum credible earthquake
- Ensure the long term efficiency and reliability in the movement of both people and goods across the wider Bay Area

Livability:

- Improved natural, cultural, scenic, and recreational values of the Presidio
- Reduced traffic impacts of the Presidio Parkway on the Presidio and on local roadways
- Improved intermodal and vehicular access to the Presidio
- Enhanced views from the Presidio

- Enhanced pedestrian connections around the Presidio and adjacent neighborhoods
- Roadway enhancements such as bike lanes and paths

Environment and Sustainability:

- Reduced noise and other pollution on natural and recreational areas adjacent to the Project
- Improved run-off water quality
- Restored and expanded Crissy Marsh habitat in Tennessee Hollow
- Rich, native landscaping will be restored within the construction area
- Use of recycled, sustainable materials that have low-embodied energy
- Recycling and reuse of construction waste

Finance Team:

To be determined.

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution of \$592,000,000 for the Presidio Parkway project to be located within the City and County of San Francisco.

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



EVERGREEN APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Abode Communities

Action: Initial Resolution

Amount: \$13,000,000 (Not to Exceed)

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

Activity: Affordable Housing

Meeting: August 20, 2010

Background:

At Abode Communities, their mission is to open new doors in people's lives through creative and responsible design, development and operation of service-enhanced affordable housing.

Since 1968, when they were founded as the Los Angeles Community Design Center, Abode Communities has found success through the strength of our fully integrated, multidisciplinary approach. Every project receives the benefit of the experience and cooperation of their core groups: Development, Architecture, Housing Services and Resident Services.

Abode Communities' specific strength is building sustainable, multi-family affordable housing to address the needs of Southern California's large workforce, low-income families, seniors and individuals with special needs. Currently, they own 34 properties throughout their region that are home to more than 4,000 residents.

Beyond bricks and mortar, Abode Communities is committed to the individual success of each of their residents. They build child care centers, community centers and computer labs into their facilities, and provide an enriching Resident Services Program.

Their work encourages participation and leadership in their communities, enhances children's academic achievement and self-esteem, and helps adults to become confident and educated contributors to their community.

The Project:

Evergreen Apartments is an Acquisition/Rehab multi-family housing development located in Long Beach, California. The project will contain a total of 81 units of affordable rental housing apartments. The project will include a mix of two-, and three-bedroom units for families earning between 30% and 60% of AMI. Buildings will be two-story, wood-frame construction. Site amenities will include gated access, recreational areas, community room, barbecues, tot-lot, and covered parking.

The City of Long Beach:

The City of Long Beach will need to become a member of the CMFA and hold a TEFRA hearing. Upon closing is expected to receive approximately \$7,800 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds	<u>Permanent</u>
Tax-Exempt Bond:	\$12,430,000
Seller (ACH) Carry Back Note:	\$ 7,712,402
LP Equity:	\$ 941,473
GP Equity:	\$ 100
Deferred Costs:	<u>\$ 1,036,011</u>
Total Sources:	\$22,119,986

Uses of Funds:	
Acquisition/Rehabilitation:	\$18,500,000
Architectural & Engineering:	\$ 390,986
Legal & Professional:	\$ 185,000
Impact/School/Permit Fees:	\$ 900,000
Developer Fee:	\$ 144,000
Other Soft Costs:	\$ 1,800,000
Contingency/ COI:	<u>\$ 700,000</u>
Total Uses:	\$22,119,986

Terms of Transaction:

Amount:	\$13,000,000
Rate:	TBD
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	February 2011

Public Benefit:

Eighty-one families will now be able to enjoy high quality affordable housing in the City of Long Beach. 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%

- 33% (26 Units) restricted to 30% or less of area median income households; and
- 15% (12 Units) restricted to 35% or less of area median income households; and
- 22% (17 Units) restricted to 40% or less of area median income households; and
- 15% (12 Units) restricted to 50% or less of area median income households; and
- 14% (11 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:	TBD
Bond Counsel:	Quint & Thimmig
Financial Advisor:	California Housing Partnership Corporation
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Lender Counsel:	TBD
Borrower Counsel:	TBD

Recommendation:

It is recommended that the CMFA Board of Directors approve an Initial Resolution of \$13,000,000 for the Evergreen Family Apartments affordable housing project located in the City of Long Beach, Los Angeles County, California.

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



BIOSTAR ENERGY SUMMARY AND RECOMMENDATIONS

Applicant: BioStar Systems, LLC

Action: Initial Resolution

Amount: \$35,000,000

Purpose: Finance or Refinance Costs for a Project for OHR Biostar Energy, LLC Located In the City of Sonoma, Sonoma County, CA.

Activity: Manufacturing

Meeting: August 20, 2010

Background:

OHR Biostar Energy, LLC company's headquarters is located in Kansas City, Missouri. Biostar Energy owns and operates multiple locations throughout the Country. Their services include a full spectrum, which takes projects from feasibility analysis through commissioning, and potentially including owning and operating. Some of the services that they offer are site Surveys, Feasibility Determinations, Joint Ventures, Project Management, Construction Management, Process Commissioning, Operations Management, Waste and Energy Audits, Project Development, BioStar Licensing, Design & Engineering, Operator Training, Facility Start-up and Ongoing Technical Support.

The foundation of BioStar's technology is anaerobic digestion (AD); the decomposition of organic materials as a product of bacterial metabolism in an environment absent of oxygen. Almost any organic material can be processed with anaerobic digestion. This includes biodegradable waste materials such as waste paper, grass clippings, food, sewage and animal waste. AD reduces the emission of greenhouse gas into the atmosphere and is widely used as a renewable energy source. The process produces methane-rich biogas suitable for energy production to offset the use of fossil fuel energy power. Additionally, the nutrient-rich digestate (stabilized solids) recovered from the process can be used to produce environmentally-friendly organic fertilizer.

The Project:

It is the intent of the borrower to secure the lowest cost financing for the development, construction and operation of the anaerobic digester, gas cleaning system and fuel cell system. The proposed bond financing will help Biostar Energy (i) finance or refinance the acquisition, installation, construction and development of an anaerobic digester, one or more fuel cells and related facilities to be located in the County of Sonoma, State of California, and to be owned and/or operated by the Borrower (the "Project"), (ii) to fund one or more debt service, operating, replacement or other reserves as may be necessary to obtain the lowest overall borrowing costs, and (iii) pay all or a portion of the costs incurred with the issuance of the Bonds.

County of Sonoma:

The County of Sonoma is a member of the CMFA and will need to hold a TEFRA hearing. The County of Sonoma is expected to receive approximately \$17,187 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$35,000,000</u>
Total Sources:	\$35,000,000

Uses of Funds:

New Machinery & Equipment:	\$34,000,000
Costs of Issuance:	<u>\$ 1,000,000</u>
Total Uses:	\$35,000,000

Terms of Transaction:

Amount:	\$35,000,000
Rate:	TBD
Collateral:	Equipment
Maturity:	TBD
Bond Purchasers:	Private Placement
Estimated Closing:	September, 2010

Public Benefit:

This transaction will create new full-time jobs in addition to retaining their current full-time employees. Furthermore, the County of Sonoma 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:	Stern Brothers & Co.
Underwriter Counsel:	TBD
Bond Counsel:	Jones Hall
Issuer Counsel:	Jones Hall
Borrower Counsel:	TBD

Recommendation:

It is recommended that the CMFA Board of Directors adopt an Initial Resolution in the amount of \$35,000,000 to finance a project for OHR Biostar Energy located in the City of Sonoma, Sonoma County, California.

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



ST. ANDREW'S MANOR SUMMARY AND RECOMMENDATIONS

Applicant: Satellite Housing, Inc.

Action: Final Resolution

Amount: \$5,500,000

Purpose: Finance the Acquisition and Rehabilitation of a Multifamily Rental Housing located in the City of Oakland, Alameda County, California

Activity: Affordable Housing

Meeting: August 20, 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 has currently closed two projects with Satellite, St. Patrick's and Amistad.

The Project:

Saint Andrew's Manor offers 60 low-income seniors an affordable place to live. Satellite Housing, Inc. developed the Saint Andrew's Manor in 1972 and has operated it as a HUD 236 affordable housing property for low-income seniors in the City of Oakland since its construction. The building offers low-income senior citizens an affordable place to live and the option to age in

place, while at the same time offering a location that places them close to much needed services and transportation.

The building is now 35 years old and many of its major systems are approaching their useful life. To address the needs of the property, Satellite Housing, Inc. is refinancing the existing HUD 236 mortgage with the use of private placement 501(c)3 bonds and MHP Supportive Housing funds to utilize the proceeds to perform modernization and repairs to the buildings.

Saint Andrew's Manor has 60 units with a rental subsidy that allows residents to pay only 30% of their adjusted monthly income. The HUD 2366 loan will expire in 2014 but will retain its Project Rental Assistance Contract (PRAC) until 2027. While the neighborhood has changed considerably over the past years and remains in a revitalizing area of Oakland, Saint Andrew's consistently has a vacancy rate of less than 1% and is currently fully occupied. The proposed scope of work for the rehabilitation includes resurfacing the parking lot, replacing corroded waste lines in the building, replacing worn appliances, fixtures and appliances in the units, upgrading the HVAC system, upgrading the existing elevator, adding a second elevator and upgrading the façade to create a modern look to the building. By rehabilitating and refinancing Saint Andrew's manor, Satellite Housing will be able to guarantee the availability of safe, deeply subsidized, affordable and attractive housing to its residents for decades to come as well as achieve savings in utilities and maintenance costs and extending the life of the building.

City of Oakland:

The City of Oakland held a TEFRA hearing on August 3, 2010. Upon closing, the city is expected to share approximately \$2,869 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 4,591,683
Flex Sub Residual Receipt Note:	\$ 532,824
City of Oakland:	\$ 748,300
AHP:	\$ 300,000
Income from Operations:	\$ 60,000
Replacement Reserves:	\$ 270,890
Insurance Refund:	\$ 8,576
City of Oakland HOME II:	\$ 475,000
Costs Deferred Until Completion:	<u>\$ 551,007</u>
Total Sources:	\$ 7,538,280

Uses of Funds:

Construction Costs:	\$ 3,367,434
Architect & Engineering:	\$ 305,000
Other Soft Costs:	\$ 3,379,724
Cost of Issuance:	\$ 224,593
Developer Fee:	<u>\$ 261,529</u>
Total Uses:	\$ 7,538,280

Terms of Transaction:

Amount:	\$5,500,000
Maturity:	30 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement
Estimated Closing:	August 2010

Public Benefit:

The proposed scope of work for the rehabilitation includes resurfacing the parking lot, replacing corroded waste lines in the building, replacing worn appliances, fixtures and appliances in the units, upgrading the HVAC system, upgrading the existing elevator, adding a second elevator and upgrading the façade to create a modern look to the building. By rehabilitating and refinancing Saint Andrew's manor, Satellite Housing will be able to guarantee the availability of safe, deeply subsidized, affordable and attractive housing to its residents for decades to come as well as achieve savings in utilities and maintenance costs and extending the life of the building.

Finance Team:

Lender:	Citicorp Municipal Mortgage, Inc.
Bond Counsel:	Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Lender Counsel:	Paul, Hastings, Janofsky & Walker LLP
Borrower Counsel:	Goldfarb & Lipman LLP
Financial Advisor:	California Housing Partnership Corp.

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution of \$5,500,000 to finance the acquisition of multifamily rental housing located in the City Oakland, Alameda County, California.



LITERACY FIRST CHARTER SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant:	Literacy First Charter School
Action:	Final Resolution
Amount:	\$4,000,000
Purpose:	Finance the Acquisition, Construction, Improvement, Renovation and Equipping of Facilities, Located in the City of El Cajon, California.
Activity:	Charter School
Meeting:	August 20, 2010

Background:

Literacy First Charter Schools is a California nonprofit public benefit corporation which was incorporated on November 30, 2000. The Corporation is an organization described under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Corporation currently operates three public charter schools, and is currently conducting due diligence with respect to contemplated operations at a fourth school beginning with the 2010-11 school year, located in El Cajon, California and La Mesa, California (collectively, but excluding the Liberty School (defined below), the "Charter Schools"). The Charter Schools operate (or, in the case of Main Street Campus School, is contemplated to operate, subject to satisfactory completion of due diligence) pursuant to a charter authorized and approved by the San Diego County Office of Education under the Charter Schools Act of 1992, California Education Code §§ 47600, as amended from time to time. The Liberty School operates pursuant a charter authorized and approved by the Grossmount Union High School District. The Corporation's Board acts as the governing body for all of the Charter Schools and administers each school as a separate division or department within the Corporation.

The Corporation teaches students residing primarily in the city of El Cajon, California and is comprised primarily from students in the Cajon Valley Union School District. The Corporation began operations in the 2000-2001 school year with approximately 115 students in grades K through 3. The Corporation currently operates the Charter Schools as a K-8 school and ended the 2009-10 school year with approximately 713 students. The Corporation operates the Liberty School as a K-6 and 9-10 grade school. The addition of the Main Street Campus School will increase the Charter Schools' capacity. The Corporation estimates that its Facilities provide physical capacity for 575 students.

The Project:

The CMFA will be issuing Charter School Lease Revenue Bonds to the Literacy First Charter School project. These bonds will be offered in a tax-exempt and taxable series. These bonds will be used to finance the costs of (a) acquiring an approximately 43,000 square foot building located at 698 West Main Street, El Cajon, California 92020 for the operation by Literacy First of a charter school serving students in grades K-8, (b) financing the costs of renovating, improving and equipping the Existing Facilities ; (c) funding a debt service reserve fund for the Bonds; and (d) paying certain Bond issuance expenses, such Facilities located within the City of El Cajon, California.

The City of El Cajon:

The City of El Cajon is expected to become a member of the CMFA and is holding a TEFRA hearing on August 24th. The City will receive approximately \$2,496 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Bond Proceeds:	\$	3,470,000
Taxable Bond Proceeds:	\$	<u>275,000</u>
Total Sources:	\$	3,745,000

Uses of Funds:

Building Acquisition & Improvements:	\$	3,055,035
Debt Service Reserve Fund:	\$	351,400
Cost of Issuance:	\$	<u>338,565</u>
Total Uses:	\$	3,745,000

Terms of Transaction:

Amount:	\$4,000,000
Rate:	Fixed
Maturity:	Maturing 2035
Collateral:	Deed of Trust
Bond Purchasers:	Institutional & Retail Investor
Estimated Closing:	September 2010
Expected Rating:	BBB or BBB-

Public Benefit:

It is the goal of the literacy First Charter Schools, Inc. to be able to meet the needs of the student through San Diego, County in an innovative and resourceful way that provides education options that they may otherwise not have without the uniquely designed educational program of Literacy First Charter School. Additionally, as stipulated in the charter law, this model provides, unique and energizing opportunities for both the staff and parents.

Finance Team:

Underwriter:	Ziegler Capital Markets
Underwriter Counsel:	Quarles and Brady, LLP
Bond Counsel:	Benesch, Friedlander, Coplan & Aronoff LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Snell & Wilmer LLP
Rating Agency:	Standard & Poors
Trustee:	U.S. Bank N.A.

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution authorizing the issuance, sale and delivery of up to \$4,000,000 of tax-exempt and taxable bonds to finance or refinance the cost of the acquisition, construction, improvement, renovation and equipping of educational facilities for Literacy First Charter School Issuer, LLC, located in the City of El Cajon, California.



CEDAR CREEK (FANITA 48 FAMILY) APARTMENTS SUMMARY AND RECOMMENDATIONS

Applicant: Chelsea Investment Corporation

Action: Final Resolution

Amount: \$500,000

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

Activity: Affordable Housing

Meeting: August 20, 2010

Background:

Chelsea Investment Corporation (the “Company”) is a real estate company focused on the financing and development of affordable housing. The Company provides financial engineering, development, asset management and property management services, as well as legal and non-profit experience to its development and investment partners and clients. Considered experts in the affordable housing sector, they have a strong and experienced team of professionals who identify and implement timely and cost effective solutions to the many challenges of this market niche. This is our 9th project with Chelsea.

The Project:

The Fanita 48 Apartments is a new construction project. The new apartments will be a 48 unit affordable multi-family housing development that will house tenants that are 50-60% below the Area Median Income. This project will consist of 48 units with a mix of 1, 2 and 3 bedrooms. Amenities include a Community Center, tots lots and open areas. Laundry facilities will be provided in the units as well as a few Playground areas. The City of Santee is very excited for this project to come on line. The City is providing a \$5,276,000 loan to help facilitate this project.

The initial issuance for \$7,000,000 was closed October 23, 2009. This transaction is for a supplemental allocation of \$500,000. The additional bonds are being requested is to meet the 50%

test. The deal team will remain the same, with US Bank purchasing the additional bonds. Only the Pledge Assignment and Master Agency Agreement will be amended and restated.

The City of Santee:

The City of Santee became a member of the CMFA and a TEFRA hearing is scheduled for August 25. Upon closing the City is expected to receive approximately \$312 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:	<u>Construction</u>	<u>Permanent</u>
Tax-Exempt Bond Proceeds:	\$ 7,500,000	\$ 4,585,000
Direct & Indirect Public Funds:	\$ 5,276,000	\$ 5,276,000
ARRA Grant:	\$ 1,270,085	\$ 1,270,085
Deferred Fee & Reserves:	\$ 495,499	\$ 0
Deferred Developer Fee:	\$ 0	\$ 381,030
LIH Tax Credit Equity:	<u>\$ 872,926</u>	<u>\$ 3,902,395</u>
Total Sources:	\$15,414,510	\$15,414,510

Uses of Funds:

Acquisition Costs:	\$ 1,910,000
New Construction Costs:	\$ 7,042,280
Architectural Costs:	\$ 343,963
Survey & Engineering Costs:	\$ 127,000
Contingency Costs:	\$ 405,000
Construction Period Expenses:	\$ 772,548
Permanent Financing Expenses:	\$ 163,050
Legal Fees:	\$ 476,250
Capitalized Reserves:	\$ 142,679
Reports & Studies:	\$ 24,000
Other (Marketing, etc):	\$ 2,514,779
Developer Costs:	<u>\$ 1,492,961</u>
Total Uses:	\$15,414,510

Terms of Transaction:

Amount:	\$500,000
Maturity:	Up to 40 years
Collateral:	Deed of Trust on property.
Bond Purchasers:	Private Placement.
Estimated Closing:	September, 2010

Public Benefit:

Forty-Eight families will be able to enjoy high quality affordable housing in the City of Santee. Services at the complex will include on-site parking, laundry facilities, picnic areas, community room, play grounds and a children's tot lot.

Percent of Restricted Rental Units in the Project: 100%
79% (37 Units) restricted to 60% or less of area median income households; and
21% (10 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:	US Bank National Association
Bond Counsel:	Orrick, Herrington & Sutcliffe LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Lender Counsel:	Kutak Rock LLP
Borrower Counsel:	Pillsbury Winthrop LLP

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution of \$500,000 for Cedar Creek Apartments affordable housing project located in the City of Santee, San Diego County, California.



CYNARA COURT SUMMARY AND RECOMMENDATIONS

Applicant:	Mid-Peninsula Housing Coalition
Action:	Final Resolution
Amount:	\$11,000,000
Purpose:	Finance Affordable Multi-Family Rental Housing Facility Located in the City of Castroville, Monterey County, California
Activity:	Affordable Housing
Meeting:	August 20, 2010

Background:

This is our fourth transaction with Mid-Peninsula Housing Coalition. DeVries Place, Parkhurst Terrace and Marymead Park were the first three projects. Mid-Peninsula Housing is one of the largest and most successful non-profit developers of affordable housing in the San Francisco and Monterey Bay regions. Since 1970, Mid-Pen has developed or rehabilitated more than 6,400 affordable homes. Mid-Pen has received extensive national, regional and local honors and awards for the high quality design and development of their housing.

The Project:

Cynara Court is proposed as new construction that will be a 100% affordable rental family housing project located in downtown Castroville, an unincorporated area of Monterey County. The project will be located on two sites which are 5 blocks apart on Merritt Street. Cynara Court will provide rental housing at 50-60% of the AMI. It will consist of 58 one to three bedroom flats and town houses in two- and three-story walk-up wood-frame buildings. The mix of units will be 4 one-bedroom, 34 two-bedrooms and 20 three-bedrooms in four buildings. Amenities include a Community Center with offices, community room, kitchen, computer lab, gym, tots lots and open areas. Laundry facilities will be provided in the units. There will be 115 parking spaces. The project will have 750 sq ft of office/retail space to be consistent with Castroville Community Plan's guidelines for mixed-use development in the downtown. Cynara Court will jump start the

revitalization of the downtown and encourage other development to be undertaken in Castroville, creating even more affordable housing opportunities. The County of Monterey has a keen interest in this project as it will be the first project built under the newly approved Castroville Community Plan.

The County of Monterey:

The County of Monterey is already a member of the CMFA. The County of Monterey held a TEFRA hearing on February 9, 2010 and 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	\$ 627,000
Deferred Developer Fee:	\$ 0	\$ 250,000
LIH Tax Credit Equity:	\$ 890,000	\$ 5,933,670
Direct & Indirect Public Funds:	\$ 6,626,333	\$12,354,756
Other:	<u>\$ 25,000</u>	<u>\$ 30,797</u>
Total Sources:	\$18,541,333	\$19,196,923

Uses of Funds:

Land Purchase:	\$ 879,079
On & Off Site Costs:	\$ 1,843,441
Hard Construction Costs:	\$ 9,675,566
Architect & Engineering Fees:	\$ 1,042,737
Contractor Overhead & Profit:	\$ 514,005
Developer Fee:	\$ 1,200,000
Cost of Issuance:	\$ 200,375
Capitalized Interest:	\$ 733,460
Other Soft Costs:	<u>\$ 3,108,260</u>
Total Uses:	\$19,196,923

Terms of Transaction:

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

Public Benefit:

Fifty-seven families will now be able to enjoy high quality affordable housing in Monterey County. Services at the complex will include on-site parking, laundry facilities, picnic areas, community room, computer room, fitness center, picnic area and a children's tot lot.

Percent of Restricted Rental Units in the Project: 100%
84% (48 Units) restricted to 50% or less of area median income households; and
16% (9 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:	Citibank, N.A.
Bond Counsel:	Jones Hall
Lender Counsel:	Paul, Hasting, Janofsky & Walker, LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Gubb & Barshay LLP
Financial Advisor:	Community Economics

Recommendation:

It is recommended that the CMFA Board of Directors approve a Final Resolution of \$11,000,000 for Cynara Court affordable housing project located in the City of Castroville, Monterey County, California.



CHAMPBELL HALL SCHOOL SUMMARY AND RECOMMENDATIONS

Applicant: Campbell Hall (Episcopal) School

Action: Final Resolution

Amount: \$30,000,000

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

Activity: Private School

Meeting: August 20, 2010

Background:

Campbell Hall (Episcopal) was founded in 1944 in North Hollywood, California. The school began with 74 students and has grown to over 1,000 students from kindergarten through twelfth grade. For more than 60 years, the commitment to encourage, inspire and nurture all aspects of child development, from the academic and ethical to the spiritual and emotional, has energized the very heart of the mission at Campbell Hall. Believing balance to be crucial in healthy, productive lives, the school's program provides a vast range of possibilities for creative and intellectual pursuits throughout the campus. The academic program, from primary classes through the most advanced courses at the high school, is structured and challenging. The elementary school provides young learners with a strong foundation in a carefully planned sequence of study. The college preparatory curriculum readies secondary students for the subject mastery and learning processes necessary for advanced study in the traditional disciplines. The school and its faculty endeavor to explore with students the cultures of the world, their art, literature, values, and ideals, and to instill habits of life-long learning.

The Project:

The proceeds of the Bonds will be loaned to Campbell Hall (Episcopal), a nonprofit public benefit corporation as described in section 501(c)(3) of the Internal Revenue Code

of 1986 (the “Corporation”), to finance and/or refinance the acquisition, construction, improvement and equipping of capital improvements relating to the Corporation’s educational facilities located at 4533 Laurel Canyon Boulevard, Los Angeles, California, which educational facilities are or will be owned and operated by the Corporation. Such educational facilities include, but are not limited to, three two-story connected buildings totaling approximately 111,000 square feet, with classrooms, an art gallery, a faculty resource center and subterranean parking.

The City of Los Angeles:

The City of Los Angeles is a member of the CMFA and will need to hold a TEFRA hearing. The City will receive approximately \$13,333 as part of CMFA’s sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	\$ 30,000,000
Total Sources:	\$ 30,000,000

Uses of Funds:

Rehabilitation:	\$ 200,000
New Construction:	\$ 25,500,000
New Machinery & Equipment:	\$ 2,500,000
Architectural & Engineering:	\$ 1,300,000
Legal and Professional:	\$ 500,000
Total Uses:	\$ 30,000,000

Terms of Transaction:

Amount:	\$30,000,000
Rate:	TBD
Maturity:	2040
Collateral:	Deed of Trust
Bond Purchasers:	Private Placement
Estimated Closing:	August 2010

Public Benefit:

Campbell Hall (Episcopal) embraces the philosophy that the students entrusted to its care are persons of both faith and reason. The faculty and staff encourage each student to quest for knowledge and to fit the educational experience into a pattern of faith for daily living. The school provides a climate where the values of community, self-worth, compassion, respect, service, and responsibility are taught as part of the school’s tradition. Campbell Hall is committed to academic excellence and to the nurturing of decent, loving, and responsible human beings.

Finance Team:

Bond Purchaser:	U.S. Bank
Bank Counsel:	Hawkins Delafield & Wood LLP
Bond Counsel:	Squire, Sanders & Dempsey LLP
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Law Offices of Rossi A. Russell
Borrower Financial Advisor:	Stone & Youngberg LLC
Trustee:	TBD

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution authorizing the issuance, sale and delivery of up to \$30,000,000 of tax-exempt bonds to finance or refinance the cost of the acquisition, construction, rehabilitation, installation and equipping of facilities, located in the City of Los Angeles, Los Angeles County, California.



BTL MACHINE SUMMARY AND RECOMMENDATIONS

Applicant: BTL Machine

Action: Final Resolution

Amount: \$5,200,000

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

Activity: Manufacturing

Meeting: August 20, 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:

Bond proceeds will be used to finance the purchase of new manufacturing equipment, including a new MAG 5 axis machine tool, a new 3-ton Girder Crane, and a new MAG 3 axis machine tool, to support new aerospace contracts and increased volume from existing customers.

City of Corona:

The City of Corona is a member of the CMFA and held a TEFRA hearing on June 15th and July 21st. The City of Corona is expected to receive approximately \$3,250 as part of CMFA's sharing of Issuance Fees.

Proposed Financing:

Sources of Funds:

Tax-Exempt Bond Proceeds:	<u>\$5,200,000</u>
Total Sources:	\$5,200,000

Uses of Funds:

New Machinery & Equipment:	\$5,000,000
Costs of Issuance:	<u>\$ 200,000</u>
Total Uses:	\$5,200,000

Terms of Transaction:

Amount:	\$5,200,000
Rate:	Fixed Rate
Collateral:	Equipment
Maturity:	2017
Bond Purchasers:	Private Placement
Estimated Closing:	August 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:	Jones Hall
Issuer Counsel:	Squire, Sanders & Dempsey LLP
Borrower Counsel:	Harold S. Nelson, Attorney at Law

Recommendation:

It is recommended that the CMFA Board of Directors adopt a Final Resolution in the amount of \$5,200,000 to finance a project for BTL Machine located in the City of Corona, County of Riverside, California.